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Environmental

Social

Governance



I. Name, title, and phone of the spokesperson:

Name: Wen-Yi Lo

Title: Assistant Vice President

Tel.: 886-37-871801 Ext. 2901

E-mail: wy.lo@yulon-motor.com.tw

Deputy Spokesperson: Xun-Gui Xie

Title: Manager

Tel.: 886-37-871801 Ext. 2901

E-mail: Justin.Hsieh@yulon-motor.com.tw

II. Headquarters and plant address:

No. 39-1, Bogongkeng, Xihu Village, Sanyi Township, Miaoli County, Taiwan

Tel.: 886-37-871801

Official Website: <http://www.yulon-motor.com.tw>

III. Name, address, and phone of the stock transfer agency:

Name: Yulon Motor Co., Ltd. Stock Affairs Office

Address: 7F, No. 150, Sec. 2, Nanjing E. Rd., Zhongshan Dist., Taipei City 10489, Taiwan
(Hualian Building)

Tel.: 886-2-2515-6421~5

Official Website: <http://www.yulon-motor.com.tw>

IV. Name, Firm, address, and phone of the acting independent auditors:

Auditors: Guo Li-Wen and Yu-Wei Fan

CPA Firm: Deloitte & Touche

Address: 20F, No. 100, Songren Rd., Xinyi Dist., Taipei City 11073, Taiwan

Tel.: 886-2-2545-9988

Website: <http://www.deloitte.com.tw>

V. Overseas securities exchange corporation listing: None

VI. Corporate Website: <http://www.yulon-motor.com.tw/>

Notice to readers

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

CONTENTS

I. Letter to Shareholders.....	1
II. Company Introduction	
2.1 Company Brief Introduction	2
2.1.1 Establishing Date	2
2.1.2 Highlights of Development.....	2
2.1.3 Achievement in 2020	4
2.1.4 Others.....	4
III. Corporate Governance Report	
3.1 Organization chart.....	5
3.1.1 Organization chart.....	5
3.1.2 Primary Functions of Departments	5
3.2 Directors, Supervisors, President, Senior Vice President, Vice President, and the respective departments and branch officers	6
3.2.1 Directors and Supervisors' Information.....	6
3.2.2 Major shareholders of institutional shareholders	12
3.2.3 Major shareholder of major institutional shareholders	12
3.2.4 Expertise and independence of directors and supervisors.....	15
3.2.5 Information on President, Senior Vice President, Vice President, and each department head.....	16
3.2.6 Compensation paid to Directors, Supervisors, President, and Senior Vice President for the Year 2020.	20
3.2.7 Analysis and explanation of the total compensations paid to directors, supervisors, President, and Senior Vice President/Net income ratio (%) for the last two years	24
3.3 Operation of Corporate Governance	26
3.3.1 Information of the Board function	26
3.3.2 Function of Audit Committee	29
3.3.3 The operation of corporate governance and its differing from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and the reasons	32
3.3.4 The Company that has set up a Compensation Committee shall disclose its composition, responsibilities, and operation	39
3.3.5 Performance of social responsibilities	41
3.3.6 Company's ethical corporate management and adopted measures	53
3.3.7 Corporate governance best-practice principles and related bylaws adopted by The Company and the inquiry methods	55
3.3.8 Any other material information that would afford a better understanding of the status of The Company's implementation of corporate governance may also be disclosed	55
3.3.9 Internal Control System Execution Status	56
3.3.10 Company or employees been penalized by law or employees received penalties from company for violating the Internal Control regulations in fiscal year 2020 and as of the publication date of the annual report, major nonconformities, and	

status of improvements	56
3.3.11 Major resolutions reached in the Shareholders' Meeting and Board Meeting in fiscal year 2020 and as of the publication date of the annual report	57
3.3.12 The objections of the directors or supervisors against the major resolutions reached in the Board meeting recorded or documented in writing in fiscal year 2020 and as of the publication date of the annual report.....	59
3.3.13 Table of resignation and dismissal of the Chairman, President, Accounting Officer, Finance Officer, Internal Chief Auditor, and R&D Director in fiscal year 2020 and as of the publication date of the annual report.....	59
3.3.14 Other disclosures.....	59
3.4 Information on auditing fees	60
3.4.1 When the non-auditing fee paid to the independent auditors, the CPA firm, and the affiliated companies is over one fourths of the auditing fee, shall disclose the amount of auditing and non-audit fee and the content of non-auditing services	60
3.4.2 The auditing fee paid in the year of changing to another CPA firm is less than the auditing fee paid in the prior year, shall state the amount of reduction, ratio, and reasons.....	60
3.4.3 When the auditing fee is decreased by over 15% from the prior year, shall state the amount of auditing fee reduced, ratio, and reasons.....	60
3.5 Information on change of CPA	61
3.6 When The Company's Chairman, President, or Financial/Accounting Manager employed by the underlying CPA firm or its affiliates within the year, shall disclose the name, the position, and working period in the underlying CPA firm or its affiliates	61
3.7 Equity transfer and equity change of the directors, supervisors, managers, and shareholders with over 10% shareholding in fiscal year 2019 and as of the publicationdate of the annual report.....	62
3.7.1 Changes in shareholding of the Directors, Supervisors, Managers, and Major Shareholders.....	62
3.7.2 Equity Transferred Information	62
3.7.3 Shares Pledged Information.....	63
3.8 Information on the top-10 shareholders who are affiliates or related as spouse or second cousins	63
3.9 The shareholding of The Company and The Company's Directors, Supervisors, Managers, and the enterprises directly or indirectly controlled by The Company in the same invested company, and the consolidated shareholding ratio	64

IV. Status of Fund Raising

4.1 Capital and Shares.....	65
4.1.1 Source of stock capital	65
4.1.2 Structure of Shareholders.....	66
4.1.3 Status of Ownership Dispersion.....	66
4.1.4 List of Major Shareholders	67
4.1.5 Data on Market Price, Net Value, Earnings, and Dividend Per Share within the last two years	67
4.1.6 Dividend Policy and Execution Status.....	68
4.1.7 The effect of the distribution of stock dividend as proposed in this Shareholders' Meeting on operation performance and earning per share.....	68

4.1.8	Employee Bonus and Remuneration to the Directors and Supervisors.....	68
4.1.9	Situations of The Company’s buy back treasury stocks	69
4.2	Corporate Bonds issued	69
4.3	Preferred stock issued	69
4.4	Disclosure relating to depository receipts	69
4.5	Status of employee stock certificates	69
4.6	The new shares from restricted employee stock option	69
4.7	Disclosure on new shares issued in exchange of other company shares	70
4.8	Progress on the use of funds	70

V. Highlights of Operations

5.1	Business Content.....	71
5.1.1	Business Scope	71
5.1.2	Industry Summary.....	71
5.1.3	Technology and Research & Development.....	73
5.1.4	Long-term and short-term business development plan	73
5.2	Market, Production, and Sales Review	75
5.2.1	Market Analysis	75
5.2.2	Main Applications of Major Products and Their Manufacturing Processes	77
5.2.3	The Supply of Major Materials.....	77
5.2.4	The name, purchase (sale) amount, and ratio of the customers accounted for over 10% of the total purchase (sale) in one of the last two years, and the reason for the changes in purchase (sales).....	78
5.2.5	Production Volume and Value of Recent Two Years	78
5.2.6	Sales Volume and Value of Recent Two Fiscal Years.....	79
5.3	Employees.....	79
5.4	Expenditures on Environment Pollution Control	80
5.4.1	The amount of penalty/fine imposed due to environmental pollution for the recent two years and as of the publication date of the annual report	80
5.4.2	The countermeasures and the potential expense	80
5.4.3	Effects of improvement performed	80
5.4.4	Whether The Company develops energy-saving and carbon reduction, greenhouse gas emissions reduction, water usage reduction, or other waste policy	81
5.5	Labor-Employer Relation	81
5.5.1	Current Prominent Labor-Employer Agreement, employee benefits, and the Implementation	81
5.5.2	Labor/employer dispute	85
5.5.3	Employee communication channels.....	85
5.5.4	Work environment and employees’ personal security protection measures	85
5.6	Prominent Contracts.....	86

VI. Financial Information

6.1	Condensed Financial Statements for the recent 5 fiscal years	87
6.1.1	Condensed Balance Sheet and Income Statement.....	87

6.1.2	The name and opinion of the independent auditors	90
6.2	Financial Analysis for the recent 5 Fiscal Years	91
6.3	Audit Committee's Report.....	94
6.4	Recent annual financial statements	100
6.5	The audited consolidated financial statements of the parent company and subsidiaries in recent year.....	107
6.6	Financial difficulties encountered by The Company and/or its affiliates in the recent year and as of the publication date of the annual report.....	355
VII.	Review and Analysis of Financial Conditions and Performance and Risk Management	
7.1	Financial Conditions	356
7.2	Analysis of Financial Performance	357
7.3	Cash Flow Analysis	359
7.3.1	Liquidity Analysis over the Recent 2 year.....	359
7.3.2	Cash Liquidity Analysis within the year.....	359
7.4	The impact of material capital expenditure in 2019 on finance and business.....	360
7.4.1	The use of significant capital expenditures and the source of funds.....	360
7.4.2	Expected Benefits	360
7.5	Reinvestment Policy in Fiscal Year 2020, Major Reasons for Profit and Loss, Its Improvement Plan, and Next Year's Investment Plan	361
7.6	Risk Management and Evaluation	362
7.6.1	Organizational structure of risk management	362
7.6.2	The impact of interest rate, foreign exchange rate, and inflation on The Company's profit/loss in fiscal year 2020 and as of the publication date of the annual report, and future responsive measures	362
7.6.3	High risks, high leverage investments, loaning of funds, endorsement and guarantee, and derivatives trade policy in fiscal year 2020 and as of the publication date of the annual report, major reasons for profit/loss, and future responsive measures.....	363
7.6.4	Future and projected research and development plans, status of research and development plans in progress, additional research and development expenses required, estimated date to start mass production, and major factors influencing the success of future research and development plans.....	363
7.6.5	The impact of material changes of local and foreign government policies and regulations in fiscal year 2020 and as of the publication date of the annual report on The Company's finance and business, and the responsive measures	363
7.6.6	The impact of technology changes and industrial changes in 2020 on The Company's finance and business, and the responsive measures.....	363
7.6.7	The impact of corporate image change in 2020 and as of the publication date of the annual report on the corporate crisis management, and the responsive measures	364
7.6.8	The expected benefits and possible risks of merge & acquisition in fiscal year 2020 and as of the publication date of the annual report.....	364
7.6.9	The expected benefits and possible risks of factory expansion in fiscal year 2020 and as of the publication date of the annual report.....	364
7.6.10	Risks of Sales and Purchases Centralization in fiscal year 2020 and as of the publication date of the annual report.....	364

7.6.11	The impact and risk of significant equity transfer and conversion of the Directors, Supervisors, or major shareholders with over 10% shareholding on The Company in fiscal year 2020 and as of the publication date of the annual report.....	364
7.6.12	The impact and risks of changes in operation right in fiscal year 2020 and as of the publication date of the annual report.....	364
7.6.13	Litigation and non-litigation events in fiscal year 2020 and as of the publication date of the annual report	364
7.6.14	Other material risks.....	365
7.7	Other Important matters	365

VIII. Specially Noted Matters

8.1	Affiliates information.....	366
8.1.1	Affiliates Consolidated Business Report	366
8.1.2	Affiliates Consolidated Financial Statements	407
8.1.3	Relationship Report	407
8.2	The Status of Issuing Private Placement Securities in Fiscal Year 2020 and as of the publication date of the annual report.....	407
8.3	Acquisition or Disposal of Yulon Shares by Subsidiaries in Fiscal Year 2020 and as of the publication date of the annual report.....	407
8.4	Other necessary supplementary notes	407
8.5	The occurrence of any events as stated in Section 3 Paragraph 2 in Article 36 of the Securities Exchange Act that had significant impacts on shareholders' equity or securities prices in fiscal year 2019 and as of the publication date of the annual report.....	407

I. Letter to Shareholders



Dear Shareholders,

Thank you very much for your love and support for Yulon Motor in the past year. Here is a summary on the Company's 2020 business outcomes and the 2021 business plan.

➤ The 2020 business outcomes

Despite the automotive market decline last year (2020) due to the COVID-19 pandemic, Taiwan's automotive market achieved successful pandemic prevention, with a slight 4% increase in total sales and reaching 457,400 vehicles. However, with the market share of imported cars reaching nearly 50%, the total number of customs-cleared vehicles was 40,258 vehicles (including Nissan and Luxgen brands), a 6.52% decrease; the operating income totaled NTD28.272 billion, a 6.58% decrease.

In terms of profitability, the operating profit last year (2020) amounted to NTD1.013 billion, a 3.32% decrease. The net profit after tax amounted to NTD2.739 billion, and the earnings per share after tax was NTD2.8, a substantive increase by 111.20% and 116.86% respectively. This shows that under the main strategy of the company's pragmatic transformation on the one hand, the business constitution can be improved through financial structure adjustment. On the other, initial results have been seen in terms of the company's commitment to enhancing operating efficiency, cutting down costs and reducing losses.

We have always insisted on launching new vehicle models suited to customers' needs. In October last year (2020), the Nissan brand launched the new local Sentra model. It has a sharp front styling and a streamlined body and is equipped with Nissan Intelligent Mobility smart technology. In November, the imported British-style trendy SUV New Juke was introduced. The interior design fully demonstrates personal taste and style. The Luxgen brand launched the URX 7-seater LOHAS model in November 2020. With the complete and spacious 7-seater space, flexible seat design, and thoughtful well-being features, it is a medium to large SUV for the whole family (of all ages).

While the company is actively enhancing its business performance, it also attaches great importance to corporate governance. According to the Corporate Governance Evaluation result released by the Taiwan Stock Exchange, the company has for seven consecutive years ranked in the top 5% of TAIEX listed companies. Looking ahead, the company will continue to strengthen corporate governance while extending the scope to take more active measures in ESG (environmental sustainability, social responsibility, corporate governance).

➤ Business plans for 2021 and beyond

The company will continue to optimize automotive integration and smart manufacturing undertakings, thereby creating smart manufacturing value. The first and foremost task is to integrate existing new energy vehicle R&D and production technology, cultivate green energy businesses, and focus on the development of new energy vehicles. At the same time, the renewable energy use ratio of the plant will also be enhanced, thus further achieving carbon neutralization.

At the end of last year (2020), the company's first batch of energy storage products were exported to the United States. It is expected that with the USD2.3 trillion infrastructure plan of the United States, the green energy industry will achieve considerable growth, which will, in turn, boost the year-on-year increase of the Company's energy storage products exported to the United States. Secondly, in terms of the setup of clean energy power generation systems, the company's Sanyi plant has cumulatively constructed a solar power generation volume of 5.2MW, which is expected to reach 20.2MW within the next five years. The ultimate goal is to achieve 100% solar power for power consumption.

As for the development progress of Yulon Town in Xindian, the Company has signed contracts with Eslite Bookstore, ViSHOW Cinemas, and other partners. Yulon Town is expected to officially open by the end of next year (2022). The Yulon Town Mall will combine business, technology, living, humanities, and other elements to provide leisure and entertainment, cuisine and shopping, cultural creativity and humanities, and the group's automotive value chain service momentum. High-quality and convenient living will be provided for the core living circle in Southern District, Taipei City.

Lastly, the automotive industry in the face of a major transformation that happens once a century is moving towards electrification, intelligentization, networking, and sharing developments. The Company endeavors to combine external cooperation resources and carry out resource allocation and business layout in conjunction with the new trend. From the pragmatic transformation phase to the new step of transformation and upgrade, we look forward to the continuous support of our shareholders, customers, suppliers, and partners. Best wishes to all shareholders and the families, for good health and a prosperous year!

Chairman Yen Chen Li-Lien

II. Company Profile

I. Company Profile

- (I) Date of incorporation:
September 10, 1953
- (II) Company history:
 - Sep. 1953: The company was founded by Mr. Yen Ching-Ling under the name of “Yulon Machinery Manufacturing Co., Ltd.” The capital amount was NT\$2 million.
 - Oct. 1956: The first jeep was successfully built and publicly exhibited at the Double Ten Festival.
 - Apr. 1957: Held a long-distance road test for self-made jeep from Taipei to Kaohsiung, and transported the vehicle to Bangkok for the International Commodity Exhibition.
 - Dec. 1957: Signed a technical cooperation agreement with Nissan Motor Co.
 - Mar. 1959: Officially produced YLN-101 five-ton gasoline truck chassis.
 - Mar. 1960: Launched YLN-701 1200C.C blue bird small sedan, pioneering the production of small cars in Taiwan.
 - Sep. 1960: Officially changed name to “YULON MOTOR CO.,LTD”
 - Apr. 1962: Signed a technical cooperation contract with Innocenti (Italy) to produce Lambda two-wheeled motorcycles.
 - Oct. 1964: The expansion plan of 20,000 vehicles per year was drafted.
 - Dec. 1968: Semi-automatic operation equipment for casting plant completed.
 - Mar. 1970: The first set of large-scale electroplating equipment and integrated production line in Taiwan was completed and put into operation.
 - Dec. 1972: The Company's cumulative production exceeded 50,000 vehicles.
 - Mar. 1973: Xindian stamping plant was completed with construction and opened.
 - Nov. 1973: Xindian plant's office building expansion started.
 - Aug. 1976: The Company's shares were officially listed on the centralized market of the stock exchange.
 - Jul. 1977: The preparatory office for the construction of the Sanyi plant was established, and the construction of the plant was started.
 - May 1981: The first phase construction of the Sanyi plant was completed and production began.
 - Aug. 1981: Established an engineering center in Guishan Industrial Zone, Taoyuan, dedicated to automobile design and development.
 - May 1983: Sulley sedan was exported to the Middle East and the Caribbean, pioneering the export of domestic sedans.
 - May 1986: Established the “Wu Shun-Wen's News Scholarship Foundation”.
 - Oct. 1986: The first Taiwanese designed and developed car, the Feeling 101, was launched.
 - Dec. 1990: Our NEW SENTRA sedan was launched.
 - Dec. 1991: Our cumulative production volume exceeded one million units.
 - Sep. 1992: Yulon Motor completely updated its Corporate Identity System (CIS).
 - Sep. 1992 : The Company's self-developed “Arex“ new car was launched.
 - Jun. 1993: Our March was officially launched.
 - Jul. 1994: Our entire vehicle lineup was marketed under the NISSAN brand.
 - Nov. 1995: Implemented plant and office consolidation
 - Feb.1996: Our CEFIRO sedan was officially launched.
 - Nov. 1996: The Company obtained ISO 9002 international quality assurance certification.
 - Oct. 1997: The Company's VERITA was officially launched.
 - Oct. 1997: The first Wood Carving Golden Quality Award was held.
 - Oct. 1998: Awarded the “National Quality Award“, the highest honor for quality in the Republic of China, by the Executive Yuan.
 - Nov. 1998: The Engineering Center was officially upgraded to Yulon Asia Technology Center (YATC).
 - Mar. 1999: The Company obtained the international standard ISO 14001 environmental management system certification.
 - Oct 1999: Invested in Philippine Plant (NMPI) to enter Southeast Asia market.
 - Nov. 1999: The Company obtained ISO 9001 certification.
 - Nov. 1999: Launched the commercial vehicle “Cabstar“, setting a new benchmark for commercial vehicles.
 - Dec. 1999: Won the 2nd National Public Service Award.
 - May 2000: Signed a joint venture contract with Dongfeng Motor in Mainland China to enter the Mainland market.
 - Jun. 2000: Launch of SENTRA 180, our new e-smart saloon.
 - Nov. 2000: Acquired the dealership of Renault France in Taiwan.

- Sep. 2001: Launch of QRV, our first recreational vehicle.
- Nov. 2002: Awarded the 11th “R.O.C. Corporate Environmental Protection Award“ by the Environmental Protection Administration, Executive Yuan.
- Dec. 2002: Launched X-TRAIL, the first Sports RV of the Company.
- Aug. 2003: Yulon Motor exclusively sponsored the production of the Linwang specimen.
- Oct. 2003: Yulon split into two companies, Yulon Motor and Yulon Nissan.
- Dec. 2003: Groundbreaking ceremony of “Travel the World Auto Mall“ was held.
- Jan. 2005: Yulon and General Motors officially signed a joint venture agreement.
- May 2005: Grand opening of Travel the World Auto Mall, combining the Dome Plaza and the Dome Theatre to provide the public with a rich city life.
- Jul. 2005: “Yulon General Motors Co., Ltd.” was established as a joint venture with General Motors to sell new cars and service parts under the BUICK, CADILLAC and OPEL brands.
- Oct. 2005: The pressing workshop of Sanyi plant obtained ISO TS/16949 certification.
- Dec. 2005: Received the first “R.O.C. Green Accounting Award“ from the Department of Commerce, Ministry of Economic Affairs.
- Dec. 2005: Participated in the investment and establishment of Hua-Chuang Automobile Information Technical Center Co., Ltd. for research and development of innovative automobile electronic modules.
- Aug. 2006: Renault Modus 1.6 new car launched.
- Nov. 2006: Megane 1.6/2.0 five-door facelift launched.
- Oct. 2007: NISSAN LIVINA 1.8/1.6 new car launched.
- Nov. 2007: NISSAN CABSTAR was officially launched.
- Nov. 2007: Opening ceremony of Yulon Nissan Design Center.
- Feb. 2008: Sold 8,347 m² of Xindian plant to HTC for maximizing and realizing land development benefits.
- Mar. 2008: OPEL ASTRA Sri new car launched.
- May 2008: Established Luxgen Motor Co., Ltd. to develop own brand.
- Jun. 2008: Renault MEGANE dci series launched.
- Sep. 2008: 2008 Yulon Motor Sustainability Report published.
- Nov. 2008: Renault GRAND SCENIC diesel RV was launched.
- Aug. 2009: Luxgen Motor Co., Ltd. unveiled the first LUXGEN 7 MPV, a 7-seater RV.
- Sep. 2009: Established Yulon TOBE Motor Co., Ltd. to market own brand of cars - TOBE.
- Dec. 2009: Yulon TOBE Motor Co., Ltd. released the first TOBE M'car, which was exported to Vietnam and other places.
- Apr. 2010: LUXGEN 7 MPV won the 18th “Taiwan Excellence Golden Quality Award“ and “Taiwan Excellence Popularity King“.
- May 2010: Luxgen Motor Co., Ltd. announced the LUXGEN 7 SUV, a luxury Sports RV.
- Jul. 2010: Luxgen EV electric vehicle was officially registered.
- Oct. 2010: Luxgen Motor Co., Ltd. unveiled the LUXGEN 7 CEO model.
- Jan. 2011: Yulon TOBE Motor Co., Ltd. released the 2011 m'car 1.5L.
- Apr. 2011: LUXGEN 7 MPV won the 19th “Taiwan Excellence Gold Quality Award“ and “Taiwan Excellence Popularity King“.
- May 2011: LUXGEN 7 SUV EV+ won the “2011 Green Car of the Year“ award from the Environmental Protection Administration.
- July 2011: LUXGEN 7 SUV, the first model of DengfengYulon Motor Co.Ltd officially rolled off the assembly line
- Sep. 2011: Yulon TOBE Motor Co., Ltd. released tobe W'car 1.5L.
- Oct. 2011: NISSAN NEW MARCH was launched.
- Nov. 2011: Luxgen Motor Co., Ltd. was awarded “2011 Taiwan Innovative Enterprise“ by the Ministry of Economic Affairs.
- May 2012: TOBE's first four-door sedan, the M'way 1.8L, was launched.
- Jul. 2012: TOBE's first five-door hatchback, the Q'way 1.8L, was launched.
- Aug. 2012: Launched LUXGEN 5 Sedan, the first sedan.
- Aug. 2012: Luxgen won the 20th “Taiwan Excellence Award“ with LUXGEN CEO EV+.
- Dec. 2012: NISSAN BIG TIIDA was launched.
- Jun. 2013: NISSAN JUKE was imported from UK with original packaging and launched.
- Oct. 2013: NISSAN SUPER SENTRA, the most powerful mid-size car ever built, was launched.
- Nov. 2013: LUXGEN U6 TURBO was launched.
- Mar. 2014: NISSAN ALL NEW LIVINA energy-saving RV small player made its debut.
- Sep. 2014: The Company was awarded three stars by the Taipei City Government as the “4th Edition of Happy Enterprise“.
- May 2015: NISSAN “Super Play Beauty“ X-TRAIL made its debut.

- Jun. 2015: The Company was ranked among the top 5% in the first edition of corporate governance rating.
- Jun. 2015: The Company announced its initiative to subscribe 1.89 million kWh of green power, becoming the first domestic automobile company to subscribe to green power.
- Sep. 2015: NISSAN JUKE 2016 made its debut.
- May 2016: LUXGEN V7 TURBO ECO HYPER high-top welfare car made its debut.
- May 2016: LUXGEN S3 CROSS SEDAN was launched.
- Sep. 2016: The Company was awarded the Work-Life Balance Award by the Ministry of Labor, the only company in the domestic automobile industry to receive double recognition.
- Sep. 2016: NISSAN MURANO HYBRID made its debut.
- Aug. 2017: LUXGEN's 100,000th new vehicle, the U5 SUV, rolled off the assembly line (supported by 10 years mileage and 100,000 car owners).
- Sep. 2017: LUXGEN U5 SUV was officially launched (the first in the world to be equipped with a vehicle AR imaging system).
- Nov. 2017: LUXGEN U6 GT/GT220 facelift was launched.
- Nov. 2018: NISSAN's global strategic car model KICKS was launched.
- Dec. 2018: Included as a constituent of the FTSE4Good Taiwan Sustainability Index.
- Sep. 2019: Awarded No. 11 in the Large Enterprise Category of the CommonWealth's Corporate Citizenship Awards.
- Sep. 2019: Value chain transformation, fully opened up to diversified customers, announced the OEM assembly of ADIVA three-wheeled heavy motorcycle for export to Europe, Japan and Southeast Asia.
- Sep. 2019: Credit rating result: Business development plan changed to conservative and prudent, long-term "twA-", short-term "twA-2", outlook "stable".
- Oct. 2019: Announced the export of Muse electric logistics vehicles to France, actively expanding the opportunities to serve diversified customers at home and abroad.
- Oct. 2019: Luxgen's new 5+2 SUV URX was officially launched.

(III) 2020 operating results

- Mar. 2020: Yulon and Hon Hai signed a joint venture agreement to establish a company to jointly promote the transformation and upgrading of Taiwan's industries.
- Mar. 2020: LUXGEN URX 7-seater ARD Smart-Go model launched.
- Jun. 2020: Yulon Motor among the "Corporate Governance Review - Top 5%" for six times.
- Jul. 2020: LUXGEN URX 5+1 LOHAS model launched.
- Aug. 2020: LUXGEN URX 5+1 LOHAS model, the first "Quick Lock" wheelchair fastening device, won the 2020 iF design award.
- Nov. 2020: NISSAN ALL NEW SENTRA was launched.

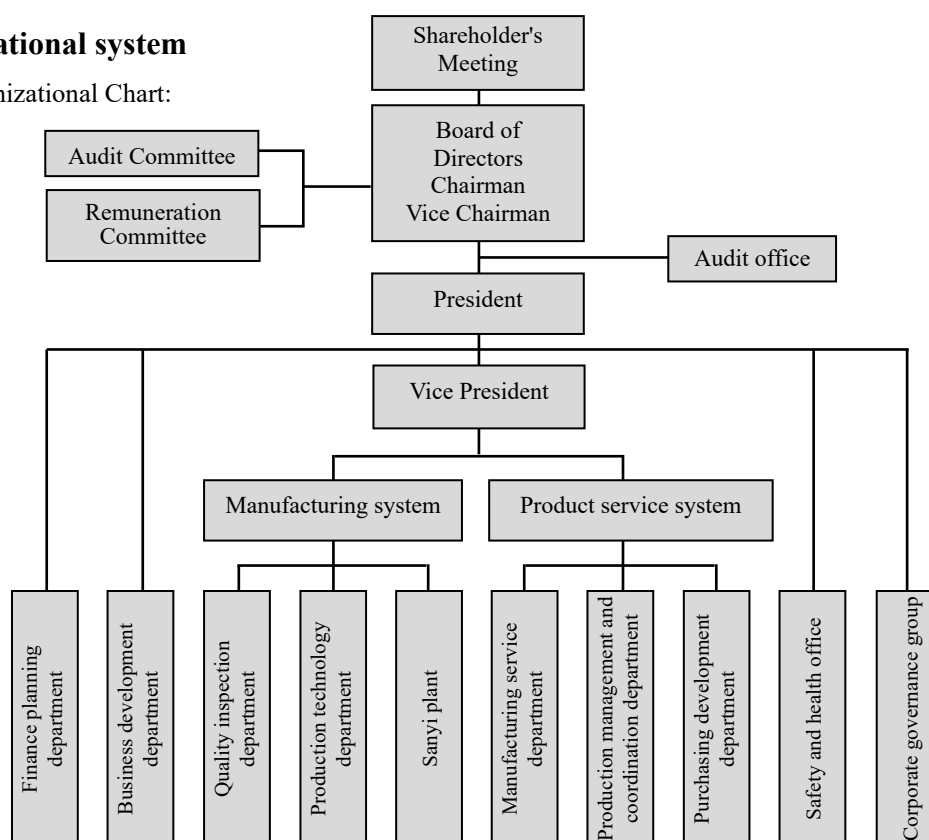
(IV) Other matters:

- (1) In order to support the operating capital for business expansion, Luxgen Motor Co., Ltd. first reduced capital by NT\$50 million and then increased capital by NT\$6,000 million. After the capital increase, the paid-in capital was NT\$6,050 million and the Company's shareholding remains 100% after the capital increase and decrease.
- (2) In order to improve the financial structure and for business development, the Company increased capital by \$7,474 million in Hua-Chuang Automobile Information Technical Center Co., Ltd., consisting of \$5,624 million in cash and \$1,850 million in real estate as the consideration, and its capital was \$12,701 million after the capital increase.
- (3) For the purpose of operational development, the Company increased the capital of "Luxgen (Hangzhou) Motor Sales Co., Ltd." through 100% held "Yulon Motor Investment (HK) Co. Ltd." by RMB1.4 billion. The original capital amount was RMB1.6 billion and the capital amount was RMB3 billion after the capital increase.

III Governance report

I. Organizational system

(I) Organizational Chart:



(II) Businesses of Major Departments

Department	Functions
Audit office	Responsible for planning and implementing the audit of the Company's internal control system and tracking its improvement; supervising and managing the subsidiaries.
Finance planning department	Manage operating capital and provide financial analysis information; integrate the Company's financial, tax, accounting, and shareholder operations; plan and promote human resources regulations, systems, and project plans.
Business development department	Planning and management of investee business; promotion of new brand (product) business development; support overseas business units in planning and execution of related business.
Quality inspection department	Planning and promotion of company-wide quality assurance strategy and quality assurance system; promotion and monitoring of product inspection and intelligence system; promotion of quality awareness and improvement activities and commissioning of vehicle testing business.
Production technology department	Planning and execution of company-wide production facilities, development and implementation of production technology improvement plans, and management of new product production development and trial runs.
Sanyi plant	Responsible for the production of products; management and maintenance of office buildings, plants, production equipment, power, water resources and environmental protection planning and supervision; operation of tourist factories.
Manufacturing service department	Planning and execution of production business; OEM contracting, production cost and OEM performance management; planning and management of the company's overall information resources.
Production management and coordination department	Integrated production planning coordination, planning and control; parts material demand planning and control; production management logistics application system planning and establishment; replenishment productivity and storage cost control; parts export business planning and promotion.
Purchasing development department	Nationalized parts design and development, procurement and outsourcing management; production equipment, material procurement, cost control and import and export logistics operations.
Safety and health office	Conduct industrial safety and health related business in accordance with the company's regulations, regularly perform labor environmental inspection and monitoring, prevent occupational disasters, and guide relevant units to implement related plans.
Corporate governance group	Responsible for supervising and executing the operation of the corporate governance; integrating the management strategy planning, objectives and operation plan control of the company.

II. Profiles of Directors, Supervisors, President and Vice Presidents, Associate Vice Presidents, Heads of the Departments and Branches

(I) Information on directors

Title (Note 1)	Nationality/ Country of Origin	Name	Gender	Date Elected	Term of office	Date First Elected (Note 2)	Shareholding when Elected		Current Shareholding		Spouse & Minor Current Shareholding	
							Number of shares	%	Number of shares	%	Number of shares	%
Chairman	R.O.C.	Tai Yuen Textile Co., Ltd. Representative: Yen Chen Li- Lien	Female	2019.07.01	3 years	1992.07.01	284,901,045 377,924	18.11 0.024	181,128,973 33,114,652	18.11 3.31	0 68,927,571	0 6.89
Vice Chairman	R.O.C.	Tai Yuen Textile Co., Ltd. Representative: Tso, Chi-Sen	Male	2021.02.26	1 year	2021.02.26 (Note 5)	284,901,045 0	18.11 0	181,128,973 0	18.11 0	0 2,014	0 0.0002
Director	R.O.C.	China Motor Corporation Representative: Shin-I Lin	Male	2019.07.01	3 years	2007.07.13	262,228,166 0	16.67 0	166,714,441 0	16.67 0	0 0	0 0

April 19, 2021

Shareholding by Nominee Arrangement		Major experience (education) (Note 3)	Current position at the Company and other company (Note 4)	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
Number of shares	%			Title	Name	Relation
0	0	Department of Physical Education, Chinese Culture University	Chairman of China Motor Corporation Chairman of Yulon Nissan Motor Co., Ltd. Chairman of Taiwan Acceptance Corporation Chairman of Tai Yuen Textile Co., Ltd. Chairman of Winsome Development Company Limited Director of Yulon Construction Co., Ltd. Chairman of Carnival Industrial Corporation Chairperson and president of Yulon-Administered Enterprises Company Limited For the rest, please refer to "Information on Affiliates"	None	None	None
0	0	Department of Business Administration, National Chengchi University Entrepreneur Management Research Class Special Advisor to YULON MOTOR CO.,LTD Vice president of Hna-Chuang Automobile Information Technical Center Co., Ltd. Special assistant of China Motor Corporation President of Dongnan (Fujian) Automobile Industry Co. Vice President of China Motor Corporation Assistant Vice President of China Motor Corporation	Director of Taiwan Acceptance Corporation Chairman of Foxtron Vehicle Technologies Co., Ltd.	None	None	None
0	0	Department of Mechanical Engineering, National Cheng Kung University Chairman of Industrial Technology Research Institute Vice Chairman and President of China Motor Corporation President of Taiwan Transportation Vehicle Manufacturers Association Vice Premier of the Executive Yuan and Chairman of the Council for Economic Planning and Development Minister of Economy	Director of China Motor Corporation Managing and independent director of WEIER Electric Dalian Co., Ltd.	None	None	None

Title (Note 1)	Nationality/ Country of Origin	Name	Gender	Date Elected	Term of office	Date First Elected (Note 2)	Shareholding when Elected		Current Shareholding		Spouse & Minor Current Shareholding	
							Number of shares	%	Number of shares	%	Number of shares	%
Director	R.O.C.	China Motor Corporation Representative: Liang Zhang	Male	2019.07.01	3 years	2008.08.27	262,228,166 0	16.67 0	166,714,441 0	16.67 0	0 1,907	0 0.0002
Director	R.O.C.	Yen Ching- Ling's Foundation Representative: Jack, J.T .Huang	Male	2019.07.01	3 years	1992.07.05	17,287,844 0	1.09 0	10,990,936 0	1.09 0	0 0	0 0
Director	R.O.C.	Yen Ching- Ling's Foundation Representative: Zhen-Xiang Yao	Male	2019.07.01	3 years	2004.07.01	17,287,844 15,412	1.09 0.001	10,990,936 203,738	1.09 0.0204	0 0	0 0
Independent Director	R.O.C.	Yi-Hong Hsieh	Male	2019.07.01	3 years	2013.07.01	0	0	0	0	0	0

April 19, 2021

Shareholding by Nominee Arrangement		Major experience (education) (Note 3)	Current position at the Company and other company (Note 4)	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
Number of shares	%			Title	Name	Relation
0	0	State University of New York at Albany, USA. Ph.D. in Economics	Director of Taiwan Acceptance Corporation Supervisor of Yulon-Administered Enterprises Company Limited Independent director of My Humble House Hospitality Management Consulting Independent director of Ho-Ping Power Company	None	None	None
0	0	Doctor of Laws, Harvard University, USA	Director of Tai Yuen Textile Co., Ltd. Independent director of WPG Holdings Independent director of SYSTEX Corporation Independent director of CTCI Corporation Director of Taiwan Capital Buffalo Fund Co., Ltd. Director, etc. of Taiwan Capital Biotechnology Corporation For the rest, please refer to "Information on Affiliates"	None	None	None
0	0	Curtin University MIB Vice President of YULON MOTOR CO.,LTD	Director of Yulon Nissan Motor Co., Ltd. Director of Taiwan Acceptance Corporation Chairman of Luxgen Motor Co., Ltd. Director of China Motor Corporation Director of Foxtron Vehicle Technologies Co., Ltd. Director of Yulon-Administered Enterprises Company Limited Supervisor, etc. of Dengfeng Yulon Motor Co.Ltd Chairman of Uni Auto Parts Manufacture Co., Ltd Chairman of China Ogihara Corporation Chairman of Yulon Construction Co., Ltd. Vice Chairman of Guangzhou FengShen Automobiles Limited Chairman of Yulon Automotive (China) Investment Limited For the rest, please refer to "Information on Affiliates"	None	None	None
0	0	Doctor of Law, Stanford University School of Law, USA School of Law, City University of Hong Kong Visiting Professor Adjunct Professor, College of Management, National Taiwan University Adjunct Professor, EMBA, National Central University Professor, Graduate Institute of Law, Soochow University Senior Civil Service Examination Committee of the Examination Yuan	Remuneration Committee Member of YULON MOTOR CO.,LTD Audit Committee Member of YULON MOTOR CO.,LTD Independent director of momo.com Inc. Remuneration Committee Member of momo.com Inc. Audit Committee Member of momo.com Inc. Independent director of Taiwan Acceptance Corporation Remuneration Committee Member of Taiwan Acceptance Corporation Audit Committee Member of Taiwan Acceptance Corporation	None	None	None

Title (Note 1)	Nationality/ Country of Origin	Name	Gender	Date Elected	Term of office	Date First Elected (Note 2)	Shareholding when Elected		Current Shareholding		Spouse & Minor Current Shareholding	
							Number of shares	%	Number of shares	%	Number of shares	%
Independent Director	R.O.C.	Zhongqi Zhou	Male	2019.07.01	3 years	2016.07.01	0	0	0	0	0	0
Independent Director	R.O.C.	Yen-Chin, Tsai	Male	2019.07.01	3 years	2018.07.01	0	0	0	0	0	0

Note 1: Corporate shareholders should have the name of corporate shareholders and representative illustrated separately (the name of the corporate shareholders should be noted) also, Table (2) should be filled out.

Note 2: Indicate the date of the first-time elected director or supervisor; also, the period of interruption should be noted.

Note 3: For the current job-related experiences, such as, worked in the CPA firm or affiliate office responsible for the auditing and checking during the aforementioned period of time, the job title and responsibility should be stated.

Note 4: Chairman and president of the company are not the same person, spouses or relatives within the first degree of kinship.

Note 5: The corporate director, Tai Yuen Textile Co., Ltd. reassigned its representative, and the vice chairman, Kuo-Rong Chen, was relieved of office on 2021.02.26; the new director, Tso, Chi-Sen, was newly appointed on 2021.02.26. On 2021.03.25, the Board of Directors elected Director Tso, Chi-Sen as the new Vice Chairman.

* Indicates personal shareholding

April 19, 2021

Shareholding by Nominee Arrangement		Major experience (education) (Note 3)	Current position at the Company and other company (Note 4)	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
Number of shares	%			Title	Name	Relation
0	0	Master of Science in Mathematics, Colorado State University, USA Senior Consultant, Chairman's Office, Chunghwa Telecom Co. President of Taiwan Star Telecom	Remuneration Committee Member of YULON MOTOR CO.,LTD Audit Committee Member of YULON MOTOR CO.,LTD Independent director of Taiwan Acceptance Corporation Remuneration Committee Member of Taiwan Acceptance Corporation Audit Committee Member of Taiwan Acceptance Corporation Independent director of Standard Foods Corporation Remuneration Committee Member of Standard Foods Corporation Independent director of Fubon Life Insurance Co., Ltd. Director of Kiwi Technology Inc.	None	None	None
0	0	Ph.D. in Accounting from the University of California, Los Angeles Dean, Department of Accounting, National Taiwan University Professor, Graduate Institute of Accounting, National Taiwan University Advisor of Taiwan International Financial Reporting Standards Committee, Accounting Research and Development Foundation of the Republic of China Member of Taiwan Stock Exchange Listing Review Committee	Remuneration Committee Member of YULON MOTOR CO.,LTD Audit Committee Member of YULON MOTOR CO.,LTD Independent director of Nan Shan Life Insurance Company, Ltd. Remuneration Committee Member of Nan Shan Life Insurance Company, Ltd. Audit Committee Member of Nan Shan Life Insurance Company, Ltd. Independent Director of Genesys Logic, Inc. Remuneration Committee Member, etc. of Genesys Logic, Inc. Independent Director of Cowealth Medical Holding Co. Ltd. Audit Committee Member of Cowealth Medical Holding Co. Ltd.	None	None	None

(II) Major shareholders of the institutional shareholders

April 19, 2021

Names of Institutional Shareholders (Note 1)	Major shareholders of the institutional shareholders (Note 2)
1. Tai Yuen Textile Co., Ltd.	<ol style="list-style-type: none"> Xiang Wei Investment Co., Ltd. (22.15%) Yen Ching-Ling's Foundation (14.24%) Hoffman Brothers Investment Company of the British Virgin Islands (9.80%) British Virgin Islands Merchant Evans Limited (9.71%) British Cayman Islands Commercial Western Bridge Investment Company (9.13%) Liyuan Investment Corporation (7.17%) Yongshun Investment Co., Ltd. (6.82%) Diamond Hosiery & Thread Co., Ltd. (5.89%) Lippen Investment Co., Ltd. (5.61%) Yuanwei Investment Co., Ltd. (3.10%)
2. China Motor Corporation	<ol style="list-style-type: none"> Tai Yuen Textile Co., Ltd. (25.18%) Mitsubishi Motors Taiwan (14.00%) YULON MOTOR CO.,LTD (8.05%) Diamond Hosiery & Thread Co., Ltd. (6.76%) Mitsubishi Corporation (4.79%) Nan Shan Life Insurance Company, Ltd (2.70%) Taiwan Life Insurance Co., Ltd. (1.18%) Fande Investment Co., Ltd. (0.87%) Yung Hang Investment Co., Ltd. (0.72%) New Labor Pension Fund(0.65%)
3. Yen Ching-Ling's Foundation	Established by a joint donation from Yen Ching-Ling and Wu Shun-Wen (100%)

Note 1: If the director or supervisor is a representative of a corporate shareholder, the name of the corporate shareholder should be filled in.

Note 2: Enter the names of the major shareholders of the corporate directors (whose shareholdings are among the top ten) and their shareholdings. If the major shareholder is a corporation, the following Table (3) should be completed.

Note 3: If a corporate shareholder is not a company organization, the name of the shareholder and the percentage of shareholding in the preceding paragraph shall be the name of the investor or donor and the percentage of the investment or donation.

(III) Major shareholders of the Company's major institutional shareholders

April 19, 2021

Names of corporate shareholders (Note 1)	Major shareholders of the corporate shareholders (Note 2)
1. Xiang Wei Investment Co., Ltd.	<ol style="list-style-type: none"> Tai Yuen Textile Co., Ltd. (90.60%) Diamond Hosiery & Thread Co., Ltd. (9.40%)
2. Hoffman Brothers Investment Company of the British Virgin Islands	Unavailable due to constraint of local practices
3. British Virgin Islands Merchant Evans Limited	Unavailable due to constraint of local practices
4. British Cayman Islands Commercial Western Bridge Investment Company	Unavailable due to constraint of local practices
5. Liyuan Investment Corporation	<ol style="list-style-type: none"> Wu Shun-Wen's Industrial Development and Investment Promotion Committee (99.126%) Diamond Hosiery & Thread Co., Ltd. (0.869%) Fande Investment Co., Ltd. (0.001%) Weitai Investment Co., Ltd. (0.001%) Le Wen Investment Co., Ltd. (0.001%) Vincent Investment Co., Ltd. (0.001%) Wavin Investment Co., Ltd. (0.001%)
6. Yongshun Investment Co., Ltd.	<ol style="list-style-type: none"> Wu Shun-Wen's Industrial Development and Investment Promotion Committee (99.083%) Diamond Hosiery & Thread Co., Ltd. (0.912%) Fande Investment Co., Ltd. (0.001%) Weitai Investment Co., Ltd. (0.001%) Le Wen Investment Co., Ltd. (0.001%) Vincent Investment Co., Ltd. (0.001%) Wavin Investment Co., Ltd. (0.001%)

Names of corporate shareholders (Note 1)	Major shareholders of the corporate shareholders (Note 2)
7. Diamond Hosiery & Thread Co., Ltd.	<ol style="list-style-type: none"> 1. British Virgin Islands Wanda Company (72.51%) 2. Tai Yuen Textile Co., Ltd. (21.97%) 3. Xiang Wei Investment Co., Ltd. (5.09%) 4. Wu Shun-Wen's Industrial Development and Investment Promotion Committee (0.1684%) 5. Le Wen Investment Co., Ltd. (0.13%) 6. Wavin Investment Co., Ltd. (0.13%) 7. Yen Chen Li-Lien (0.0002%) 8. Daughter of Yen Chen Li-Lien (0.0002%) 9. Son of Yen Chen Li-Lien (0.0002%)
8. Lippen Investment Co., Ltd.	<ol style="list-style-type: none"> 1. Wu Shun-Wen's Industrial Development and Investment Promotion Committee (98.993%) 2. Diamond Hosiery & Thread Co., Ltd. (1.002%) 3. Fande Investment Co., Ltd. (0.001%) 4. Weitai Investment Co., Ltd. (0.001%) 5. Le Wen Investment Co., Ltd. (0.001%) 6. Vincent Investment Co., Ltd. (0.001%) 7. Wavin Investment Co., Ltd. (0.001%)
9. Yuanwei Investment Co., Ltd.	<ol style="list-style-type: none"> 1. Wu Shun-Wen's Industrial Development and Investment Promotion Committee (91.513%) 2. Diamond Hosiery & Thread Co., Ltd. (8.477%) 3. Fande Investment Co., Ltd. (0.002%) 4. Weitai Investment Co., Ltd. (0.002%) 5. Le Wen Investment Co., Ltd. (0.002%) 6. Vincent Investment Co., Ltd. (0.002%) 7. Wavin Investment Co., Ltd. (0.002%)
10. Mitsubishi Motors Taiwan	<ol style="list-style-type: none"> 1. Nissan Motor Co., Ltd. (34.03%) 2. Mitsubishi Corporation (20.02%) 3. The Master Trust Bank of Japan (Trust Account) (2.29%) 4. Mitsubishi Heavy Industries (1.44%) 5. Japan Trustee Services Bank (Trust Account) (1.07%) 6. Japan Trustee Services Bank (Trust Account 5) (1.03%) 7. MUFG Bank Ltd. (0.99%) 8. Japan Trustee Services Bank (Trust Account 9) (0.88%) 9. JP MORGAN CHASE BANK 385632 (0.87%) 10. BNYMSANV AS AGENT/CLIENTS LUX UCITS NON TREATY 1 (0.72%)
11. YULON MOTOR CO.,LTD	<ol style="list-style-type: none"> 1. Tai Yuen Textile Co., Ltd. (18.11%) 2. China Motor Corporation (16.67%) 3. Yen Chen Li-Lien (3.31%) 4. Daughter of Yen Chen Li-Lien (3.28%) 5. Son of Yen Chen Li-Lien (3.28%) 6. Jiayuan Investment Co., Ltd. (2.85%) 7. Fande Investment Co., Ltd. (1.61%) 8. Yen Ching Ling Industrial Development Foundation (1.09%) 9. Chase Custodian Advanced Starlight Total International Equity Index (0.79%) 10. J.P. Morgan Custodian Van Garde Emerging Markets Equity Index Fund Account (0.79%)
12. Mitsubishi Corporation	<ol style="list-style-type: none"> 1. The Master Trust Bank of Japan (Trust Account) (8.23%) 2. Japan Trustee Services Bank (Trust Account) (5.79%) 3. BNYM AS AGT/CLTS NON TREATY JASDEC(5.32%) 4. Meiji Yasuda Life Insurance Company (4.38%) 5. Tokyo Marine & Nichido Fire Insurance Co., Ltd. (3.88%) 6. The Master Trust Bank of Japan (Mitsubishi Heavy Industries Ltd. Retirement Benefits Trust Account) (2.18%) 7. Japan Trustee Services Bank (Trust Account 5) (1.82%) 8. JP MORGAN CHASE BANK 385151 (1.31 %) 9. Japan Trustee Services Bank (Trust Account 9) (1.29%) 10. STATE STREET BANK WEST CLIENT - TREATY 505234(1.27%)

Names of corporate shareholders (Note 1)	Major shareholders of the corporate shareholders (Note 2)
13. Nan Shan Life Insurance Company, Ltd.	1. Run Chen Investment Holding CO., LTD. (33.99%) 2. Run Chen Investment Holding CO., LTD. Trust Account of First Bank (55.56%) 3. Ruen Hua Dyeing & Weaving Co., Ltd. (1.34%) 4. Ying-Zong Du (1.16%) 5. Run Tai Sing Co., Ltd (0.97%) 6. Ruentex Development Co., Ltd. (0.23%) 7. Ruentex Industries Limited (0.21%) 8. Yuan New Investment Co., Ltd (0.16%) 9. Ruentex Leasing Co., Ltd. (0.13%) 10. Chi Ping Investment Co., Ltd (0.11%)
14. Taiwan Life Insurance Co., Ltd.	CTBC Financial Holding Co., Ltd. (100%)
15. Fande Investment Co., Ltd.	1. Weitai Investment Co., Ltd. (33.36%) 2. Wavin Investment Co., Ltd. (33.30%) 3. Le Wen Investment Co., Ltd. (33.30%) 4. Wei-Kung Chi (0.02%) 5. Kan-Lin Chu (0.02%)
16. Yung Hang Investment Co., Ltd.	Yulon Motor Co.,Ltd. (100%)
17. Wu Shun-Wen's Industrial Development and Investment Promotion Committee	Fande Investment Co., Ltd. (100%)
18. New Labor Pension Fund	None

Note 1: If the major shareholder in Table (2) above is a corporation, the name of the corporation should be filled in.

Note 2: Enter the names of the major shareholders of the corporations (whose shareholdings are among the top ten) and their shareholdings.

Note 3: If a corporate shareholder is not a company organization, the name of the shareholder and the percentage of shareholding in the preceding paragraph shall be the name of the investor or donor and the percentage of the investment or donation.

(IV) Professional qualifications and independence analysis of directors and independent directors

April 19, 2021

Criteria Name (Note 1)	Meet One of the Following Professional Qualification Requirements, Together with at Least Five Years Work Experience			Independence Criteria (Note 2)												Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	An Instructor or Higher Position in a Department of Commerce, Law, Finance, Accounting, or Other Academic Department Related to the Business Needs of the Company in a Public or Private Junior College, College or University	A Judge, Public Prosecutor, Attorney, Certified Public Accountant, or Other Professional or Technical Specialist Who has Passed a National Examination and been Awarded a Certificate in a Profession Necessary for the Business of the Company	Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company	1	2	3	4	5	6	7	8	9	10	11	12	
Yen Chen Li-Lien			✓	✓			✓		✓			✓	✓	✓	0	
Chi-Sen Tso			✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	0	
Shin-I Lin			✓	✓		✓	✓		✓	✓		✓	✓	✓	1	
Liang Zhang			✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	1	
Jack, J.T. Huang	✓	✓	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	3	
Zhen-Xiang Yao			✓			✓		✓	✓			✓	✓	✓	0	
Yi-Hong Hsieh	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	2	
Zhongqi Zhou			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	3	
Yen-Chin, Tsai	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	3	

Note 1: The number of columns may be adjusted subject to the actual circumstances.

Note 2: Please tick the “✓” corresponding boxes that apply to the directors or supervisors during the two years prior to being elected or during the term of office.

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

(2) Not a director or supervisor of the Company or its affiliated companies (but if the independent director is appointed in accordance with the “Securities and Exchange Act” or the law and regulations of the local country, and concurrently serves as such at a public company and its parent or subsidiary or a subsidiary of the same parent, it is not subject to this requirement).

(3) Not a natural person, spouse, underage children, or under the title of a third party who holds more than 1% of the outstanding shares issued by the Company or among the top 10 natural person shareholders.

(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of a managerial officer under Subparagraph (1) or any of the persons in Paragraph (2) and (3).

(5) Not a director, supervisor or employee of an institutional shareholder directly holding more than 5% of the outstanding shares issued by the company, or a director, supervisor or employee of an institutional shareholder who is among the top 5 shareholders, or a representative of an institutional shareholders appointed as the director or supervisor of the company according to Paragraph 1 or 2 of Article 27 of the Company Act (except for independent directors of the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).

(6) Not a director, supervisor or employee of a company controlling over one half of the company’s director seats or voting shares under one person (except for independent directors of the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).

(7) Not a director of a company or institution whose chairperson and president or equivalent role is the same person or its spouse (except for independent directors of the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).

(8) Not a Director, Supervisor, manager, or shareholders holding more than 5% of the shares designated company or institution with business or financial transactions with the Company. (However, this restriction does not apply to independent directors elected in accordance with the Securities and Exchange Act or the laws and regulations of the local country, who concurrently serve as such at the Company and its parent or subsidiary or a subsidiary of the same parent and when the specific company or institution holds more than 20% of the Company’s total issued shares but not more than 50%.)

(9) Not a professional individual, or an owner, partner, director (or governor), supervisor or officer of a sole proprietorship, partnerships, company, or institution that provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company for which the provider in the last 2 years had received cumulative remuneration exceeding NT\$500,000, or a spouse thereof. This restriction does not apply, however, to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

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

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

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

(V) Background information of the President, Assistant Vice Presidents and heads of various departments and branches

Title (Note 1)	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement	
					Number of shares	%	Number of shares	%	Number of shares	%
President	R.O.C.	Zhen-Xiang Yao	Male	2013.08.08	203,738	0.0204	0	0	0	0
Vice President	R.O.C.	Jian-Hui Li	Male	2020.08.10	38	0	0	0	0	0
Assistant Vice President	R.O.C.	Bing-Lin Chen	Male	2020.11.10	0	0	0	0	0	0
Assistant Vice President	R.O.C.	Min-Huei Ciou	Male	2021.01.16	3,997	0.0004	0	0	0	0
Assistant Vice President	R.O.C.	Hong-Zheng Chen	Male	2021.01.28	18	0	0	0	0	0

April 19, 2021

Experience (Education) (Note 2)	Current position at the Company and other company (Note 3)	Managers who are Spouses or Within Two Degrees of Kinship		
		Title	Name	Relation
Curtin University MIB Vice President of YULON MOTOR CO.,LTD	Director of Yulon Nissan Motor Co., Ltd. Director of Taiwan Acceptance Corporation Chairman of Luxgen Motor Co., Ltd. Director of China Motor Corporation Director of Foxtron Vehicle Technologies Co., Ltd. Director of Yulon-Administered Enterprises Company Limited Supervisor, etc. of DengfengYulon Motor Co.Ltd Chairman of Uni Auto Parts Manufacture Co., Ltd Chairman of China Ogihara Corporation Chairman of Yulon Construction Co., Ltd. Vice Chairman of Guangzhou FengShen Automobiles Limited Chairman of Yulon Automotive (China) Investment Limited For the rest, please refer to “Information on Affiliates”	None	None	None
Curtin University MIB Assistant VP, Product Service System, YULON MOTOR CO.,LTD	Chairman of Yu Ching Business Co., Ltd. Director of China Engine Corporation Chairman of China Cast Iron Pipe Co., Ltd. Director of Sin Chi Co., Ltd. Director of Yushin Motor Co., Ltd. Director of R O C SPICER LTD. Director of Yue Sheng Industrial Co., Ltd. Director of Yu Chia Motor Co., Ltd. For the rest, please refer to “Information on Affiliates”	None	None	None
Master of International Business, Curtin University Minister, manufacture department, DengfengYulon Motor Co.Ltd. Assistant Vice President, manufacture department, YULON MOTOR CO.,LTD	Chairman of Chuang Jie New Energy Vehicle (HZ) Limited	None	None	None
Bachelor of Mechanical Engineering, National Taiwan University Assistant Vice President, YULON GROUP EXECUTIVE OFFICE Director. Business and Planning department, YULON GROUP EXECUTIVE OFFICE	Director of Chain Engine Corporation Director of Hna-Chuang Automobile Information Technical Center Co., Ltd. Director of Uni-Calsonic Corp.	None	None	None
Curtin University MIB Manager, Production management and service department, YULON MOTOR CO.,LTD	Chairman of China Engine Corporation Chairman of Advance Power Machinery Co., Ltd. Director of Yulon It Solutions Inc.	None	None	None

Title (Note 1)	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement	
					Number of shares	%	Number of shares	%	Number of shares	%
Assistant Vice President	R.O.C.	Wen-Yi Lo	Male	2019.10.17	722	0	0	0	0	0
Manager	R.O.C.	Shi-Ting Chen	Male	2010.07.09	2,073	0.0002	0	0	0	0
Manager	R.O.C.	Li-Hua Wu	Male	2011.03.22	5,601	0.0006	0	0	0	0
Manager	R.O.C.	Wen-Yuan Li	Male	2015.05.11	47	0	0	0	0	0
Manager	R.O.C.	Chong-Yuan Chen	Male	2017.08.16	0	0	0	0	0	0
Manager	R.O.C.	Shen-Guo Wang	Male	2018.12.17	0	0	0	0	0	0
Manager	R.O.C.	Meng-Yue Jie	Female	2018.04.01	0	0	324	0	0	0
Manager	R.O.C.	Shih-Lin Wu	Male	2019.10.17	0	0	0	0	0	0
Manager	R.O.C.	Xun-Gui Xie	Male	2021.01.28	0	0	0	0	0	0
Manager	R.O.C.	Qiong-Hui Huang	Female	2021.01.28	0	0	0	0	0	0

Note 1: This should include the information of the President, Asst. Vice Presidents, and supervisors of the various departments and branches; also, the information of the position equivalent to President or Asst. Vice Presidents, regardless of title, should be disclosed.

Note 2: For the current job-related experiences, such as, worked in the CPA firm or affiliate office responsible for the auditing and checking during the aforementioned period of time, the job title and responsibility should be stated.

Note 3: The major concurrent positions at other companies.

April 19, 2021

Experience (Education) (Note 2)	Current position at the Company and other company (Note 3)	Managers who are Spouses or Within Two Degrees of Kinship		
		Title	Name	Relation
University of Southampton MS Accounting and Finance Manager, Finance planning department, YULON MOTOR CO.,LTD	Supervisor of China Cast Iron Pipe Co., Ltd. Supervisor of Carplus Auto Leasing Corporation Supervisor of Uni Auto Parts Manufacture Co., Ltd For the rest, please refer to “Information on Affiliates”	None	None	None
Master of Industrial Engineering and Management, Yunlin University of Science and Technology Manager, Supply department, YULON MOTOR CO.,LTD	Director of Advance Power Machinery Co., Ltd. Director of Corporate Synergy Development Center	None	None	None
Department of Electronic Communication, United Industrial Technical College Plant manager, Sanyi plant, YULON MOTOR CO.,LTD	Director of China Cast Iron Pipe Co., Ltd. Director of Yueki Industrial Co., Ltd. Director of Yu Chia Motor Co., Ltd. Chairman of Sanyi industrial area control center	None	None	None
Curtin University MIB Manager, Production management and coordination department, YULON MOTOR CO.,LTD	Director of Luxgen Taipei Motor Co., Ltd.	None	None	None
Master of Mechanical Engineering, Chenggong University Manager, Quality inspection department, YULON MOTOR CO.,LTD	Director of Coc Tooling & Stamping Co., Ltd. Director of Director of R O C SPICER LTD. Director of Luxgen (Hangzhou) Real Estate Co., Ltd.	None	None	None
Master of Aerospace Engineering, Chenggong University Manager, Production technology department, YULON MOTOR CO.,LTD	Director of Yue Sheng Industrial Co., Ltd. Director of Yu Chia Motor Co., Ltd.	None	None	None
Master of Human Resource Management, Sun Yat-sen University Assistant Manager, Audit office, YULON MOTOR CO.,LTD	None	None	None	None
Curtin University MIB Assistant manager, Production management and coordination department, YULON MOTOR CO.,LTD	Director of Yueki Industrial Co., Ltd.	None	None	None
Master of industrial management, National Taiwan University of Science And Technology Assistant Manager, Finance planning department, YULON MOTOR CO.,LTD Director, Sanyi plant, YULON MOTOR CO.,LTD	Director of Yu Ching Business Co., Ltd. Director of Sanyi industrial area control center Supervisor of Advance Power Machinery Co., Ltd. Supervisor of Yu Chia Motor Co., Ltd.	None	None	None
Bachelor of information management, Chung Yuan Christian University Assistant Manager, Production management and service department, YULON MOTOR CO.,LTD	None	None	None	None

(VI) Remuneration of Directors, President, and Vice President in 2020

1. Remuneration to Directors and Independent Directors, (disclosure of individual names and remuneration methods)

Unit: NTD

Title	Name	Remuneration of Directors								Ratio of Total Remuneration (A+B+C+D) to Net Income (Note 10)		Remuneration to directors also holding employee positions						Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (Note 8)		Compensation paid to directors from an invested company other than the Company's subsidiaries or parent company (Note 9)		
		Compensation (A) (Note 2)		Severance Pay (B)		Bonus to Directors (C) (Note 3)		For services (D) (Note 4)		Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay (F)		Remuneration to employees (G) (Note 6)		The company	Companies in the consolidated financial statements (Note 7)					
		The company	Companies in the consolidated financial statements (Note 2)	The company	Companies in the consolidated financial statements (Note 2)	The company	Companies in the consolidated financial statements (Note 7)	The company	Companies in the consolidated financial statements (Note 7)	The company	Companies in the consolidated financial statements (Note 7)	The company	Companies in the consolidated financial statements (Note 7)	Cash	Stock			Cash	Stock			
Chairman	Tai Yuen Textile Co., Ltd. Representative: Yen Chen Li-Lien	13,000,000	21,546,136	0	0	0	0	960,000	1,104,000	0.5096%	0.8269%	0	0	0	0	0	0	0	0	0.5096%	0.8269%	38,491,099
Vice Chairman	Tai Yuen Textile Co., Ltd. Representative: Kuo-Rong Chen	1,469,000	4,907,630	0	0	0	0	120,000	232,000	0.0580%	0.1876%	0	0	0	0	0	0	0	0	0.0580%	0.1876%	24,662,575
Director	China Motor Corporation Representative: Shin-I Lin	4,507,200	4,507,200	0	0	0	0	120,000	120,000	0.1689%	0.1689%	0	0	0	0	0	0	0	0	0.1689%	0.1689%	4,627,200
Director	China Motor Corporation Representative: Liang Zhang	0	0	0	0	0	0	120,000	216,000	0.0044%	0.0079%	0	0	0	0	0	0	0	0	0.0044%	0.0079%	0
Director	Yen Ching-Ling's Foundation Representative: Jack, J.T. Huang	0	0	0	0	0	0	120,000	152,000	0.0044%	0.0055%	0	0	0	0	0	0	0	0	0.0044%	0.0055%	0
Director	Yen Ching-Ling's Foundation Representative: Zhen-Xiang Yao	0	719,564	0	0	0	0	120,000	264,000	0.0044%	0.0359%	7,171,036	7,171,036	10,421,857	10,421,857	0	0	0	0	0.6466%	0.6782%	1,746,189
Independent Director	Yi-Hong Hsieh	0	0	0	0	0	0	1,050,000	2,110,000	0.0383%	0.0770%	0	0	0	0	0	0	0	0	0.0383%	0.0770%	0
Independent Director	Yen-Chin, Tsai	0	0	0	0	0	0	540,000	540,000	0.0197%	0.0197%	0	0	0	0	0	0	0	0	0.0197%	0.0197%	0
Independent Director	Zhongqi Zhou	0	0	0	0	0	0	1,050,000	2,110,000	0.0383%	0.0770%	0	0	0	0	0	0	0	0	0.0383%	0.0770%	0

1. Please describe the policy, systems, standards and structure of remuneration of independent directors; also, describe the relationship with the amount of remuneration according to the responsibilities, risks and invested time: Note 10

2. Except for those disclosed in the above table, the remuneration of the Company's directors by providing services (e.g., serving as the non-employee consultant) to all companies included in the financial report in the most recent year: None.

Note 1: Directors' names should be presented separately (for institutional shareholders, state separately the name of the institutional shareholder and its representatives); the amount of benefits and allowances can be presented in aggregate sums. If the director is also the President or Vice President of the Company, please fill in this table and table (2).

Note 2: Refers to Director's remuneration in the latest year (including salaries, work subsidies, severance pay, various bonuses and incentives etc).

Note 3: Please fill in the amount of remuneration to directors resolved in the most recent board meeting.

Note 4: Refers to compensations for services rendered (including travel, special allowances, various subsidies, accommodation, corporate vehicle and other items). If houses, cars and other transportation or personal expenses are provided, the nature and cost of the provided assets, the actual rental or the rental calculated based on the fair value, fuel expense and other payment must be disclosed. If chauffeurs are provided, please include a note stating that the Company will pay the chauffeurs, but they payments will not be counted as remuneration.

Note 5: This refers to the salary, duty allowances, severance pay, bonuses, incentives, transportation allowance, special allowance, various allowances and accommodation, and company cars paid or offered to directors who concurrently hold position as an employee (incl. president, vice president, other managerial officers and employees). If houses, cars and other transportation or personal expenses are provided, the nature and cost of the provided assets, the actual rental or the rental calculated based on the fair value, fuel expense and other payment must be disclosed. If chauffeurs are provided, please include a note stating that the Company will pay the chauffeurs, but they payments will not be counted as remuneration. In addition, according to the salaries expense listed in the "Share-Based Payment" of IFRS 2, expenses including the employee stock option certificate acquirement, employee restricted stock and employee participation in cash capital increase and stock subscription must be counted in the remuneration.

Note 6: For the directors who are also employees (including President, Vice President, managers, and staff) of the Company in the most recent year with remuneration received (including stock and cash), the remuneration amount to employees resolved in the board meeting in the most recent year should be disclosed. If the remuneration amount cannot be estimated, the amount to be distributed this year is to be estimated proportionally to the actual amount distributed last year; also, Exhibit 1-3 should be filled out.

Note 7: The disclosure should cover all companies included in the consolidated financial statements (including The Company); present the total amount of remuneration paid by all companies above to The Company's Directors.

Note 8: Net income refers to the net income amount on the parent company only or individual financial reports in the most recent year.

Note 9: a. This field must state any form of remuneration the Director has received from The Company's invested businesses other than subsidiaries.

- b. For Directors who receive remuneration from invested businesses other than subsidiaries, the amount of remuneration from these invested businesses should be added to column I of the Remuneration brackets table. Change the name of column J to "All invested businesses".
- c. Remuneration refers to any returns, compensation (including remuneration to Employees, Directors and Supervisors), professional fees etc which The Company's Director have received for serving as directors, supervisors, or managers in invested businesses other than subsidiaries.

Note 10: In accordance with the Company's Articles of Incorporation, independent directors are not allowed to participate in the distribution profit-sharing remuneration for directors' remuneration; remuneration for performing business is reviewed from time to time depending on actual operating conditions and relevant laws and regulations. The current remuneration standards for individual independent directors are determined by the Remuneration Committee with reference to the standards of other companies in the same industry, with consideration of their extent of participation in the Board of Directors and other functional committees and the value of their contributions, etc. After the approval by the Board of Directors, the Company pays the independent directors from NTS38,350 to NTS80,000 per month, and NTS10,000 each time depending on the actual attendance of the independent directors at the functional committee meetings.
The remuneration disclosed in this table is different from the concept of income in the Income Tax Act. This table is used for information disclosure, not taxation.

2. Remuneration to President and Vice President (disclosure of individual names and remuneration methods)

Unit: NTD

Title	Name	Salary (A) (Note 2)		Severance Pay (B)		Bonuses and allowances etc. (C) (Note 3)		Remuneration to the employees (D) (Note 4)				Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 6)		Compensation paid to directors from an invested company other than the Company's subsidiaries (Note 7)
		The company	Companies in the consolidated financial statements (Note 5)	The company	Companies in the consolidated financial statements (Note 5)	The company	Companies in the consolidated financial statements (Note 5)	The company		Companies in the consolidated financial statements (Note 5)		The company	Companies in the consolidated financial statements (Note 5)	
								Cash	Stock	Cash	Stock			
President	Zhen-Xiang Yao	3,451,246	3,451,246	10,421,857	10,421,857	3,719,790	3,719,790	0	0	0	0	0.6423%	0.6423%	1,746,189
Vice President	Jian-Hui Li	1,598,920	1,598,920	111,926	111,926	2,060,413	2,060,413	0	0	0	0	0.1377%	0.1377%	242,581

* Disregarding position titles. All such job positions including general manager, vice general managers (e.g., President, Chief Executive Officer (CEO), Superintendent...) shall be disclosed.

Note 1: The names of the President and Vice Presidents should be presented separately; the amount of benefits and allowances can be presented in aggregate sums. If the director is also the President or Vice President of the Company, please fill in this table and previous table 1.

Note 2: Refers to salaries, work subsidies, and severance pay made to the General Manager and Vice Presidents in the latest year.

Note 3: Refers to other compensations such as bonuses, incentives, travel allowances, special allowances, various subsidies, accommodation, corporate vehicle or other items made to the President and Vice Presidents. If houses, cars and other transportation or personal expenses are provided, the nature and cost of the provided assets, the actual rental or the rental calculated based on the fair value, fuel expense and other payment must be disclosed. If chauffeurs are provided, please include a note stating that the Company will pay the chauffeurs, but they payments will not be counted as remuneration. In addition, according to the salaries expense listed in the "Share-Based Payment" of IFRS 2, expenses including the employee stock option certificate acquirement, employee restricted stock and employee participation in cash capital increase and stock subscription must be counted in the remuneration.

Note 4: Please fill in the remuneration amount to the president and vice president resolved in the board meeting in the most recent year (including stock and cash). If the remuneration amount cannot be estimated, the amount to be distributed this year is to be estimated proportionally to the actual amount distributed last year. And should also fill out Exhibit 3.

Note 5: The disclosure should cover all companies included in the consolidated financial statements (including The Company); present the total amount of remuneration paid by all companies above to The Company's President and Vice President.

Note 6: Net income refers to the net income amount on the parent company only or individual financial reports in the most recent year.

Note 7: a. This field must state any form of remuneration the President and Vice President has received from The Company's invested businesses other than subsidiaries.

b. For President/Vice Presidents who receive remuneration from invested businesses other than subsidiaries, the amount of remuneration from these invested businesses should be added to column E of the Remuneration brackets table. Change the name of column E to "All invested businesses".

c. Remuneration refers to any returns, compensation (including remuneration to Employees, Directors and Supervisors), professional fees etc which The Company's President/Vice Presidents have received for serving as directors, supervisors, or managers in invested businesses other than subsidiaries.

※ The remuneration disclosed in this table is different from the concept of income in the Income Tax Act. This table is used for information disclosure, not taxation.

3. Name of the managers received remuneration and the distribution of remuneration

December 31, 2020

Unit: NTD

	Title	Name	Stock	Cash	Total	Total/after-tax profit
Manager	President	Zhen-Xiang Yao	0	0	0	0%
	Vice President	Jian-Hui Li				
	Assistant Vice President	Wen-Yi Lo				
	Assistant Vice President	Binglin Chen				
	Manager	Hong-Zheng Chen				
	Manager	Shi-Ting Chen				
	Manager	Li-Hua Wu				
	Manager	Wen-Yuan Li				
	Manager	Shih-Lin Wu				
	Manager	Chong-Yuan Chen				
	Manager	Meng-Yue Jie				
	Manager	Shen-Guo Wang				

Note 1: The name and job title of each individual should be disclosed; however, the distribution of earnings can be disclosed aggregately.

Note 2: Please fill in the remuneration amount to the managers resolved in the board meeting in the most recent year (including stock and cash). If the remuneration amount cannot be estimated, the amount to be distributed this year is to be estimated proportionally to the actual amount distributed last year. Corporate earnings shall be the net income after taxation. If IFRS has already been adopted, corporate earnings shall be the net income after taxation of individual entities or individual financial statements.

Note 3: According to Notice Tai-Tsai-Cheng-3-0920001301 dated March 27, 2003, the following managerial roles are subject to reporting:

- (1) President or equivalent
- (2) Vice President or equivalent
- (3) Assistant Manager or equivalent
- (4) Head of Finance
- (5) Head of Accounting
- (6) Any other authorized signatories involved in The Company's administrative affairs

Note 4: If directors, president and vice president receive employee remuneration (including stock and cash), this table should be filled out in addition to Exhibit 1.

4. Remuneration for the top five highest paid officers of the Company (names and method of remuneration should disclosed by individual)

Unit: NTD

Title	Name	Salary (A) (Note 2)		Severance Pay (B)		Bonuses and allowances etc. (C) (Note 3)		Profit sharing remuneration to employees (D) (Note 4)				A, B, C and D as a % of the net profits after tax (%) (Note 6)		Compensation paid to directors from an invested company other than the Company's subsidiaries or parent company (Note 7)
		The company	Companies in the consolidated financial statements (Note 5)	The company	Companies in the consolidated financial statements (Note 5)	The company	Companies in the consolidated financial statements (Note 5)	The company		Companies in the consolidated financial statements (Note 5)		The company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
President	Zhen-Xiang Yao	3,451,246	3,451,246	10,421,857	10,421,857	3,719,790	3,719,790	0	0	0	0	0.6423%	0.6423%	1,746,189
Vice President	Jian-Hui Li	1,598,920	1,598,920	111,926	111,926	2,060,413	2,060,413	0	0	0	0	0.1377%	0.1377%	242,581
Assistant Vice President	Wen-Yi Lo	1,501,320	1,501,320	99,211	99,211	1,695,313	1,695,313	0	0	0	0	0.1203%	0.1203%	180,000
Manager	Li-Hua Wu	1,370,640	1,370,640	178,176	178,176	1,494,344	1,494,344	0	0	0	0	0.1111%	0.1111%	0
Manager	Shen-Guo Wang	1,297,680	1,297,680	168,697	168,697	1,444,580	1,444,580	0	0	0	0	0.1063%	0.1063%	0

Note 1: The term "top five highest paid officers" refers to the managerial officers of the Company. The criteria for managerial officers are based on the scope of application of "managerial officers" as stipulated by the Securities and Futures Commission of the Ministry of Finance in its Order Tai-Cai-Sheng-San-Zi No. 0920001301 dated March 27, 2003. The "Top Five Highest Remuneration" calculation is based on the total amount of base salary, severance and pension, bonus and allowance received by the officers from all companies in the consolidated financial statements, as well as the amount of remuneration for employees (i.e., the total of the four items A+B+C+D), and then ranked by the top five highest remuneration. If a director is also the aforementioned officer, this table and the above table (1-1) should also filled in.

Note 2: This is for the salary, duty allowance and severance of the top five highest paid officers in the most recent year.

Note 3: This is for various bonuses, incentive payments, transportation fee, special expenses, various stipends, dormitories, company cars and other provisions for the top five highest paid officers in the most recent year. If houses, cars and other transportation or personal expenses are provided, the nature and cost of the provided assets, the actual rental or the rental calculated based on the fair value, fuel expense and other payment must be disclosed. If chauffeurs are provided, please include a note stating that the Company will pay the chauffeurs, but they payments will not be counted as remuneration. In addition, according to the salaries expense listed in the "Share-Based Payment" of IFRS 2, expenses including the employee stock option certificate acquirement, employee restricted stock and employee participation in cash capital increase and stock subscription must be counted in the remuneration.

Note 4: The amount of employee remuneration (including stock and cash) received by the top five highest paid officers in the most recent year should be disclosed as approved by the Board of Directors, and if the amount cannot be estimated, the proposed payment amount for this year should be calculated in proportion to the actual payment amount last year, and should also be listed in Exhibit 1-3.

Note 5: The total amount of remuneration paid to the top five highest paid officers of the Company by all companies in the consolidated statements (including the Company) should be disclosed.

Note 6: Net income refers to the net income amount on the parent company only or individual financial reports in the most recent year.

Note 7: a. This column should explicitly state whether the top five highest paid officers of the Company "have" or "have not" received remuneration from investees other than subsidiaries or parent company.
b. Remuneration refers to the compensation or payment (including remuneration to employees, directors and supervisors) and business execution expenses of the top five highest paid officers of the Company in their capacity as directors, supervisors or officers of an investee enterprise other than a subsidiary or parent company.

※ The remuneration disclosed in this table is different from the concept of income in the Income Tax Act. This table is used for information disclosure, not taxation.

(VII) Analysis of the total remuneration paid to directors, president, and vice president as a percentage of net profits after tax in the individual or standalone financial statements for the most recent 2 years by the Company and all companies in the consolidated financial statements, and explanation of the policies, criteria, combination, the procedures for determining remuneration and the correlation to operating performances and future risks.

1. Total remuneration paid to directors, president, vice president, and Assistant Vice President as a percentage of net profits after tax in the individual or standalone financial statements:

Unit: NTD

	2020			2019		
	Total remuneration	Net profits after tax	Remuneration as a percentage of total net profits in the on standalone basis (%)	Total remuneration	Net profits after tax	Remuneration as a percentage of total net profits in the on standalone basis (%)
Director	23,176,200	2,739,210,188	0.8461%	23,284,600	(24,465,407,975)	(0.0952%)
President and Vice President	21,364,152	2,739,210,188	0.7799%	14,343,880	(24,465,407,975)	(0.0586%)

Note: Except for the permanent positions, which have established tasks and duties, and receive a fixed monthly salary, the rest are in accordance with Article 27 and Article 28 of the Company's Articles of Incorporation.

2. Total remuneration paid to directors, president, vice president, and Assistant Vice President as a percentage of net profits after tax in the standalone financial statements by the Company and all companies in the consolidated financial statements:

Unit: NTD

	2020			2019		
	Total remuneration	Net profits after tax	Remuneration as a percentage of total net profits in the on standalone basis (%)	Total remuneration	Net profits after tax	Remuneration as a percentage of total net profits in the on standalone basis (%)
Director	38,528,530	2,739,210,188	1.4066%	38,392,687	(24,465,407,975)	(0.1569%)
President and Vice President	21,364,152	2,739,210,188	0.7799%	14,343,880	(24,465,407,975)	(0.0586%)

Note: Except for the permanent positions, which have established tasks and duties, and receive a fixed monthly salary, the rest are in accordance with Article 27 and Article 28 of the Company's Articles of Incorporation.

3. The policies, criteria, combination, the procedures for determining remuneration and the correlation to operating performances and future risks.

The Remuneration Committee is responsible for setting and regularly reviewing the annual and long-term performance goals and remuneration policies, systems, standards and structures of the Company's directors and managerial officers, regularly evaluating the achievement of the Company's directors' and managerial officers' performance goals, and considering the amount of remuneration, payment methods and future operational risks, and then submitting them to the Board of Directors for approval. For distribution items in the earnings distribution table, they must also be submitted to the shareholders' meeting for approval.

(1) Remuneration policy for directors (independent directors included)

The Corporate Charter Article 28 stipulates that the Board of Directors are authorized to determine the remunerations for directors based on their individual contributions to the company and the industrial standards are taken for reference, while the independent directors shall receive fixed remunerations and attendance allowances. According to Article 27-1 of the Corporate Charter, remunerations for the directors (independent directors excluded) of the current year shall be no more than 0.5% of the current business profit, if any.

Remunerations for the directors (Chairman and independent directors excluded) are based on the indicators of the established “Board Evaluation Guideline” which includes participation in the corporate operations, professionalism and continuous learning, and internal control.

(2) Remuneration policy for executives

According to Article 27-2 of the Corporate Charter, remunerations appropriated for employees shall not be more than 0.1% of the annual business profit, if any. Remunerations for executives include the salary and bonus. The salary is determined by reference to the industrial standards as well as the individual’s job title, rank, academic background, work experience, professionalism and responsibilities, while the bonus is based on the “Performance Evaluation Guideline” applicable to executives and general employees. The indicators for evaluating executives include department-specific objectives of professional of management and operations (90%), e.g. fulfillment of targeted operating income and profit, compliance with new product schedules, product quality improvement, vehicle supply satisfaction, domestic parts development and new business development); management aspects (10%), e.g. improvement of functional committees, talent cultivation, innovative proposals); and daily managerial performance, by taking into account the Company’s overall profitability, target achievement rate, operating efficacy, and contributions, and then the remuneration is proportionately calculated and given for a reasonable distribution which, however, is subject to timely review of actual operational status and statutory regulations.

III. The operation of corporate governance

(I) The Function of the Board of Directors

For the most recent year, the Board of Directors held 7 meetings, and the attendance of directors and independent directors was as follows.

Title	Name (Note 1)	Number of attendance in person	Number of attendance by proxy	Attendance in person (%) (Note 2)	Remarks (Note 2)
Chairman	Tai Yuen Textile Co., Ltd. Representative: Yen Chen Li-Lien	7	0	100%	
Vice Chairman	Tai Yuen Textile Co., Ltd. Representative: Kuo-Rong Chen	6	1	85.7%	
Director	China Motor Corporation Representative: Shin-I Lin	7	0	100%	
Director	China Motor Corporation Representative: Liang Zhang	6	1	85.7%	
Director	Yen Ching-Ling's Foundation Representative: Jack, J.T. Huang	7	0	100%	
Director	Yen Ching-Ling's Foundation Representative: Zhen-Xiang Yao	7	0	100%	
Independent Director	Yi-Hong Hsieh	7	0	100%	
Independent Director	Zhongqi Zhou	7	0	100%	
Independent Director	Yen-Chin, Tsai	6	1	85.7%	

Other notes:

I. For board of directors meetings that meet any of the following descriptions, state the date, session, the discussed agenda, independent directors' opinions and how the company has responded to such opinions:

(I) The content of the particulars inscribed in Article 14-3 of the Securities and Exchange Act.

Board of Directors Date	Board of Directors	Summary of the motion	Independent Directors' opinions	The Company's handling of independent directors' opinions
2020/01/16	2nd interim meeting of the 16th Board of Directors	The Company issued a Letter of Operating Support (LOS) for the amount adjustment of bank facility of Hua-Chuang Automobile Information Technical Center Co., Ltd.	Approved as submitted.	Executed as resolved
2020/02/07	3rd interim meeting of the 16th Board of Directors	The strategic cooperation agreement between the Company and Hon Hai Precision Industry Co.	Approved as submitted.	Executed as resolved
2020/03/06	4th interim meeting of the 16th Board of Directors	The Company, Hon Hai Precision Industry Co., Ltd. and Hua-Chuang Automobile Information Technical Center Co., Ltd. signed a joint venture agreement	Approved as submitted.	Executed as resolved
2020/03/06	4th interim meeting of the 16th Board of Directors	The Company's capital increase in Hua-Chuang Automobile Information Technical Center Co., Ltd.	Approved as submitted.	Executed as resolved
2020/03/06	4th interim meeting of the 16th Board of Directors	The Company's plan to lend funds of RMB1 billion to Luxgen (Hangzhou) Motor Sales Co., Ltd	Approved as submitted.	Executed as resolved
2020/03/06	4th interim meeting of the 16th Board of Directors	The Company's bank facility application for 2020	Approved as submitted.	Executed as resolved
2020/03/06	4th interim meeting of the 16th Board of Directors	Evaluation of the Independence and competence of CPAs and their appointment and professional fees for 2020	Approved as submitted.	Executed as resolved
2020/03/06	4th interim meeting of the 16th Board of Directors	The Company's Statement of Internal Control System for 2019	Approved as submitted.	Executed as resolved
2020/03/30	5th interim meeting of the 16th Board of Directors	The Company's capital increase to Luxgen (Hangzhou) Motor Sales Co., Ltd	Approved as submitted.	Executed as resolved

Board of Directors Date	Board of Directors	Summary of the motion	Independent Directors' opinions	The Company's handling of independent directors' opinions
2020/03/30	5th interim meeting of the 16th Board of Directors	The Company's 2019 final operating reports	Approved as submitted.	Executed as resolved
2020/03/30	5th interim meeting of the 16th Board of Directors	The Company's accumulated losses amounting to one-half of the paid-in capital.	Approved as submitted.	Executed as resolved
2020/03/30	5th interim meeting of the 16th Board of Directors	The Company's 2019 losses make-up	Approved as submitted.	Executed as resolved
2020/03/30	5th interim meeting of the 16th Board of Directors	The Company's capital reduction to make up losses	Approved as submitted.	Executed as resolved
2020/03/30	5th interim meeting of the 16th Board of Directors	The distribution of profit sharing remuneration to employees and directors for 2019	Approved as submitted.	Executed as resolved
2020/03/30	5th interim meeting of the 16th Board of Directors	The Company's endorsement and guarantee facility for 2020	Approved as submitted.	Executed as resolved
2020/03/30	5th interim meeting of the 16th Board of Directors	The Company's sale of land No. 274, Bogongkeng Section, Sanyi Industrial Zone	Approved as submitted.	Executed as resolved
2020/03/30	5th interim meeting of the 16th Board of Directors	The Company's issuance of Letter of Operating Support (LOS).in 2020.	Approved as submitted.	Executed as resolved
2020/05/08	6th interim meeting of the 16th Board of Directors	The Company issued a Letter of Commitment and a Letter of Operating Support (LOS) for the adjustment of Hna-Chuang Automobile Information Technical Center Co., Ltd.	Approved as submitted.	Executed as resolved
2020/05/08	6th interim meeting of the 16th Board of Directors	The Company's plan to sell the land of Jianxing Section 146 and 147 and Jianxing Section 81 and 82 of Nantou City, Nantou County	Approved as submitted.	Executed as resolved
2020/08/10	7th interim meeting of the 16th Board of Directors	The Company's use of land and buildings as mortgages to obtain a loan facility.	Approved as submitted.	Executed as resolved
2020/08/10	7th interim meeting of the 16th Board of Directors	Interest rate adjustment of the Company's funds lent to Luxgen (Hangzhou) Motor Sales Co., Ltd	Approved as submitted.	Executed as resolved
2020/08/10	7th interim meeting of the 16th Board of Directors	The Company's issuance of a Letter of Operating Support (LOS) for the bank facility of US\$5.1 million for Yulon Motor Finance (China) Limited.	Approved as submitted.	Executed as resolved
2020/08/10	7th interim meeting of the 16th Board of Directors	Cash capital increase by the Company to its subsidiary, Luxgen Motor Co., Ltd.	Approved as submitted.	Executed as resolved
2020/08/10	7th interim meeting of the 16th Board of Directors	Amendments to the "Internal Control System" and "Implementation Rules for Internal Audit" of the Company's stock affairs.	Approved as submitted.	Executed as resolved
2020/11/10	8th interim meeting of the 16th Board of Directors	The Company's donation to the Wu Shun-Wen's News Scholarship Foundation	Approved as submitted.	Executed as resolved
2020/11/10	8th interim meeting of the 16th Board of Directors	The Company's issuance of a Letter of Operating Support (LOS) for the bank facilities of RMB173.4 million and US\$2.55 million for Yulon Motor Finance (China) Limited.	Approved as submitted.	Executed as resolved
2020/11/10	8th interim meeting of the 16th Board of Directors	The Company's 2021 audit plan	Approved as submitted.	Executed as resolved

(II) Except for the aforementioned matters, the resolutions reached by the Board of Directors with the objections or reservations of the independent directors documented or declared in writing: None.

II. The recusal of the directors from motions that involved a conflict of interest. (Specify the names of the directors, the content of the motions, and reason for recusal, and the participation in voting):
The Company has established the "Procedure for Board of Directors Meetings", which stipulates the terms of recusal of directors from motions involving conflict of interest and handles it in accordance with the relevant regulations.

III. Information on the periodicity and period, scope, method and content of the self-evaluation (or peer evaluation) by the

Board of Directors.

Please refer to Note 3 for the implementation of the Board of Directors' evaluation.

IV. Evaluation of the current and most recent year's objectives for enhancing the functions of the Board of Directors (e.g., establishing an audit committee, enhancing information transparency, etc.) and their implementation.

1. In addition to the establishment of the Remuneration Committee as approved by the Board of Directors on August 26, 2011, the Company also elected two independent directors for the 14th term at the 2013 regular shareholder meeting in accordance with Article 14-2 of the Securities and Exchange Act, with a view to strengthening the functions of the Board of Directors and enhancing the effectiveness of corporate governance, and established an Audit Committee in July 2016 to replace the former supervisory system to strengthen the internal control mechanism of the Company.
2. In addition, in order to comply with the international trend of corporate governance, the Company revised the "Procedure for Board of Directors Meetings" and "Audit Committee Charter" on March 6, 2020, in order to continuously improve corporate governance.
3. To enhance the transparency of information, the Company announces important resolutions on the Market Observation Post System (MOPS) immediately after the Board of Directors' meetings and updates the relevant organizational rules on the Company's website to protect shareholders' rights and interests and to enhance investors' understanding and recognition of the Company.
4. The "Board of Directors Evaluation Measures" were approved on November 9, 2015 and the second amendment was completed on May 10, 2019. The evaluation of the Board of Directors, board members and functional committees for 2020 was completed in March 2021. The internal evaluation results range from 95.76 to 100 points based on the operation of the Board of Directors, the self-evaluation of the board members, and the operation of the Audit Committee and the Remuneration Committee. Based on the results of the Board of Directors' performance evaluation for 2020, the overall operation of the Board of Directors is good.

Note 1: If directors and supervisors are institutions, names of shareholders and the representative of the institutions shall be disclosed.

Note 2: (1) In the event that directors or supervisors leave before a year is completed, the date when they leave should be indicated in the memo column. The actual attendance (seated) rate (%), on the other hand, shall be calculated by the number of board of directors meetings held during service and the frequency number of attendance (being seated) in the meetings.

(2) Before a year is completed, upon any re-election of directors or supervisors, names of the said directors/supervisors, new and old, shall be listed and it shall be specified in the remark column that a specific director or supervisor is old, new, or re-elected, and the date of re-election. The actual attendance (seated) rate (%), on the other hand, is to be calculated by the number of board of directors meetings held during service and the frequency number of attendance (being seated) in the meetings.

Note 3: Information on the operation of the Board of Directors

Evaluation periodicity (Note 1)	Evaluation period (Note 2)	Evaluation scope (Note 3)	Evaluation method (Note 4)	Evaluation content (Note 5)
Once a year	January 1, 2020 to December 31, 2020	<ol style="list-style-type: none"> 1. Board of Directors 2. Board member 3. Audit Committee 4. Remuneration Committee 	Self-evaluation	<ol style="list-style-type: none"> 1. Evaluation of the operation of the Board of Directors <ol style="list-style-type: none"> (1) Participation in the operation of the Company (2) Quality of the Board of Directors' decision making (3) Composition and structure of the Board of Directors (4) Election and continuing education of the directors 2. Self-evaluation of directors <ol style="list-style-type: none"> (1) Participation in the operation of the Company (2) Election and continuing education of the directors (3) Internal control (4) Understanding of the Company and perception of responsibilities 3. The operations of the Audit Committee and the Remuneration Committee <ol style="list-style-type: none"> (1) Participation in the operation of the Company (2) Improvement in the quality of the committee's decision-making. (3) Composition and structure of the committee (4) Appointment of the committee member

Note (1): The periodicity of execution of the Board of Directors' evaluation, e.g., once a year.

- Note (2): The period covered by the Board of Directors' evaluation, e.g., the evaluation of the Board of Directors' performance from January 1, 2020 to December 31, 2019.
- Note (3): The scope of evaluation includes the performance evaluation of the board of directors, individual board members and functional committees.
- Note (4): The method of evaluation include internal self-evaluation by the board of directors, self-evaluation by board members, peer evaluation, appointment of external professional organizations, experts or other appropriate methods for performance evaluation.
- Note (5): The evaluation content includes at least the following items according to the scope of the evaluation:
- (1) Evaluation of the performance of the board of directors: at least the participation in the Company's operations, the quality of board decisions, the composition and structure of the board of directors, the selection and continuing education of directors, and internal control, etc.
 - (2) Performance evaluation of individual board members: at least including the alignment of the Company's objectives and tasks, the directors' awareness of their duties and responsibilities, their participation in the Company's operations, internal relationship management and communication, the directors' professionalism and continuing education, and internal control.
 - (3) Performance evaluation of functional committees: participation in company operations, awareness of functional committee responsibilities, quality of functional committee decisions, composition and selection of functional committee members, internal control, etc.

- (II) The operation of the Audit Committee: The Audit Committee of the Company was established on July 1, 2016 to oversee the quality and integrity of the Company's performance in relation to the fair presentation of financial statements, the effective implementation of internal controls, the selection (dismissal) of CPAs, independence, competence, and compliance with relevant laws and regulations.

Information on the operation of the Audit Committee

The Audit Committee met seven times (A) in the most recent year to consider matters including audit of financial statements, assessment of the effectiveness of the internal control system, significant asset or derivative transactions, significant funds lending and endorsement and guarantees, legal compliance and appointment of CPAs, their independence, performance evaluation and professional fees, and the attendance of independent directors as follows.

Title	Name	Number of actual attendees(B)	Number of attendance by proxy	Attendance rate (%) (B/A) (Note)	Remarks
Independent Director	Yi-Hong Hsieh	7	0	100%	Re-elected on 2019/7/1, with legal expertise
Independent Director	Zhongqi Zhou	7	0	100%	Re-elected on 2019/7/1, with management and financial expertise
Independent Director	Yen-Chin, Tsai	6	1	85.7%	Re-elected on 2019/7/1, with financial expertise

Other notes:

- I. For Audit Committee meetings that meet any of the following descriptions, state the date and session of board of directors meeting held, the discussed agenda, the Audit Committee's resolution and how the Company has responded to Audit Committee's opinions:

- (I) The content of the particulars inscribed in Article 14-5 of the Securities and Exchange Act.

Date of board meeting	Board of Directors	Summary of the motion	Audit Committee's opinion	The Company's handling of the Audit Committee's opinion
2020/01/16	2nd interim meeting of the 2nd Audit Committee	The Company issued a Letter of Operating Support (LOS) for the amount adjustment of bank facility of Hua-Chuang Automobile Information Technical Center Co., Ltd.	Approved as submitted.	Executed as resolved
2020/02/07	3rd interim meeting of the 2nd Audit Committee	The strategic cooperation agreement between the Company and Hon Hai Precision Industry Co.	Approved as submitted.	Executed as resolved
2020/03/05	4th interim meeting of the 2nd Audit Committee	The Company's plan to lend funds of RMB1 billion to Luxgen (Hangzhou) Motor Sales Co., Ltd	Approved as submitted.	Executed as resolved

Date of board meeting	Board of Directors	Summary of the motion	Audit Committee's opinion	The Company's handling of the Audit Committee's opinion
2020/03/05	4th interim meeting of the 2nd Audit Committee	The Company, Hon Hai Precision Industry Co., Ltd., a Hon Hai's 100% owned subsidiary and Hua-Chuang Automobile Information Technical Center Co., Ltd. signed a joint venture agreement.	Approved as submitted.	Executed as resolved
2020/03/05	4th interim meeting of the 2nd Audit Committee	The Company's capital increase in Hua-Chuang Automobile Information Technical Center Co., Ltd.	Approved as submitted.	Executed as resolved
2020/03/05	4th interim meeting of the 2nd Audit Committee	The Company's bank facility application for 2020	Approved as submitted.	Executed as resolved
2020/03/05	4th interim meeting of the 2nd Audit Committee	Evaluation of the Independence and competence of CPAs and their appointment and professional fees for 2020	Approved as submitted.	Executed as resolved
2020/03/05	4th interim meeting of the 2nd Audit Committee	The Company's Statement of Internal Control System for 2019	Approved as submitted.	Executed as resolved
2020/03/25	5th interim meeting of the 2nd Audit Committee	The Company's sale of land No. 274, Bogongkeng Section, Sanyi Industrial Zone	Adopted as submitted	Executed as resolved
2020/03/25	5th interim meeting of the 2nd Audit Committee	The Company's bank facility adjustment for 2020	Adopted as submitted	Executed as resolved
2020/03/25	5th interim meeting of the 2nd Audit Committee	The Company's capital increase to Luxgen (Hangzhou) Motor Sales Co., Ltd	Approved as submitted.	Executed as resolved
2020/03/25	5th interim meeting of the 2nd Audit Committee	The Company's 2019 final operating reports	Approved as submitted.	Executed as resolved
2020/03/25	5th interim meeting of the 2nd Audit Committee	The Company's accumulated losses amounting to one-half of the paid-in capital.	Approved as submitted.	Executed as resolved
2020/03/25	5th interim meeting of the 2nd Audit Committee	The Company's 2019 losses make-up	Approved as submitted.	Executed as resolved
2020/03/25	5th interim meeting of the 2nd Audit Committee	The Company's capital reduction to make up losses	Approved as submitted.	Executed as resolved
2020/03/25	5th interim meeting of the 2nd Audit Committee	The Company's endorsement and guarantee facility for 2020	Approved as submitted.	Executed as resolved
2020/03/25	5th interim meeting of the 2nd Audit Committee	The Company's issuance of Letter of Operating Support (LOS).in 2020.	Approved as submitted.	Executed as resolved
2020/05/07	6th interim meeting of the 2nd Audit Committee	The Company issued a Letter of Commitment and a Letter of Operating Support (LOS) for the adjustment of Hna-Chuang Automobile Information Technical Center Co., Ltd.	Approved as submitted.	Executed as resolved
2020/05/07	6th interim meeting of the 2nd Audit Committee	The Company's plan to sell the land of Jianxing Section 146 and 147 and Jianxing Section 81 and 82 of Nantou City, Nantou County	Approved as submitted.	Executed as resolved
2020/08/06	7th interim meeting of the 2nd Audit Committee	The Company's use of land and buildings as mortgages to obtain a loan facility.	Approved as submitted.	Executed as resolved
2020/08/06	7th interim meeting of the 2nd Audit Committee	Interest rate adjustment of the Company's funds lent to Luxgen (Hangzhou) Motor Sales Co., Ltd	Approved as submitted.	Executed as resolved
2020/08/06	7th interim meeting of the 2nd Audit Committee	The Company's issuance of a Letter of Operating Support (LOS) for the bank facility of US\$5.1 million for Yulon Motor Finance (China) Limited.	Approved as submitted.	Executed as resolved
2020/08/06	7th interim meeting of the 2nd Audit Committee	Cash capital increase by the Company to its subsidiary, Luxgen Motor Co., Ltd.	Approved as submitted.	Executed as resolved
2020/11/09	8th interim meeting of the 2nd Audit Committee	The Company's donation to the Wu Shun-Wen's News Scholarship Foundation	Approved as submitted.	Executed as resolved

Date of board meeting	Board of Directors	Summary of the motion	Audit Committee's opinion	The Company's handling of the Audit Committee's opinion
2020/11/09	8th interim meeting of the 2nd Audit Committee	The Company's issuance of a Letter of Operating Support (LOS) for the bank facilities of RMB173.4 million and US\$2.55 million for Yulon Motor Finance (China) Limited.	Approved as submitted.	Executed as resolved
2020/11/09	8th interim meeting of the 2nd Audit Committee	The Company's 2021 audit plan	Approved as submitted.	Executed as resolved

(II) In addition to the aforementioned motions, other motions without approval by the Auditing Committee but passed by the Board with 2/3 of the Directors: none.

II. With respect to the avoidance of conflicting interest agendas, describe the names of independent directors, details of the relevant agendas, reasons for avoiding conflicting interest, and the voting decisions.

The Company has established the "Audit Committee Charter", which stipulates the terms of recusal of independent director members of the committee from motions involving conflict of interest and handles it in accordance with the relevant regulations.

III. Communication between the Independent Director and the internal audit supervisor and CPAs (e.g., discussions of major affairs on the Company's financial status and business performance, the methods through which the discussions were carried out and the results etc.)

1. Highlights of the separate communication between independent directors and internal audit officer

Date	Highlights of the communication
2020/03/25	1. Report on the implementation of audit works from December 2019 to February 2020 2. Discussion and communication between audit officer independent directors.
2020/05/07	1. Report on the implementation of audit works from March to April 2020 2. Discussion and communication between audit officer independent directors.
2020/08/06	1. Report on the implementation of audit works from May to July 2020 2. Discussion and communication between audit officer independent directors.
2020/11/09	1. Report on the implementation of audit works from August to October 2020 2. Discussion and communication between audit officer independent directors.

2. Highlights of the separate communication between independent directors and CPAs

Date	Highlights of the communication
2020/03/25	1. CPAs expressed their opinion on the results of the audit of the Company's standalone and consolidated financial statements for 2019 and discussed with independent directors 2. CPAs expressed their opinion on the results of the audit of the Company's internal control and discussed with independent directors 3. CPAs expressed their opinion on the results of the audit of the Company's key audit matters and discussed with independent directors
2020/05/07	1. CPAs expressed their opinion on the results of the audit of the Company's consolidated financial statements for 1Q2020 and discussed with independent directors 2. CPAs explained the impact of the recent pre-announced amendments to regulations on the Company and their proposal, and discussed with independent directors
2020/08/06	1. CPAs expressed their opinion on the results of the audit of the Company's consolidated financial statements for 2Q2020 and discussed with independent directors 2. CPAs expressed their opinion on the common exit methods of Taiwan businesses in Mainland China and discussed with independent directors 3. CPAs expressed their opinion on the methods of disposal of real estate in Mainland China and discussed with independent directors 4. CPAs expressed their opinion on the regulations related to the transfer of shares and discussed with independent directors 5. CPAs expressed their opinion on the People's Bank of China's pilot project on large amount of cash management and discussed with independent directors 6. CPAs expressed their opinion on the dispute of recognition of investment loss for tax purpose and discussed with independent directors
2020/11/09	1. CPAs expressed their opinion on the results of the audit of the Company's consolidated financial statements for 3Q2020 and discussed with independent directors 2. CPAs explained the financial statement audit plan for 2021 and discussed with independent directors

Note:

* In the event that independent directors leave before a year is completed, the date when they leave should be indicated in the memo column. The actual attendance (seated) rate (%), on the other hand, shall be calculated by the number of Audit Committee meetings held during service and the frequency number of attendance (being seated) in the meetings.

* Before the end of the year, if there was an election of directors and supervisors, the names of new and former directors and supervisors should be filled in and the company should remark in the remarks section whether the directors and supervisors are former, newly elected, or reelected, as well as the day of the reelection. The actual attendance rate to committee session (%) shall be calculated on the basis of the number of sessions held by the Audit Committee in such period and the attendance in person in the sessions.

(III) The performance of corporate governance and the variation with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”, and the reasons for the variation

Items	Actual governance (Note 1)		The variation with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”, and the reasons for the variation	
	Yes	No		
1. Has the Company formulated and disclosed its corporate governance practice principles in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”?	V		The Company has established rules and regulations related to corporate governance, such as the Rules of Procedures for Shareholders' Meetings, the Procedure for Board of Directors Meetings, the Procedures for the Management of Confidential Documents, the Procedures for Disclosure and Handling of Confidential Information, the Standard Operating Procedures for the Announcement Process, the Internal Control System, the Procedures for the Acquisition or Disposal of Assets, and the Procedures for the Lending of Funds to Others, and the implementation of the operating systems have all met the requirements of the Principles. As of the date of this annual report, the Company has prepared a “Corporate Governance Best Practice Principles” in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and disclosed it on the Company's official website.	In compliance with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”.
2. The shareholdings structure and shareholders' equity of the Company				
(1) Has the Company established internal operating procedures to handle shareholder recommendations, doubts, disputes and litigations, and implemented them in accordance with the procedures?	V		(1) The Company convenes shareholders' meetings in accordance with the provisions of the Company Act and related laws and regulations, and has established complete rules of meeting procedure, and implemented matters that should be resolved by the shareholders' meetings in accordance with the rules of procedure. In addition, the Company has a spokesperson to respond to shareholders' suggestions or questions, and a dedicated stock affairs unit as the service window to handle related matters.	In compliance with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”.
(2) Does the Company have a list of the major shareholders who actually control the Company and those who ultimately have control over the major shareholders?	V		(2) The Company keeps track of the shareholdings of its directors, supervisors, managerial officers and major shareholders who hold 10% of the shares, and reports monthly on the changes in their shareholdings and the setting or release of pledge of their shares in accordance with the regulations.	In compliance with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”.
(3) Has the Company established and implemented risk control and firewall mechanisms between affiliated companies?	V		(3) The Company has established the “Handling Measures for Related Party Transactions”, “Operating Procedures for Lending Funds to Others”, and “Management Measures for Endorsement and Guarantee Management” for business and financial transactions with affiliates, and has also established the “Operating Measures for the Management of Confidential Documents”, “Operating Measures for Speaking and Handling Confidential Information”, and “Standard Operating Procedures for Announcement Process”. We have established a good internal mechanism for handling and disclosing material	In compliance with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”.

Items	Actual governance (Note 1)		Summary	The variation with the "Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies", and the reasons for the variation
	Yes	No		
(4) Has the Company formulated internal regulations to prevent insiders from trading securities using undisclosed information on the market?	V		(4) The Company has established the "Management Measures for Preventing Insider Trading", which clearly regulate the targets of insider trading, the filing and announcement of insider information, the disclosure of material information, and the handling of such disclosure. The Measures are also posted on the Company's website.	In compliance with the "Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies".
3. Composition and responsibility of the Board of Directors				
(1) Has the Board of Directors formulated and implemented a diversity policy on membership?	V		(1) The Company's Corporate Governance Best Practice Principles have stipulated that the composition of the Board of Directors should be determined with diversity in consideration, and has formulated appropriate diversity policy (basic criteria and values, professional knowledge and skills...) with respect to its operations, business model and development needs and implemented them. In addition to one female director, Yen Chen Li-Lien, the directors of the 16th Board of Directors of the Company have various professional abilities: the Chairperson, Yen Chen Li-Lien, the Vice Chairman, Tso, Chi-Sen, and the directors, Shin-I Lin and Zhen-Xiang Yao, who are good at leadership, operational judgment, business management, crisis management, and have industry knowledge and international market perspective. With expertise in the area of legal affairs, Jack, J.T .Huang, Director, and Yi-Hong Hsieh, Independent Director; with expertise in the area of economic and financial affairs, Leung Chang, Director, and Zhongqi Zhou and Yen-Chin, Tsai, Independent Directors. There are 3 Independent Directors(33%), one's seniority is between 1 to 3 years, one's seniority is between 3 to 6 years, the other one's seniority is above 6 years. 2 Director's age are over 70 years old; 6 Director's age are between 60 to 69 years old; 1 Director's age is under 60 years old. The Company also places emphasis on the professional knowledge and skills of its Board of Directors. In addition to expertise in the automobile industry and management, the percentage of directors with expertise in finance and law is expected to reach 20%. The percentage of financial professional directors in the 16th Board of Directors of the Company is 33%, while the percentage of legal professional directors reaches 22% with the addition of the new director of the 16th term, Jack, J.T .Huang.	In compliance with the "Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies".
(2) In addition to the Remuneration Committee and the Audit Committee established in accordance with law, has the Company voluntarily set up other functional committees?	V		(2) Considering the size of the Company's Board of Directors and the number of independent directors, the Company has established a Remuneration Committee as required by law at this stage, and has set up internal control management mechanisms and project, operation and decision-making meetings for each business. Through such meetings, important issues are evaluated to provide the Board of Directors with	In compliance with the "Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies".

Items	Actual governance (Note 1)		Summary	The variation with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”, and the reasons for the variation
	Yes	No		
			input to carry out its oversight responsibilities. The Company has set up an audit committee to replace the supervisory system on July 1, 2016, and the remaining functional committees may be set up in accordance with the corporate management plan.	
(3) Whether the Company has formulated board performance evaluation measures and methods, conducts performance evaluations annually and regularly, and reports the results of performance evaluations to the Board of Directors, and uses them as a reference for individual directors' remuneration and nomination for reappointment?	V		(3) On November 9, 2015, the Company adopted the “Board of Directors Evaluation Measures”, which stipulates that the Company's Board of Directors shall conduct a performance evaluation of the Board of Directors and its members at least once a year as a reference for the election of directors and the remuneration of directors, and that the evaluation shall be conducted by an external professional and independent organization or a team of external experts and scholars at least once every three years. In December 2018, the Company commissioned an outside party to conduct the evaluation of the effectiveness of the Board of Directors, the results of which were reported to the Board of Directors in March 2019. The internal evaluation period of the Board of Directors shall be conducted at the end of each year to evaluate the performance of the current year in accordance with the Measures. In May 2019, the Company completed the amendment of certain provisions of the “Board of Directors Evaluation Measures”, which was approved by the Board of Directors. The Company completed the evaluation of the Board of Directors, Board members and functional committees for 2020 in March 2021, and the results of the internal evaluation and the directions for further enhancement in 2021 were presented at the Board of Directors meeting held in March 2021. The evaluation was conducted by means of an internal questionnaire. The evaluation was based on the 4 parts of the operation of the Board of Directors, the participation of the directors, the operations of the Audit Committee and the Remuneration Committee; with the evaluation of the operation of the Board of Directors and their own participations by the directors, the evaluation of the operations of the Audit Committee and the Remuneration Committee by the committee members. The evaluation results ranged from 95.76 to 100 points. Based on the results of the Board of Directors' performance evaluation for 2020, the overall operation of the Board of Directors is good.	In compliance with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”.
(4) Does the Company regularly evaluate the independence of the attesting CPAs?	V		(4) We have developed an evaluation form for the independence and competence of CPAs with reference to the Code of Professional Ethics for Certified Public Accountants, No. 10, “Integrity, Impartiality, Objectivity and Independence,” which includes the size of the CPA firm, the number of years of continuous audit services provided, and the nature of non-audit services provided. The Board of Directors annually evaluates the independence and competence of CPAs by obtaining a statement of independence from the CPA firm on the nature and extent of non-audit services provided, the audit fee, whether there is	In compliance with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”.

Items	Actual governance (Note 1)		The variation with the "Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies", and the reasons for the variation
	Yes	No	
			no violation of the Certified Public Accountant Act, the quality of audit services, whether the statutory statements are completed on time, and whether there is communication with management, internal audit officer and directors. The evaluation of the independence and competence of CPAs in Year 2020 was completed and approved by the Board of Directors in March 2021.
4. Does the Company as a listed company have suitable and appropriate number of corporate governance personnel and appoint a corporate governance officer to be responsible for corporate governance related matters (including but not limited to providing information necessary for directors and supervisors to perform their business, assisting directors and supervisors to comply with laws and regulations, conducting board meeting and shareholder meeting related matters in accordance with law, handling company registration and alteration registration, and preparing minutes of board meetings and shareholder meetings, etc.)?	v		<p>The corporate governance officer of the Company was appointed as approved by the Board of Directors on May 10, 2019, and is the Assistant VP of the Finance planning department, who has more than 3 years of experience in financial and meeting administration in public companies, and is in compliance with the establishment criteria. A corporate governance group has also been established to handle corporate governance related matters. The corporate governance officer is responsible for corporate governance-related matters and the protection of shareholders' rights and interests, as well as strengthening the functions of the Board of Directors, including providing information necessary for directors and independent directors to carry out their business, assisting directors and independent directors to strictly comply with the law, handling matters related to meetings of the Board of Directors and shareholders' meetings in accordance with the law, handling business registrations and change registrations, and preparing minutes of Board of Directors meetings and shareholder meetings, etc. The execution of the function for 2020:</p> <ol style="list-style-type: none"> 1. Assisted independent directors and regular directors in carrying out their duties, provided necessary information and arranged for directors' further education. 2. Assisted in the proceedings and resolutions of the board of directors meetings and shareholders' meetings 3. Managed 2020 annual directors' liability insurance. 4. In order to implement corporate governance, a performance evaluation of the Board of Directors and Directors for 2020 was conducted and presented to the Board of Directors in March 2021. 5. In 2020, the Company held four corporate briefings to disclose the necessary information to market investors, so that the shareholders' rights and interests were well protected. 6. The regular shareholders' meeting was held in June 2020, and the date of the shareholders' meeting was registered, and the notice of the meeting, the meeting handbook and the minutes of the meeting were prepared within the legal period. 7. Notified the directors of the proposed agenda 7 days in advance of the board meeting, convened the meeting and provided meeting materials, and completed and sent the minutes of the board meeting afterwards. <p>Continuing education in 2020:</p> <ol style="list-style-type: none"> 1. Changes in the 5G Era: Industry Upgrades, Future Business Applications and the New Normal in the Post-Epidemic Era (3 hours)

Items	Actual governance (Note 1)		The variation with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”, and the reasons for the variation
	Yes	No	
			<p>2. A Study of Directors' Operational Risks and Legal Liabilities under the Latest Corporate Governance Blueprint (3 hours)</p> <p>3. Advanced Seminar on Directors' and Supervisors' (including Independent) and Corporate Governance Executives' Practices ~ [Case Studies on the Establishment of Directors' and Supervisors' Breach of Trust and Special Breach of Trust] (3 hours)</p> <p>4. Advanced Seminar on Directors' and Supervisors' (including Independent) and Corporate Governance Executives' Practices ~ [Analysis of enterprise financial information and decision-making application](3 hours)</p>
5. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.) and a special section for stakeholders on the Company's website, and responded appropriately to important corporate social responsibility issues that are of concern to stakeholders?	V		Stakeholders (customers, employees, shareholders, suppliers, distributors, community) can communicate with the Company through the business departments or spokesperson, and we have set up an investor relations contact window on our website to provide information , or they can contact us by phone, fax or e-mail whenever necessary among these smooth channels.
6. Has the Company appointed a professional stock affairs agency to handle matters for shareholder meetings?		V	In order to have good control of the list of the major shareholders who actually control the Company and those who ultimately have control over the major shareholders in a timely matter, the Company handles its own stock affairs. To ensure that shareholders' meetings are held in a legal, effective and safe manner, an internal control system and internal audit procedure of stock affairs have been established, and the Company is subject to regular external audits by the Taiwan Depository & Clearing Corporation every year.
7. Information disclosure (1) Has the Company set up a website to disclose finance and business matters and corporate governance information? (2) Has the Company adopted other means of information disclosure (such as setting up an English website, appointing dedicated personnel responsible for the collection and disclosure of Company information, implementing a spokesperson system, posting the Company's earnings calls on its website, etc.)? (3) Does the Company publicly announce and file annual financial statements within two months after the end of the fiscal year, and the financial statements for the first, second and third quarters and the monthly operating status before the prescribed deadline?	V V V		<p>(1) The Company has set up a website to disclose financial and operational information in a timely manner in accordance with relevant laws and regulations. The Company's website: http://www.yulon-motor.com.tw</p> <p>(2) The Company has dedicated personnel responsible for the collection of corporate information and disclosure of important matters, and has implemented a spokesperson and acting spokesperson system; corporate briefing presentations are also available on the website and an English website has been set up to achieve the purpose of full disclosure of information.</p> <p>(3) The Company is currently making announcements of its annual financial statements and quarterly financial statements within the prescribed deadlines and will make efforts to file in advance.</p>
8. Does the Company have other important information that is helpful to understand its implementation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, continuing education of directors and supervisors, Implementation of risk	V		<p>1. Employee rights and benefits Through regular interactions with labor representatives, employee care activities, and improvement on employee satisfaction, the Company strengthens the partnership with employees and ensure labor-management harmony.</p> <p>2. Employee care The Company cares for the physical and mental</p>

Items	Actual governance (Note 1)		Summary	The variation with the "Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies", and the reasons for the variation
	Yes	No		
management policies and risk measurement standards, implementation of customer policies, the Company's purchase of liability insurance for directors and supervisors, etc.)?			<p>health, welfare and career development of its employees as indicated with the establishment of an employee welfare park, implementation of employee health checkups, provision of group insurance for each employee, arrangement of after-work leisure activities, organization of employee family days and sports seasons, subsidized employee travel, subsidized funds for club activities, and provision of multiple learning channels for employees, etc. For related measures, please refer to Chapter 5, Section 5, "Labor Relations" of this annual report.</p> <p>3. Investor relations The Company has a stock affairs unit to serve as a bridge between the Company and its shareholders, and a spokesperson system to provide a window of contact with shareholders and institutional investors.</p> <p>4. Supplier relations The Company deals with our suppliers based on the concept of co-existence and co-prosperity. We have a dedicated internal unit to monitor and counsel our suppliers, and we have an incentive system to reward suppliers for their excellent performance. The communication channels with suppliers are also diversified and effective. In addition, we have established the "Practice Standards for Safety and Health Management of Outsourcing Contractors" and "Regulations for the Management of Operations in Outsourcing Contractors' Sites", which require us to cooperate with suppliers and follow the relevant regulations on environmental protection, safety and health issues, and jointly strive to enhance corporate social responsibility.</p> <p>5. Rights of Stakeholders. The Company respects and protects the legitimate rights and interests of the stakeholders, and establishes different communication methods to facilitate the effective communication of the opinions of each stakeholder in a timely manner.</p>	

6. The continuing education of directors and independent directors (2020.1.1 - 2020.12.31)

Title	Name	Course organizer	Course name	Training hours	Remarks
Chairman	Yen Chen Li-Lien	Corporate Governance Association in Taiwan	Changes in the 5G Era: Industrial Upgrading, Future Business Applications and the New Normal in the Post-Epidemic Era; A Study of Directors' Operational Risks and Legal Liabilities under the Latest Corporate Governance Blueprint	6	
Vice Chairman	Kuo-Rong Chen	Corporate Governance Association in Taiwan	Changes in the 5G Era: Industrial Upgrading, Future Business Applications and the New Normal in the Post-Epidemic Era; A Study of Directors' Operational Risks and Legal Liabilities under the Latest Corporate Governance Blueprint	6	
Director	Shin-I Lin	Corporate Governance Association in Taiwan	Changes in the 5G Era: Industrial Upgrading, Future Business Applications and the New Normal in the Post-Epidemic Era; A Study of Directors' Operational Risks and Legal Liabilities under the Latest Corporate Governance Blueprint	6	

Items	Actual governance (Note 1)		Summary	The variation with the “Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies”, and the reasons for the variation	
	Yes	No			
Title	Name	Course organizer	Course name	Training hours	Remarks
Director	Liang Zhang	Securities and Futures Institute; Accounting Research and Development Foundation	New Challenges of Board of Directors from Corporate Governance 3.0; Director Responsibility and Risk Management under the Latest Corporate Governance Blueprint	6	
Director	Jack, J.T .Huang	Corporate Governance Association in Taiwan	Innovative Transformation in Post-Epidemic Situations; Financial Situation Analysis in Response to Stressful Events: The Case of U.S.-China Trade War and Novel Coronavirus	6	
Director	Zhen-Xiang Yao	Corporate Governance Association in Taiwan	Changes in the 5G Era: Industrial Upgrading, Future Business Applications and the New Normal in the Post-Epidemic Era; A Study of Directors' Operational Risks and Legal Liabilities under the Latest Corporate Governance Blueprint	6	
Independent Director	Yi-Hong Hsieh	Corporate Governance Association in Taiwan	Changes in the 5G Era: Industrial Upgrading, Future Business Applications and the New Normal in the Post-Epidemic Era; A Study of Directors' Operational Risks and Legal Liabilities under the Latest Corporate Governance Blueprint	6	
Independent Director	Zhongqi Zhou	Corporate Governance Association in Taiwan	Changes in the 5G Era: Industrial Upgrading, Future Business Applications and the New Normal in the Post-Epidemic Era; A Study of Directors' Operational Risks and Legal Liabilities under the Latest Corporate Governance Blueprint	6	
Independent Director	Yen-Chin, Tsai	Corporate Governance Association in Taiwan	Changes in the 5G Era: Industrial Upgrading, Future Business Applications and the New Normal in the Post-Epidemic Era; A Study of Directors' Operational Risks and Legal Liabilities under the Latest Corporate Governance Blueprint	6	
<p>7. Implementation of risk management policies and risk measurement standards. Please refer to the description under “Risk Management and Assessment” in Chapter 7, Section 6 of this Annual Report.</p> <p>8. Implementation of consumer or customer protection policies. The Company has a 24-hour 0800 toll-free telephone consultation service line, which provides a comprehensive channel of consultation and services for consumers' rights and interests, including inquiries about dealership business and service locations, new car information, towing assistance, customer needs assistance, advice and complaint handling, etc.</p> <p>9. The company purchase of liability insurance for directors and independent directors. The directors and independent directors of the Company have performed their duties in good faith and with due care and attention, and no litigation or illegal acts have occurred. However, in order to fully protect the interests of stakeholders, the Company appointed Tokio Marine Nawa Insurance Co., Ltd. to plan and underwrite the directors' liability insurance from July 1, 2020 to July 1, 2021.</p> <p>10. Please describe the improvements that have been made in response to the corporate governance evaluation results issued by the Corporate Governance Center of the Taiwan Stock Exchange in the most recent year, and propose priorities and measures for those not yet improved: (Not applicable to the companies that are not subject to the evaluation) Regarding the 7th Corporate Governance Evaluation result, the Company did not meet the scoring criteria in disclosure of the connection between the performance appraisal and the remuneration of directors and managerial officers in the annual report. To enhance disclosure transparency, the Company would enumerate items for the aforementioned connection.</p>					

Note 1: Whether the Company selects “Yes” or “No” in the operation condition, it should explain the situation in the summary space.

(IV) If the Company has a compensation committee, it should disclose its composition, duties and operations.

1. The composition and duties of the Remuneration Committee

The Remuneration Committee was established on August 26, 2011 as approved by the Board of Directors and is responsible for setting and regularly reviewing the policies, systems, standards and structures of annual and long-term performance goals and remuneration for the Company's directors and managerial officers, regularly evaluating the achievement of the Company's performance goals for its directors and managerial officers, and setting the content and amount of their individual remuneration. The members of the Remuneration Committee for the most recent year as follows:

Role (Note 1)	Name	Meet One of the Following Professional Qualification Requirements, Together with at Least Five Years Work Experience			Status of independence (note 2)										Number of other public companies where the member is also a member of their remuneration committees	Remarks	
		Lecturer or higher ranking at the business, legal affairs, financial affairs, or accounting department, or other departments relating to corporate operation of public and private colleges and universities	A Judge, Public Prosecutor, Attorney, Certified Public Accountant, or Other Professional or Technical Specialist Who has Passed a National Examination and been Awarded a Certificate in a Profession Necessary for the Business of the Company	Work experience required for business, legal affairs, financial affairs, accounting, or corporate operation	1	2	3	4	5	6	7	8	9	10			
Independent Director	Yi-Hong Hsieh	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	2	
Independent Director	Zhongqi Zhou			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	2	
Independent Director	Yen-Chin, Tsai	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	2	

Note 1: Identity is known as director, independent director or others.

Note 2: place a "✓" in the box below if the member met the following conditions during the time of active duty and two years prior to the elected date.

- (1) Not employed by the company or any of its affiliated companies.
- (2) Not a director or supervisor of the company or its affiliates (except for independent directors of the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (3) Not a natural person, spouse, underage children, or under the title of a third party who holds more than 1% of the outstanding shares issued by the Company or among the top 10 natural person shareholders.
- (4) Not the spouse, the kindred under the second tier under the Civil Code or the direct kin within the third tier under the Civil Code of the managers stated in (1) or other roles stated in (2), (3).
- (5) Not a director, supervisor or employee of an institutional shareholder directly holding more than 5% of the outstanding shares issued by the company, or a director, supervisor or employee of an institutional shareholder who is among the top 5 shareholders, or a representative of an institutional shareholders appointed as the director or supervisor of the company according to paragraph 1 or 2, Article 27, Company Act (except for independent directors of the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (6) Not a director, supervisor or employee of a company controlling over one half of the company's director seats or voting shares under one person (except for independent directors of the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (7) Not a director of a company or institution whose chairperson and president or equivalent role is the same person or its spouse (except for independent directors of the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (8) Directors, supervisors, managers or shareholders holding more than 5% of shares in specific companies or institutions that do not have financial or business dealings with the company (but individual directors appointed according to local laws and regulations holding other positions in possession of more than 20% and less than 50% of issued shares belonging to specific companies or institutions that are parent, subsidiary, or belonging to the same parent company are not applicable).
- (9) Business owners, partners, directors (directors), supervisors (supervisors), managers and their spouses, or professionals, sole proprietorships, partnerships, companies or institutions involved in commercial, legal, financial, accounting services did not provide audits or accumulate NTDS 500,000 compensation over the past 2 years. This restriction does not apply, however, to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) Does not meet any descriptions stated in Article 30 of The Company Act.

2. Information on the operation of the Remuneration Committee

- (1) The Remuneration Committee of the Company consists of 3 members.
- (2) Term of office of the current Committee: The term of office of the Fourth Remuneration Committee is from July 1, 2019 to June 30, 2022. As of April 30, 2021, the Fourth Remuneration Committee met four times (A), and the qualifications and attendance of the members were as follows

Title	Name	Number of actual attendees(B)	Number of attendance by proxy	Attendance rate (%) (B/A) (Note 1)	Remarks (Note 2)
Convener	Yi-Hong Hsieh	4	0	100%	Re-elected on 2019/7/1, with legal expertise
Committee member	Zhongqi Zhou	4	0	100%	Re-elected on 2019/7/1, with management and financial expertise
Committee member	Yen-Chin, Tsai	4	0	100%	Re-elected on 2019/7/1, with financial expertise

Other notes:

1. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it should state the date, period, proposal content, resolution of the board, and its handling of the committee's opinions (if the remuneration approved by the board is better than the recommendation proposed by the committee, the difference and reasons should be stated):
No such matter.
2. For the proposals by the Remuneration Committee. If any members have objections or reservations with records or written statements, the date, period, proposal content, the opinions of all members, its handling of the members' opinions should be stated:
No such matter.
3. The date and period of the Remuneration Committee meeting in 2020, the content of the motion, the result of the resolution of the Committee and the Company's handling of the opinions of the Committee.

Date of the Remuneration Committee meeting	Session of the Remuneration Committee meeting	Summary of the motion	Remuneration Committee's opinion	The Company's handling of the Remuneration Committee's opinion
2020/3/25	2nd meeting of the 4th Remuneration Committee	The distribution of profit sharing remuneration to employees and directors for 2019	Approved as submitted.	Presented to the Board of Directors and approved by all attending directors.
		Amendment to the Remuneration Committee Charter	Approved as submitted.	Presented to the Board of Directors and approved by all attending directors.
2020/11/9	3rd meeting of the 4th Remuneration Committee	2021 calendar of the Remuneration Committee	Approved as submitted.	Executed as resolved

Note 1: In the event that Remuneration Committee members leave before a year is completed, the date when they leave should be indicated in the memo column. The actual attendance (seated) rate (%), on the other hand, shall be calculated by the number of Remuneration Committee meetings held during service and the frequency number of attendance (being seated) in the meetings.

Note 2: Before the end of the year, if there was an re-election of the Remuneration Committee, the names of new and former Remuneration Committee members should be filled in and the company should remark in the remarks section whether the members are former, newly elected, or reelected, as well as the day of the reelection. The attendance rate to committee session (%) shall be calculated on the basis of the number of sessions held in such period and the actual number of presence in the sessions.

(V) The Performance of Corporate Social Responsibility and Variation with the Corporate Governance Best Practice Principles for TWSE/TPEX-Listed Companies, and the reason for the variation.

Items for assessment	Actual governance (Note 1)		Deviation and causes of deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	
I. Does the Company perform risk assessment with respect to the issues of environment, social and corporate governance related to the business operation of the Company based on the materiality principle and establish relevant risk management policies or strategies? (Note 3)	V		<p>In order to maintain stable operations and reduce operational risks, the Company has responsible units for management and auditing in the areas of management, safety and health, environment, and information, and the audit office will include major auditing items in the annual audit plan based on risk assessment results, perform audits of the internal control system, and disclose the audit results in the audit report, and follow the Plan→Do→Check→Action (P.D.) to track improvements. C.A.) to track and improve.</p> <p>I. Operational risk management</p> <ol style="list-style-type: none"> 1. The financial planning department is responsible for the planning of the Company's business strategies, control of goal achievement, operating capital management and risk assessment. 2. The finance planning department and the related responsible units provide information from time to time on industry trends, important domestic and foreign policies and laws, technological changes, etc. to assist management in making decisions and reducing operational risks. 3. Control the annual KPI achievement rate of each unit of the Company and its invested subsidiaries to reduce the risk of operational performance. <p>II. Foreign exchange risk management</p> <ol style="list-style-type: none"> 1. The Company has established a foreign exchange hedging operation group to be responsible for foreign exchange hedging operations in order to reduce the risk of exchange rate changes. 2. We have an exchange rate risk sharing measure with Nissan Motor Co., Ltd., a major material supplier, to ensure stable and reasonable material supply prices. <p>III. safety and health risk management</p> <ol style="list-style-type: none"> 1. Risk management is coordinated and executed by the Safety and Health Office. 2. Safety and health audits are conducted by the president, plant manager, managers, and department heads on a regular basis to discover potential risk conditions and to identify opportunities for improvement in advance to avoid risks. 3. The safety and health office will be responsible for tracking, statistics and management of the defects inspected until they are completely improved. 4. In addition to the company's internal safety audits, the scope of audits has been expanded to include the eight external third-party companies since 2015, and the "Third-Party Supplier Value Chain Committee" project has been established to evaluate and counsel, and to track and request third-party companies to implement safety audits, and to report the improvement progress of each supplier to the president at

Items for assessment	Actual governance (Note 1)			Deviation and causes of deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summarized explanation (Note 2)	
			<p>the monthly promotion meeting and the monthly environmental safety meeting to ensure that there are no risk incidents inside or outside the Company.</p> <p>IV. Climate change risk management The Company is concerned about the issue of climate change and is actively identifying and responding to the risks and impacts of extreme weather.</p> <ol style="list-style-type: none"> 1. Develop company-wide energy saving and carbon reduction, greenhouse gas reduction... KPI, and monthly review and control the achievement rate and set improvement measures. 2. Upgrade the equipment and optimize the energy efficiency of the process. 3. Established the “Energy Saving Service Group” in 2012, and set up the “Energy Saving Committee” and the “Value Chain Committee of Third-Party Suppliers” in 2018 to guide third-party companies in their efforts to protect the environment and actively create a green supply chain. 4. Develop zero-carbon emission smart electric vehicles and cooperate with Hon Hai to provide a complete solution of electric vehicle chassis and key component modules to shorten the development process of future electric vehicles and enable electric vehicle products to enter the market more quickly. <p>V. Information risk management</p> <ol style="list-style-type: none"> 1. Compliance with information security management system: The Company has established relevant internal operation regulations in accordance with Article 9, “Computerized Information System Processing,” of the “Regulations Governing Establishment of Internal Control Systems by Public Companies” in order to reduce the risk of unknown information security threats arising from information technology applications and environmental changes. 2. The Company continues to improve its information security governance system and enhance its information security capabilities. All information operations must not only comply with information security standards and procedures, but also with information security laws and regulations. 3. Since 2017, we have followed the Group’s “Information Security Development Blueprint” and completed the “Information Security Risk Internal Control Management Measures” plan in 2018 to implement information security risk management. <p>Refer to the description “Risk Management” and “Operate and Communicate with the Stakeholders” in the Company’s CSR report.</p>	
II. Has the Company set up a full-time (part-time) unit to promote corporate social responsibility, together with senior management authorized by the Board of Directors to handle related matters and report to the board on the	V		<p>The CSR Committee was established in July 2018, with the president as the chairman, and the Bureau of Affairs was set up to assist the chairman in promoting CSR tasks, and six working groups were set up in three major areas, including sustainable environment/social participation/corporate governance, with</p>	<p>In compliance with the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies”.</p>

Items for assessment	Actual governance (Note 1)			Deviation and causes of deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summarized explanation (Note 2)	
handling of the matters?			department heads as the leaders of the groups to promote CSR tasks. We hold monthly CSR management committee meetings to review and share the progress and results of CSR projects. At least once a year, the Board of Directors is updated with the results of the current year's work and the direction and plans for the promotion of CSR work in the future.	
III. Environmental issue				
(I) Does the Company have an appropriate environmental management system established in accordance with its industrial character?	V		(I) The automobile industry is a technology-intensive and capital-intensive industry with a huge industrial chain that involves a wide range of related industries. To address the characteristics of this industry, we have set up a Green Energy Task Force to regularly review and improve our CO ₂ , waste and other emission targets.	In compliance with the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies".
(II) Is the Company committed to enhance the utilization efficiency of resources and use renewable materials that are with low impact on the environmental?	V		(II) In order to improve the efficiency of resource utilization and to use recycled materials with low impact on the environment, we have established material flow cost accounting to conduct material flow cost analysis in order to provide more complete green management information as the basis for overall planning and promotion of environmental protection issues, and to achieve the assessment tools of whether the use is effective, whether the environmental impact problem is serious and how to improve.	In compliance with the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies".
(III) Has the Company assessed the potential risk or opportunity deriving from climate change and its effect on the Company at present and in the future, and mapped out the response to climate-related issues?	V		(III) The Company has long been concerned about the impact of climate change on its operations, and actively identifies and responds to the risks and impacts of extreme weather in order to identify opportunities. <ol style="list-style-type: none"> 1. Develop company-wide energy saving and carbon reduction, greenhouse gas reduction... KPI, and monthly review and control the achievement rate and set improvement measures. 2. Upgrade the equipment and optimize the energy efficiency of the process. 3. Established the "Energy Saving Service Group" in 2012, and set up the "Energy Saving Committee" and the "Value Chain Committee of Third-Party Suppliers" in 2018 to guide third-party companies in their efforts to protect the environment and actively create a green supply chain. 4. Develop zero-carbon emission smart electric vehicles and cooperate with Hon Hai to provide a complete solution of electric vehicle chassis and key component modules to shorten the development process of future electric vehicles and enable electric vehicle products to enter the market more quickly. Please refer to Note 4 for the Company's identification of opportunities and measures to address climate risk issues.	In compliance with the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies".
(IV) Has the Company analyzed the total weight of the greenhouse gas emission, water consumption and wastes over	V		(IV) The Company has been conducting greenhouse gas inventories since 2006, and established the Green Energy Project in 2008 to set annual reduction targets for	In compliance with the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed

Items for assessment	Actual governance (Note 1)			Deviation and causes of deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summarized explanation (Note 2)	
the past two years? Does the Company establish the management policies for saving of energy and reduction of carbon, greenhouse gas emission, water consumption and wastes?			<p>greenhouse gas, waste, and water consumption, and has continued to promote energy saving and waste reduction PDCA activities since then. Under the ISO 14001 environmental management system certification, the Company regularly reviews the status of environmental objectives and improvement performance to ensure the implementation of energy saving and carbon reduction plans and achievement of targets.</p> <p>Specific measures are described below:</p> <ol style="list-style-type: none"> 1. Energy-reducing low carbon manufacturing : <ol style="list-style-type: none"> (1) Under the promotion platform of “Energy Saving Committee“, the “Nine Steps to Energy Saving“ combined with the “Intelligent Energy Management System“ to monitor energy consumption data to verify the energy saving effect. (2) 252 improvement projects were completed in 2020, reducing carbon emissions by 413.6 metric tons per year (217 projects for electricity, reducing carbon emissions by 179 metric tons per year; 30 projects for gas, reducing carbon emissions by 215 metric tons per year. 5 projects for fuel oil, reducing carbon emissions by 19.6 metric tons per year). (3) Total CO2 emissions were 11,654 metric tons in 2020 and 11,965 metric tons in 2019. 2. Water resources reduction measures : <ol style="list-style-type: none"> (1) The wastewater from the pure water washing process in the coating plant is reused and recycled as the washing water in the front section. (2) The water is recycled and reused from the storm test of finished cars. 3. Waste reduction and management : <ol style="list-style-type: none"> (1) All kinds of wastes are handled by legal vendors approved by the Environmental Protection Administration and reported online according to the law, and the reuse rate is 100%. (2) After the process waste solvent is collected by the recycling system, the distillation machine is used to recover the clean solvent for reuse, reducing the purchase of solvent by about 37 metric tons/year. (3) Continuously implement the program of changing the anti-collision material of parts rack to recyclable material, recycling the packaging material of service parts, and increasing the revenue of waste by 9 categories to realize the goal of recycling economy to protect the earth resources. 	Companies“.

Items for assessment	Actual governance (Note 1)			Deviation and causes of deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summarized explanation (Note 2)	
			(4) The total waste volume in 2020 was 330 metric tons and the total waste volume in 2019 was 349 metric tons.	
IV. Social issue				
(I) Does the Company have the relevant management policies and procedures stipulated in accordance with the relevant laws and regulations and international conventions on human rights?	V		<p>(I) The human resources unit of the Company formulates relevant management policies and procedures in accordance with the existing labor-related laws and regulations, and implements them. In addition, the Company complies with relevant labor laws and regulations and protects the legitimate rights and interests of employees in accordance with the provisions of the "Corporate Social Responsibility Best Practice Principles" established by the Company.</p> <p>We recognize and follow the United Nations "Universal Declaration of Human Rights", the "Guiding Principles of Business and Human Rights", the "Global Compact", the "International Labor Organization Convention", and other international human rights conventions, and will not violate or infringe on human rights and treat all colleagues, customers and stakeholders with dignity.</p> <p>Execution Policy:</p> <ol style="list-style-type: none"> 1. Provide a safe and healthy working environment 2. Eliminate unlawful discrimination to ensure equal work opportunities 3. Prohibit child labor 4. Prohibit forced labor 5. Assist employees to maintain physical and mental health and work-life balance 6. Support employees to form and join labor unions to exercise their labor rights in accordance with the law <p>Specific measures for human rights policy:</p> <ol style="list-style-type: none"> (1) Provide a safe and healthy working environment: weekly health promotion in the safety and hygiene room, "group insurance" for all employees, their spouses and children, etc. For more details, please refer to "Protective Measures for Working Environment and Employees' Personal Safety" in Chapter 5, Section 5, Labor Relations. (2) Assist employees to maintain physical and mental health and work-life balance, and prohibit forced labor: announce that all employees will have one on-time work day and two no-meeting days per month, and hold regular family days each year. (3) Support employees to form and join labor unions to exercise their labor rights in accordance with the law; encourage them to join labor unions. 	In compliance with the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies".
(II) Has the company established and implemented reasonable employee welfare measures (including remuneration, leave, and other benefits) and appropriately reflected business performance and	V		(II) According to the Company's Articles of Incorporation, in addition to the profit sharing remuneration to employees if the Company makes profits, the Company also provides incentive bonuses such as three festival bonuses, additional annual bonuses, and bonuses for the growth of the	In compliance with the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies".

Items for assessment	Actual governance (Note 1)			Deviation and causes of deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summarized explanation (Note 2)	
<p>achievements in the remuneration for employees?</p> <p>(III) Does the Company provide employees with a safe and healthy working environment, and provide safety and health education to employees regularly?</p>	V		<p>management team based on the operating performance and individual performance of employees to encourage employees to achieve better performance for the Company and shareholders. The Company has established and implemented employee benefit measures, which are described in detail in Chapter 5, Section 5, "Labor Relations".</p> <p>(III) The Company has set up a medical office and a safety and health room to help employees maintain their health, added "group insurance" for all employees, their spouses and children, conducted relevant education and training for new employees, and provided regular weekly health education by the safety and health office. We are committed to providing a safe and healthy working environment. For more details, please refer to "Protective Measures for Working Environment and Employees' Personal Safety" in Chapter 5, Section 5, Labor Relations. The Company attaches great importance to employees' physical and mental health and work-life balance, prohibit forced labor, In addition to the announcement that all employees will have one punctual closing day and two non-meeting days per month, family days will be held regularly every year.</p>	In compliance with the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies".
<p>(IV) Has the company established an effective career development and training program for employees?</p>	V		<p>(IV) The Company has a technical training framework to enhance employees' professional skills. For detailed examples of education and training, please refer to the description under Chapter 5, Section 5, "Labor Relations".</p>	In compliance with the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies".
<p>(V) Does the Company comply with relevant laws and international standards with regard to the health and safety of the customers using the products and services, their privacy, and the marketing and labeling of such products and services? Does the Company establish policies or procedures for protection of customers' rights and interests?</p>	V		<p>(V) The Company adheres to the principle of green design and green manufacturing to provide customers with fuel-efficient and environmentally friendly green products for a wide range of vehicles. After the products are sold, all processes must be carried out to prevent product liability through the joint implementation of all employees and the dealership system to prevent the occurrence of defects in products that cause damage to consumer rights. As for the after-sales warranty of the products, the warranty terms and conditions are clearly listed in the owner's manual to inform consumers of their rights and benefits and to help them deal with the system. All product assurance standards and procedures are regularly reviewed and revised by the Company in accordance with ISO standards to provide a rigorous and comprehensive product assurance system. The principle of handling product liability incidents is to give priority to consumers' rights and interests, and to follow government regulations. In order to ensure that product liability incidents can be handled quickly and properly, we have established relevant handling guidelines such as "Customer Complaint Handling</p>	In compliance with the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies".

Items for assessment	Actual governance (Note 1)			Deviation and causes of deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summarized explanation (Note 2)	
(VI) Does the Company establish supplier management policies and ask suppliers to follow relevant regulations on the issues of environmental protection, occupational safety and health or labor rights? What is the implementation status of these policies?	V		Practice Standards,“ “After-Sales Service Compensation Practice Standards,“ and “Vehicle Recall Correction Management Regulations“ to assist consumers in solving problems immediately and to protect consumers' rights and interests. The Company also has a toll-free 0800 service line with a 24-hour live service system that provides a transparent and effective consumer complaint process for the Company's products and services. Before mass production of finished cars, we have obtained safety audit certificates from the Ministry of Transportation and Communications, emission and noise tests from the Environmental Protection Administration, and fuel consumption tests from the Bureau of Energy, Ministry of Economic Affairs, to ensure the quality of our products comply with relevant regulations. (VI) We regularly audit and evaluate suppliers, and request continuous improvement plans for suppliers with bad records in order to meet the spirit of green procurement. As for suppliers, the Company has made green procurement an important reference indicator and has strictly selected its past suppliers in accordance with Nissan's procurement regulations, and the Company may terminate or cancel the contract if the counterparty is involved in dishonest behavior.	In compliance with the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies“.
V. Does the Company refer to internationally accepted report preparing guidelines or guides to compile its CSR report or other reports disclosing non-financial information of the Company? Are assurance or certification opinions of a third-party verification institution acquired for the above mentioned reports?	V		In addition to disclosing relevant and reliable CSR-related information in the annual report, the Company also publishes a CSR report on its website for stakeholders to download and read. The report was verified by an external rating agency and received an A+ grade for 2011.	In compliance with the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies“.
VI. For the companies which have established corporate social responsibility best practice principles in accordance with the “Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies,“ please describe the implementation practices and the deviation from the Principles established: The Company has established rules and regulations related to corporate governance, such as the Rules of Procedures for Shareholders' Meetings, the Procedure Board of Directors Meetings, the Operating Measures for the Management of Confidential Documents, Operating Measures for Speaking and Handling Confidential Information, and Standard Operating Procedures for Announcement Process, the Internal Control System, the Operating Procedures for the Acquisition or Disposal of Assets, and the Operating Procedures for Lending of Funds to Others. In addition, the Company has established relevant management measures for air pollution, wastewater, toxic chemicals, etc., as well as “Environmental Considerations Management Procedures“, “Environmental Objectives and Management Plans“, “Yulon Environmental and Safety and Health Handbook“, and other policies for energy saving and carbon reduction, greenhouse gas reduction, water use reduction, and other wastes, and is promoting various stages of environmental objectives and targets, taking into account the impact of the company's processes, activities, products and services on the environment. Environmental objectives and targets. At this stage, the various relevant practices have been formulated to comply with the requirements of the “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies“ in the areas of corporate governance, development of a sustainable environment, protection of social welfare and enhancement of information disclosure. The Company has prepared “Corporate Social Responsibility Best Practice Principles“ and submitted it to the Board of Directors and got their approval in May 2014 and requested all subsidiaries of the Group to comply with the Principles.				
VI. Other important information helpful for understanding the implementation of corporate social responsibility: (1) The Company's corporate social responsibility operation in environmental protection 1. The Company has established the “Environmental and Safety and Health Handbook“ as our environmental and safety and health policy in accordance with the spirit of ISO 14001, and we have also established other management measures for air pollution, waste water, toxic chemicals, etc. 2. The Company's production process relies on raw materials and components provided by our suppliers to assemble finished vehicles. In order to strengthen the green partnership with our suppliers, we have adopted Carbon Footprint and energy				

Items for assessment	Actual governance (Note 1)			Deviation and causes of deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summarized explanation (Note 2)	
			<p>saving and carbon reduction as one of our supplier's business evaluation items.</p> <p>3. In December 2005, Hna-Chuang Automobile Information Technical Center Co., Ltd. was established to focus on the research and development of electric vehicles and to launch electric vehicles under the Taiwan brand name. Electric vehicles are our most concrete contribution to global climate change and to the realization of a low-carbon economic society.</p> <p>4. In addition, in order to implement the concept of environmental safety, improve the prevention of environmental pollution, and protect the safety and health of the Company's employees, we have set up various special promotion groups such as the Labor Safety and Health Committee and the Greenhouse Gas Inventory to promote various safety, health and environmental protection projects and have gradually formulated policies on energy saving and carbon reduction, greenhouse gas reduction, and reduction of water consumption or other wastes.</p> <p>5. Please refer to the Company's CSR report for specific achievements in environmental protection, greenhouse gas reduction, and waste treatment in recent years.</p> <p>(2) The Company's corporate social responsibility operations in community involvement and community welfare</p> <p>➤ Long-term promotion of wood carving art and culture</p> <p>For 17 consecutive years from 1996 to 2013, the Company has organized the "Yulong Wood Carving Innovation Award", rewarding Taiwan's woodcarving artists with a high total prize money (about \$2 million) each year for their continuous creation, building a platform for them to connect with the international community and increase their visibility. In addition, in order to pass on the declining art of wood carving in Taiwan, we encourage young students to participate in the competition, so that the art of wood carving in Taiwan can be brought to life by more new blood.</p> <p>Since 2014, in order to provide funding for the local government to promote the art of wood carving, the Company has shifted the funding for the "Yulon Wood Carving Innovation Award" to the local government (\$2 million per year from 2014 to 2020). In addition, the Company has been working with the Cultural Tourism Bureau of Miaoli County Government to hold the Taiwan International Wood Carving Competition in Sanyi every year by integrating resources and establishing two special awards, the "Yulong Wood Carving Heritage Award" and the "Yulong Wood Carving Innovation Award" (\$300,000 per year for each award from 2014 to 2020), in order to preserve the art of wood carving in Sanyi and promote the local culture.</p> <p>➤ Care for the vulnerable</p> <p>Since 1998, the Company has been caring for the temporary workers of the Environmental Protection Bureau of the Taipei City Government by sponsoring the annual "Employer's Compensation Contract Liability Insurance" to alleviate their injuries and burden of living caused by sudden accidents. The Company has been providing the nearly 1,300 temporary workers of the Environmental Protection Bureau of the Taipei City Government with an insurance policy to protect them in the event of a safety accident on duty (the annual contribution was NT\$1 million from 1998 to 2003, and was changed to a joint contribution of NT\$1 million with Yulon Nissan Motor after the business split in 2003). In 2018, the Company donated \$200,000 to produce 200 LED reflective vests for the cleaning team members to enhance their work safety. Since 2014, in order to give back to the community, the Company has also donated annually to the "Employer's Compensation Contract Liability Insurance" for the cleaning team in Sanyi Township, where the company is located, to provide them with the same peace of mind in their work and life.</p>	
			<p>➤ Give back to the local community</p> <p>[Yulon Sanyi Scholarship]</p> <p>In order to give back to the local community, the Company has been providing "Yulon Sanyi Scholarship" to elementary, junior high and high school students in Sanyi Township, and from 2015 to 2019, it has been extended to college and graduate school students in Sanyi Township to encourage them to study hard, more than 420 Sanyi Township students were awarded annually. In 2020, a total of \$435,000 was awarded to more than 400 students for the Yulon Sanyi Scholarship, benefiting a wide range of students.</p> <p>[Yulon Motor Youth Training Scholarship]</p> <p>In order to cultivate talents in the automobile industry and encourage young people to study mechanical, electrical, electronic and other related engineering, our company has set up the "Yulon Motor Youth Training Scholarship" in 2020 to benefit high school students in Miaoli County who are enrolled in designated schools in automobile-related disciplines, and at the same time encourage the recipients to volunteer their services to the society. The total number of students who received the scholarships for 2020 is 8, each getting NT\$50,000.</p> <p>[Yulon Sanyi Children's Basketball Summer Camp]</p> <p>We have been promoting basketball in Taiwan for a long time and have been holding the "Yulong Sanyi Children's Basketball Summer Camp" every summer since 2015, which is open for free enrollment by Sanyi Elementary School students in grade 3 or above. The Yulon Luxgen basketball team members are coaching the camp, teaching the students in Sanyi Township proper basketball knowledge and basketball skills, and providing them with healthy and relaxing summer recreational activities. A total of 100 children from Sanyi Township Elementary School participated in 2019 with very active enrollment, and the two-day camp was led by Yulon Luxgen basketball team players.</p> <p>[Yulon Motor Design Experience Camp]</p> <p>In order to let students in Sanyi Township understand the design and development process of automobiles, we have held the "Yulon Motor Design Experience Camp" every year since 2016. 45 senior students from Sanyi Township Elementary School attended the camp for free, and were given a glimpse into the process of automobile design and development as well as the</p>	

Items for assessment	Actual governance (Note 1)			Deviation and causes of deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summarized explanation (Note 2)	
			<p>manufacturing process of automobiles to cultivate a basic understanding of the automobile industry among Sanyi students. In 2019, we added physical and mechanical principles of operation to the curriculum to stimulate students' minds and creativity, and to open up the horizons of students in Sanyi.</p> <p>[Other give back to the community]</p> <ol style="list-style-type: none"> In order to bridge the gap between urban and rural areas and expose the children of Sanyi to more diverse artistic aesthetics, our company sponsored the "Paper Windmill Theater" to perform in Sanyi Township in 2016, treating the villagers of Sanyi to a free show, bringing a feast of art to the local community and letting the villagers feel the Company's dedication to giving back to the local community. Every year, the Company sponsors the Respect for the Elderly activities on the Double Ninth Festival, funding seven communities in Sanyi Township, including Longteng, Guangsheng, Shengxing, Shuangtan, Shuanghu, West Lake, and Liyu. Since 2005, we have been donating and adopting 100 street lamps to Sanyi Township every year. <p>(3) The Company's corporate social responsibility operations in social contribution and social services</p> <p>[Yen Ching-Ling's Foundation] Yen Ching-Ling's Foundation was established in 1973 to combine the academic and human resources of National Taiwan University and National Cheng Kung University to promote forward-looking engineering technology research and development and industry-academia cooperation, so that industrial technology can take root downward and develop upward.</p> <p>[Yen Ching-Ling's Medical Research Foundation] In 1979, the Yen Ching-Ling's Medical Research Foundation was established to provide scholarships for excellent doctors to study abroad and to conduct research on the prevention and treatment of special diseases.</p> <p>[Wu Shun-Wen's News Scholarship Foundation] In 1986, the Wu Shun-Wen's News Scholarship Foundation was established to reward outstanding journalists and to serve as an invisible force to correct the social atmosphere and cleanse the mind.</p> <p>[Wu Shun-Wen's Industrial Development and Investment Promotion Committee] In 1990, the Wu Shun-Wen's Industrial Development and Investment Promotion Committee was established to promote the exchange of information between domestic and foreign government agencies, academic and business sectors, and to help facilitate the development of industrial and commercial enterprises, in order to promote domestic industrial manufacturing capabilities, improve product quality, and enhance the image of domestic manufacturers.</p> <p>[Long-term promotion of domestic basketball] In 1964, the Company established the first Group A basketball team formed by a private enterprise in Taiwan to promote basketball, and in 1992, the Company officially established the "Yulon Professional Basketball Team", which has been funded by a large amount of corporate resources every year without interruption, allowing the Yulon basketball team to compete in the domestic arena with full force and repeatedly achieve success. In 2020, the annual sponsorship was \$21.6 million, in line with long-term practice.</p> <p>[Yulon Volunteer Club] In 2015, the "Yulon Motor and Yulon Nissan Volunteer Club" was established with the motto of "local care, thematic service" to provide care to the community and local disadvantaged groups, so that our colleagues can realize the true meaning of "it is more blessed to give than to receive" in the process of devoting themselves to loving service. Since its establishment, the "Yulon Motor and Yulon Nissan Volunteer Club" has been organizing many activities, such as cleaning the beach in Houlong, Miaoli, giving white rice to the elderly living alone in Sanyi Township, inviting children from the Family Support Center to watch a professional basketball game, collecting charitable supplies, giving Christmas gifts to children in orphanages, helping low- and middle-income families in Sanyi Township to clean their homes, and arranging weekend recreational activities for children in orphanages etc.</p> <p>Due to the outbreak of the epidemic in 2020, the activities of "Yulon Volunteer Club" were suspended in the first half of the year, and activities were resumed in the second half of the year after the epidemic had subsided.</p> <ol style="list-style-type: none"> June - Due to the epidemic, the number of blood donors in Taiwan dropped sharply in 2020, and blood banks all over the country were experiencing a shortage for some blood types. In order to alleviate the blood shortage, Yulon Volunteer Club organized two blood donation events in 2020 and called on our supplier partners: Uni Auto Parts, Yue Sheng Industrial, Yusheng Industrial, and Uni-Calsonic to join the blood donation activities, and the total amount of blood collected reached 37,500 c.c. August - Yulon Volunteer Club joined hands with Xindian Family Support Center to take children there to Taipei Arena to watch the first game of the "2020 Taiwan Summer Basketball Challenge" (Yulon V.S. Taiwan Beer) to experience the fervent atmosphere of the game and spend an unforgettable time. September - Yulon Volunteer Club invited about 30 students from Guang Ai orphanage in Miaoli to visit our sightseeing factory "The Way of the Car Experience Center" to experience the production process of automobiles and arrange DIY activities for the students to assemble their own cars. October - Yulon Volunteer Club, together with its dealer partners, suppliers and families, with over 110 people, held a beach cleaning event at Houliang Fishing Port in Miaoli, with the Company's president taking the lead. With the concerted efforts of everyone, a total of nearly 450 kg of marine litter was collected that day, of which about 140 kg was recyclable resources, contributing to environmental protection. 	

Items for assessment	Actual governance (Note 1)			Deviation and causes of deviation from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	Summarized explanation (Note 2)	
(5.) November - "Warm Kitchen" in Sanyi is a volunteer service team formed by 20 to 30 high school students in Sanyi Township, Miaoli, to make soup for the elderly who are lonely and live alone in Sanyi Township for a long time. Yulon Volunteer Club, also located in Sanyi, heard about the good deeds of "Warm Kitchen" and sponsored the funding to encourage this group of enthusiastic students. We hope to support them in spreading love to more people who need care.				
(6.) November - Yulon Volunteer Club and Sanyi Huashan Foundation jointly organized a "Dream Birthday Party" for Grandma Chiu, who is 95 years old and lives alone in Sanyi Township. In addition to the birthday banquet and cake, we also invited her neighbors and old friends to join us, and invited children from Sanyi Celebrity Kindergarten to sing Hakka songs and offer warm birthday wishes to Grandma Chiu.				
(4) The Company's corporate social responsibility operation in consumer rights				
1. For the production process, the "Yulon Quality Manual" has been established according to the framework of ISO 9001, and the product quality is strictly demanded from the input of raw materials at the front end of production to the output of finished vehicles.				
2. For the early stage of new vehicle launch, we have set up "New Vehicle Quality Mechanic Team Operation Standards" to quickly control the quality of new vehicles at the early stage of launch and immediately respond to the relevant units for immediate countermeasures and to improve service levels..				
3. For the handling mechanism of after-sales service, there is a system such as "After-sales market quality handling standards" and "Market quality feedback handling method" to grasp the market vehicle quality information and feed back to the responsible department as the basis for quality improvement.				
4. On the consumer side, we have set up "After-sales Market Return Vehicle Operation Standards" and "After-sales Service Compensation Operation Standards" in order to strive for timely and smooth completion of various service compensation operations and to satisfactorily achieve the purpose of serving our customers.				
5. The Company also has a toll-free 0800 service line with a 24-hour live service system that provides a transparent and effective consumer complaint process for the Company's products and services.				
6. The Company has adopted a series of consumer protection measures and treatments from production to after-sales, and has received good results and recognition from J.D. Power, an internationally credible research organization, in both the SSI (Sales Satisfaction Index) for new car sales and the CSI (Customer Service Index) for after-sales service.				
(5) The Company's corporate social responsibility operation in human rights, safety and health				
Please refer to Chapter 5, Section 5, "Labor Relations" for the description of the Company's corporate social responsibility operation with respect to human rights, safety and health.				
(6) The operation of corporate social responsibility the Company requires its suppliers to perform				
1. The Company makes green material procurement an important reference indicator for evaluation, and takes measures such as advice, deduction of payment, and order reduction for manufacturers who do not offer green materials, in order to drive all third party suppliers to pay attention to related corporate social responsibility at the same time.				
2. Actively promote the ISO 14001 certification of our suppliers, who must comply with the Labor Standards Law, in order to protect human rights regulations.				
3. We have launched a supplier sustainability project, conducted questionnaire surveys on the three major aspects of the green supply chain, safety and health, and labor rights, and implemented vendor classification, and conducted vendor counseling and vendor audits according to different levels of suppliers.				
4. We have established the "Practice Standards for Safety and Health Management of Outsourcing Contractors" and "Regulations for the Management of Operations in Outsourcing Contractors' Sites" and "Safety and Health Practice Standards", which require suppliers to follow the relevant regulations on environmental protection, safety and health issues, and jointly strive to enhance corporate social responsibility.				
5. The actual operation has been gradually taken seriously by suppliers, please refer to our CSR report for detailed implementation results.				
(7) Other corporate social responsibility operations of the Company				
1. The Company in 1999 obtained the international standard ISO 14001 environmental management system certification.				
2. Since 2009, the Environmental Protection Administration of the Executive Yuan has been promoting the "Energy Saving and Carbon Reduction Action Mark" campaign, and the Company has been awarded the "Energy Saving and Carbon Reduction Action Mark" by the Environmental Protection Administration of the Executive Yuan several times.				
3. The Company has always insisted that environmental protection and corporate competitiveness are both important and do not contradict each other. In our successive sustainability reports, we have clearly declared and expressed our policy on dealing with stakeholders such as shareholders, customers, suppliers, communities and employees, and have integrated environmental protection into our business philosophy and included it in the annual projects and targets of each unit as a key point for implementation of daily work items.				
4. Please refer to the Company's CSR report for more details on the effectiveness of the Company's CSR implementation. https://www.yulon-motor.com.tw/csr_report.aspx .				

Note 1: If "Yes" is checked for the state of operation, please explain the important policies, strategies and measures adopted and their implementation; if "No" is checked, please explain the reasons and plans for not adopting relevant policies, strategies and measures.

Note 2: If the company has prepared a CSR report, the operation of the CSR report may be replaced by a reference to the CSR report and an index page.

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

Note 4: The Company's identification of opportunities and measures to address climate risk issues.

Aspect	Risk identification	Risk Impact	Response	Opportunity
Policy and regulations	Increased cost for greenhouse gas emissions	Need to continue to invest in equipment to comply with environmental regulations and emissions requirements, which drives up the Company's operating costs	<ol style="list-style-type: none"> In 2005, the Company established a "greenhouse gas inventory team" to deal with greenhouse gas identification, inventory and reduction issues. Follow the standard procedures of ISO 14064 to conduct GHG inventory, data collection, emission calculation and reduction plan for each plant, and conduct GHG emission inventory and comprehensive reduction promotion for each department to reduce 45.5% in 2019 compared to 2007. 	Since 2012, the Company has extended its experience in energy saving and carbon reduction to its affiliated plants. By 2019, the Company has assisted 26 affiliated plants in completing 652 improvement projects, reducing 12,524 metric tons of CO ₂ in total, and actively building a green supply chain.
	Environmental regulations are getting tighter.	Fines and fees will be increased accordingly.	<ol style="list-style-type: none"> Optimize the energy efficiency of the process. Develop process optimization improvement measures 	<p>The Company has received many awards for actively promoting energy saving and carbon reduction, which has enhanced our corporate image.</p> <ul style="list-style-type: none"> In 2008, the Ministry of Economic Affairs awarded us the "Superior Award for Energy Conservation". Awarded the "Energy Saving and Carbon Reduction Action Mark" by the Environmental Protection Administration in 2010. In 2015, awarded the "Outstanding Performance Award for Energy Saving Service Team" by the Ministry of Economic Affairs. In 2016, awarded the "Energy Saving Performance Award" by the Ministry of Economic Affairs. Awarded the "Silver Award for Energy Saving Benchmark" by the Ministry of Economic Affairs in 2017.
	Phase VI regulations and the new CAFE will be implemented soon, and vehicles that do not comply with the regulations will have to be discontinued.	<ol style="list-style-type: none"> Consumers can choose fewer car models Production capacity will be reduced, which will affect the Company's revenue 	<ol style="list-style-type: none"> In December 2005, the Company established Hna-Chuang Automobile Information Technical Center Co., Ltd. to invest a lot of resources in the research and development of green electric vehicles, and strive to create high performance, high efficiency, zero fuel consumption and zero pollution green electric vehicles. In 2010, our LUXGEN EV⁺ electric vehicle became the first electric vehicle in Taiwan to be officially certified and registered domestically.. Seek OEM opportunities for other car and motorcycle brands to increase production line utilization rate. 	<ol style="list-style-type: none"> Promote the transformation of the value chain of the automobile business to "fully open and diversified customers" and cooperate with Hon Hai to provide a complete solution of electric vehicle chassis and key component modules to shorten the development process of future electric vehicles and enable electric vehicle products to enter the market more quickly. Seek other new business development opportunities (e.g., energy storage batteries...) to develop new niche for the Company.
Energy management	The acquisition cost of energy is higher.	The production and manufacturing cost is increased.	Implement energy transformation plan and solar power development strategy: Since 2018, we have been building solar power generation at Yulon's Sanyi plant	The Company built its own solar power and sells green power by wholesale to Taiwan Power, with the following revenues. 2018 wholesale amounted to over

Aspect	Risk identification	Risk Impact	Response	Opportunity
			in phases, and will complete the construction of 5.2MW by the end of 2020, and invest \$94,700 thousand to build the fourth phase of solar power in 2020, with a green power ratio of 40%; in 2021, we plan to build 2.4MW, and continue to improve the utilization rate of renewable energy. The total green power ratio is expected to rise to over 50%.	\$6.6 million 2019 wholesale amounted to over \$19 million 2020 wholesale amounted to over \$35 million
Climate Hazards	Windstorm, natural disaster...affect production	Production capacity is reduced, affecting the Company's revenue	ISO S00-B-A025 "Emergency Preparedness and Response Management" is established to strengthen the company-wide response and standard procedures for natural disasters and emergencies, and drills are conducted from time to time.	Strengthen the Company's ability to prevent and respond to disasters
	Reduced rainfall causes water shortage	Improve equipment and processes to reduce impact	<ol style="list-style-type: none"> Process water recycling, treatment and reuse. <ul style="list-style-type: none"> New pre-treatment pure water process for paint workshop with additional wastewater reuse (from 150 tons/day → reduced to 80 tons/day) Dynamic leak test water recycling in the vehicle assembly plant (from 196 tons/day to 16 tons/day) Boiler room condensate recycling (from 21 tons/day → reduced to 1 ton/day) Implement water saving measures outside of the production process. <ul style="list-style-type: none"> Installed water-saving faucets throughout the plant, reducing the water output by 50% (from 7 tons/day to 3 tons/day) Reduce the frequency of watering and sprinkling system in the plant (2 times/month → 1 time/month) (from 20 tons/day to 10 tons/day) 	The daily water consumption of Yulon's Sanyi plant was reduced from 1,292 tons/day to 1,000 tons/day, a total reduction of 29.2%, and the operating cost was reduced accordingly.
	Extreme weather affects production lead times of parts.	Supply chain seeks alternative parts sources, and costs are increased	<ol style="list-style-type: none"> Early estimation of annual demand allows supply chain manufacturers to make early production and delivery plans for contingency planning. Develop alternative vendor solutions (second source) to respond to unforeseen situations in advance. 	Strengthen the company's ability to deal with emergency situations.

(VI) The Practice of Ethical Corporate Management and Related Policies and Variation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies:

Proper enforcement of business integrity

Items for assessment	Actual governance (Note 1)		Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Reasons	
	Yes	No		
I. Establishment of ethical corporate management policies and plans				
(1) Has the Company specified its policy and method for the implementation of ethical corporate management in its internal rules and regulations and external documents, and have the Board and the management of the Company promised to pursue the policy of ethical corporate management?	V		(1) The Company has established a “Ethical Corporate Management Best Practice Principles“, which was submitted to and approved by the Board of Directors for approval. In accordance with the Company's organizational structure, the Company has established departmental manuals for each department, requiring all employees of the Company, including the Board of Directors and management, to actively implement honest management, treat shareholders with care and loyalty, and use professional and diligent management of shareholders' investments to ensure fair, sustainable and competitive returns to create We will ensure fair, sustainable and competitive returns on our shareholders' investments to create the best interests of our shareholders.	Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”
(2) Has the company established an assessment mechanism of risk from unethical behavior to regularly analyze and assess business activities with higher risk of involvement in unethical behavior and preventive programs for unethical behaviors containing at least the preventive measures stated in Paragraph 2 of Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies?”	V		(2) In order to clearly regulate the relationship between the rights and obligations of employees and management, and to improve the organization and establish the management system, the Company has established various internal work regulations according to the relevant laws and regulations to provide a framework for corporate and employee actions. In the event of unethical behavior of the Company's personnel, the Company will notify the judicial and prosecution authorities in accordance with the relevant facts, and notify the governmental ethics departments in the event that a public authority or public official is involved. The Company has established and submitted to the board of directors for approval ethical corporate management best practice principles as a basis for preventing unethical conduct and they are implemented.	Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”
(3) Whether the Company has specified operating procedures, conduct guidelines, and disciplinary and complaint systems for violations in the plan to prevent unethical conduct and implemented the plan as well as regularly reviews and amends it?	V		(3) The Company has established the “Management Measures for Preventing Insider Trading“, the “Regulations for Management Review“, and the “Operating Standards for Management Meetings“ as the relevant regulations for the implementation of the Ethical Corporate Management Best Practice Principles and has implemented them, and amended them in accordance with the laws and regulations.	Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”
II. Implementation of ethical corporate management				
(1) Does the company have the integrity of the trade counterparty assessed and with the code of integrity expressed in the contract signed?	V		(1) The contracts entered into by the Company are reviewed by legal professionals, and the Company may terminate or cancel the contracts if the counterparties are involved in unethical acts.	Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”
(2) Does the Company have a dedicated unit under the Board of Directors to promote ethical corporate management and report regularly (at least once a year) to the Board of Directors on its ethical management policy and plan to prevent unethical conduct and monitor their implementation?	V		(2) The Company's ethical corporate management related regulations are coordinated by the Company's corporate governance officer, assistant VP of finance planning department and the corporate governance group of corporate governance group is responsible for its implementation. Departmental manuals for each department are established according to the department, requiring all employees, including the Board of Directors and management, to actively implement ethical corporate management and reporting the annual	Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”

Items for assessment	Actual governance (Note 1)		Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Reasons
	Yes	No	
		<p>performance to the Board of Directors at least once a year.</p> <p>In 2020, the following items were promoted for ethical corporate management.</p> <ol style="list-style-type: none"> Promoted ethical corporate management measures to new employees and conducted education and training Promoted ethical corporate management to new managerial officers and had them signed the statement of the ethical corporate management best practice principles. In accordance with the ethical corporate management best practice principles, the independent directors shall act as the mailbox administrators, and the independent directors shall periodically confirm the reporting of unethical acts to ensure the implementation of the anonymous reporting system. Arranged for directors and supervisors to pursue related courses: A Study of Directors' Operational Risks and Legal Liabilities under the Latest Corporate Governance Blueprint (3 hours) 	
(3) Does the Company have developed policies to prevent conflicts of interest, provided adequate channel for communication, and substantiated the policies?	V	(3) In addition to the “Procedure for Board of Directors Meetings“ for relevant stipulations for recusal due to conflict of interest, the Company has provided appropriate channels for the Board of Directors to proactively state whether there is a conflict of interest.	Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”
(4) Whether the Company has established an effective accounting system and internal control system for the implementation of ethical corporate management, and the internal audit unit draws up relevant audit plans based on the evaluation results of risk of unethical conduct, and audits the compliance of the plan to prevent unethical conduct or entrusts a CPA to perform the audit?	V	(4) In addition to the Company's best practice principles and regulations on ethical corporate management, the Company has established an internal control system for related party transactions and insider trading. In addition to conducting regular internal audits, the Audit Office will immediately notify members of the Board of Directors and the relevant authorities if it receives any reports of illegal activities and conduct inspections at any time to ensure that the system is designed and implemented effectively.	Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”
(5) Does the Company regularly organize internal and external education and training on ethical corporate management?	V	(5) In accordance with the resolution of the Board of Directors and the updates of the relevant laws and regulations, the Company has held centralized education and training at least annually, and has repeatedly made education propaganda about its implementation at various meetings of the Company to achieve the purpose and spirit of ethical corporate management. Related courses held in 2020: <ol style="list-style-type: none"> International Business Cooperation Law Seminar: Intellectual Property Rights, 43 participants, 2 hours International Business Cooperation Law Seminar: Antitrust Law (Fair Trade Act), 36 attendees, 2 hours. International Business Cooperation Law Seminar: Business Contract Highlights, 37 participants, 2 hours 	Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”
III. Implementation of the whistle-blowing system			
(1) Does the Company have a specific report and reward system stipulated, a convenient report channel established and a responsible staff designated to	V	(1) The Company has established “Work Rules“ and “Employee Compliant Handling Measures“; for violations of the rules and regulations, if the investigation by the Complaint Committee is substantiated, the work rules will be enforced. If	Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”

Items for assessment	Actual governance (Note 1)		Deviation From the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company” and the Reasons	
	Yes	No		
<p>handle the individual being reported?</p> <p>(2) Has the Company established the standard operation procedures for the investigation of complaints as reported, follow-up actions after the investigation, and related mechanisms for confidentiality?</p> <p>(3) Has the Company taken proper measures to protect the whistleblowers from suffering any consequence of reporting an incident?</p>	V		<p>necessary, we will seek damages through legal proceedings to protect the Company's reputation and rights.</p> <p>(2) The Company has established a whistleblower system and an internal independent whistleblower mailbox, which is managed by an independent director, who will assign the receiving unit for each whistleblower case. The record and preservation of whistleblowing cases, and their investigation process, results and related documents.</p> <p>(3) The Company has established measures to protect the identity of the whistleblower and the content of the report, to protect the whistleblower from improper treatment and to reward the whistleblower for the report.</p>	<p>Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”</p> <p>Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”</p>
<p>IV. Enhancement of information disclosure</p> <p>(1) Does the Company have the contents of corporate management and its implementation disclosed on the website and MOPS?</p>	V		<p>(1) The Company has published the relevant corporate governance rules on the Company's website, which investors can download and read. The Company discloses information to the competent authorities or to the public in a complete, appropriate, accurate, timely and understandable manner, and has a corporate spokesperson and an acting spokesperson, and a standardized speaking procedure that requires management and employees to keep financial and business secrets and not to disseminate information arbitrarily. In addition, the Company discloses relevant and reliable information in its annual reports and corporate social responsibility reports.</p>	<p>Compliance with the “Ethical Corporate Management Best Practice Principles for TWSE or TPEX Listed Company”</p>
<p>V. For the companies which have established ethical corporate management best practice principles in accordance with the “Ethics Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies,” please describe the implementation practices and the deviation from the Principles established:</p> <p>The Company has established the Rules of Procedures for Shareholders' Meetings, the Procedure for Board of Directors Meetings, the Procedures for the Management of Confidential Documents, the Procedures for Disclosure and Handling of Confidential Information, the Standard Operating Procedures for the Announcement Process, the Internal Control System, and the implementation of the operating systems have all met the requirements of the Principles. As of the publication of this annual report, the Company has prepared a “Ethical Corporate Management Best Practice Principles”, submitted to and approved by the Board of Directors in May, 2014, and requested all subsidiaries to refer to the principles for thorough implementation.</p>				
<p>VI. Other vital information that helps to understand the practice of business integrity of the Company (e.g., the review and revision of the best-practice principles of the Company in business integrity)</p> <p>The Company discloses its ethical corporate management practices in its internal regulations, annual reports, and corporate website, and announces them at external events, such as product launches and corporate briefings, so that suppliers, customers, shareholders, and other business-related organizations and personnel can clearly understand the Company's ethical corporate management philosophy and standards.</p>				

Note 1: Whether the Company selects “Yes” or “No” in the operation condition, it should explain the situation in the summary space.

(VII) The Company has established the corporate governance best practice principles and related rules for inquiries.

The Company's corporate governance and ethical corporate management regulations are disclosed in the “Investor Section” on the Company's website and are updated from time to time. Investors can download them directly. Significant events resolved by the Board of Directors and significant information are announced and uploaded to the Market Observation Post System in a timely manner.

(VIII) Other important information that is helpful to understand the implementation of ethical corporate management:

Under the corporate governance evaluation mechanism jointly developed by the TWSE and the TPEX, the Company was ranked among the top 5% in the first to seventh evaluations and received awards from the organizers.

(IX) The implementation of internal control system

1. Internal Control System Statement

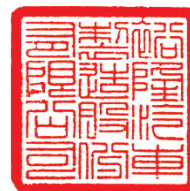
YULON MOTOR CO.,LTD
Internal Control System Statement

Date: March 25, 2021

With respect to the results of self-evaluation of company's internal control system in 2020, it is hereby stated as below:

1. The company acknowledges that establishing, implementing and maintaining the internal control system is the responsibilities of the Board of Directors and managers. The company has established such system. The purpose is to provide reliable, timely and transparent report of the effect and efficiency of the operation (including profits, performance and asset security) and reasonably assurance the compliance of relevant regulations and laws.
2. Internal control policies are prone to limitations. No matter how robustly designed, effective internal control policies merely provide reasonable assurance to the achievements of the three goals above. Furthermore, environmental and situational changes may affect the effectiveness of internal control policies. However, self-supervision measures were implemented within The Company's internal control policies to facilitate immediate rectification once procedural flaws have been identified.
3. The company determines whether or not the design and implementation of its internal control system are effective based on the criteria of effectiveness of internal control system as set forth in the "Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). According to the determination criteria mentioned in the Regulations, the internal control system consists of five elements through the process of management control: 1. control environment; 2. risk assessment; 3. control activities; 4. information and communication; and 5. monitoring. Each element consists of several items. Please see the Regulations for the foregoing items.
4. The company has applied the internal control system determination criteria as above to evaluate the effectiveness of the design and implementation of internal control system.
5. Based on the foregoing evaluation results, the company considers that its internal control system on December 31, 2020 (including monitoring and managing its subsidiaries), including the understanding of operational effects, efficiency target achievement, and reports, is reliable, timely, transparent, and compliant with the regulations; the design and implementation of the internal control system related to regulatory compliance are effective and provide reasonable assurance for achieving the objectives.
6. This statement will be the primary content of the company's annual report and prospectus and disclosed to the public. The above disclosure is subject to the liabilities of false statement and concealment pursuant to Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This statement was approved by the Board of Directors on March 25, 2021. Among the nine directors present, none of them held opposing views, and the rest of them agreed to the contents of this statement.

YULON MOTOR CO.,LTD



Chairman Yen Chen Li-Lien Signature



President: Zhen-Xiang Yao Signature



2. If the internal control policy was reviewed by an external auditor, the report of such a review must be disclosed:
Not applicable.

(X) Where the Company and its insiders receive penalties for violations, or the Company's punishment on its internal personnel for violating internal control system in 2020 and the current year up to the publication of the annual report, the mistake and improvement:

No such matter.

(XI) Important resolutions of the shareholder and board meetings in the most recent year to the day this Annual Report was published.

1. Important resolutions of the shareholder and board meetings:

Date	Meeting type	Important motions	Resolution
2020/01/16	Board of Directors	<ol style="list-style-type: none"> The Company's 2020 business objectives The Company issued a Letter of Operating Support (LOS) for the amount adjustment of bank facility of Hua-Chuang Automobile Information Technical Center Co., Ltd. A lease agreement between the Company and a related party for real estate right-of-use assets 	Approved as submitted after the chair's consultation with all the directors and independent directors present and after thorough discussion
2020/02/07	Board of Directors	<ol style="list-style-type: none"> The strategic cooperation agreement between the Company and Hon Hai Precision Industry Co. 	Approved as submitted after the chair's consultation with all the directors and independent directors present and after thorough discussion
2020/03/06	Board of Directors	<ol style="list-style-type: none"> The Company, Hon Hai Precision Industry Co., Ltd. and Hua-Chuang Automobile Information Technical Center Co., Ltd. signed a joint venture agreement The Company's capital increase in Hua-Chuang Automobile Information Technical Center Co., Ltd. The Company's plan to lend funds of RMB1 billion to Luxgen (Hangzhou) Motor Sales Co., Ltd The Company's bank facility application for 2020 Evaluation of the Independence and competence of CPAs and their appointment and professional fees for 2020 The Company's Statement of Internal Control System for 2019 Amendment to certain provisions of the Company's "Audit Committee Charter". Amendment to certain provisions of the Company's "Procedure for Board of Directors Meetings". 	Approved as submitted after the chair's consultation with all the directors and independent directors present and after thorough discussion
2020/03/30	Board of Directors	<ol style="list-style-type: none"> Recognition the proposals resolved in the 11th meeting of the 7th term of the board of directors of Yulon Nissan Motor Co., Ltd. Sell place number of No. 274, Bogongkeng, Sanyi Township. The application for lines of credit(LOC). The Company's capital increase to Luxgen (Hangzhou) Motor Sales Co., Ltd. The Company's 2019 final operating reports The Company's accumulated losses amounting to one-half of the paid-in capital. The Company's 2019 losses make-up The Company's capital reduction to make up losses The distribution of profit sharing remuneration to employees and directors for 2019 The Company's endorsement and guarantee facility for 2020 Amendment to certain provisions of the Company's "Articles of Incorporation." Amendment to certain provisions of the Company's "Rules of Procedure for Shareholder Meetings." The Company's convening of 2020 regular shareholder meeting. The Company's issuance of Letter of Operating Support (LOS).in 2020. Amendment to certain provisions of the Company's "Remuneration Committee Charter". Amendment to certain provisions of the Company's "Corporate Governance Best Practice Principles". Amendment to certain provisions of the Company's "Ethical Corporate Management Best Practice Principles". A lease agreement between the Company and a related party for real estate right-of-use assets 	Approved as submitted after the chair's consultation with all the directors and independent directors present and after thorough discussion
2020/05/08	Board of Directors	<ol style="list-style-type: none"> 13th meeting of the 7th Board of Directors of Yulon Nissan Motor Co., Ltd. The Company issued a Letter of Commitment and a Letter of Operating Support (LOS) for the adjustment of Hna-Chuang Automobile Information Technical Center Co., Ltd. The Company's plan to sell the land of Jianxing Section 146 and 147 and Jianxing Section 81 and 82 of Nantou City, Nantou County A lease agreement between the Company and a related party for real estate right-of-use assets 	Approved as submitted after the chair's consultation with all the directors and independent directors present and after thorough discussion

Date	Meeting type	Important motions	Resolution
2020/06/18	General Meeting of shareholders	<ol style="list-style-type: none"> 1. The Company's 2019 final operating reports 2. The Company's accumulated losses amounting to one-half of the paid-in capital. 3. The Company's 2019 losses make-up 4. The Company's capital reduction to make up losses 5. The distribution of profit sharing remuneration to employees and directors for 2019 6. The Company's endorsement and guarantee facility for 2020 7. Amendment to certain provisions of the Company's "Articles of Incorporation." 8. Amendment to certain provisions of the Company's "Rules of Procedure for Shareholder Meetings." 	After a motion-by-motion vote, the number of voting rights in favor of the motion met the statutory requirements, and all motions were approved as submitted.
2020/08/10	Board of Directors	<ol style="list-style-type: none"> 1. The Company's use of land and buildings as mortgages to obtain a loan facility. 2. Interest rate adjustment of the Company's funds lent to Luxgen (Hangzhou) Motor Sales Co., Ltd 3. The Company's issuance of a Letter of Operating Support (LOS) for the bank facility of US\$5.1 million for Yulon Motor Finance (China) Limited. 4. Cash capital increase by the Company to its subsidiary, Luxgen Motor Co., Ltd Cash capital increase by the Company to Luxgen Motor Co., Ltd. 5. Formulation of the record date of capital reduction and the record date of share replacement 6. Amendments to the "Internal Control System" and "Implementation Rules for Internal Audit" of the Company's stock affairs. 7. The appointment of the Company's managerial officer. 8. A lease agreement between the Company and a related party for real estate right-of-use assets. 	Approved as submitted after the chair's consultation with all the directors and independent directors present and after thorough discussion
2020/11/10	Board of Directors	<ol style="list-style-type: none"> 1. 16th meeting of the 7th Board of Directors of Yulon Nissan Motor Co., Ltd. 2. The Company's donation to the Wu Shun-Wen's News Scholarship Foundation 3. The Company's issuance of a Letter of Operating Support (LOS) for the bank facilities of RMB173.4 million and US\$2.55 million for Yulon Motor Finance (China) Limited. 4. The appointment of the Company's managerial officer. 5. The Company's 2021 audit plan 6. Formulation of the Company's risk management policy 7. Amendment to certain provisions of the Company's "Procedure for Board of Directors Meetings". 8. Amendment to certain provisions of the Company's "Board of Directors Evaluation Measures". 	Approved as submitted after the chair's consultation with all the directors and independent directors present and after thorough discussion
2021/01/28	Board of Directors	<ol style="list-style-type: none"> 1. The Company's 2021 business objectives 2. Amendment to certain provisions of the Company's "Articles of Incorporation." 3. Liquidation and capital increase of "Changsha Yulu", a Mainland dealership company invested by the Company 4. Discontinuance and transfer of "Tongling Kuo Tong", a Mainland dealership company invested by the Company 5. Transfer of equity interests in "Jiangmen Junxing" and "Jiangmen YuLi", Mainland dealership companies invested by the Company 6. The Company's issuance of a Letter of Operating Support (LOS) for the bank facilities of RMB51 million for Yulon Motor Finance (China) Limited. 7. The appointment of the Company's managerial officer. 8. A lease agreement between the Company and a related party for real estate right-of-use assets. 	Approved as submitted after the chair's consultation with all the directors and independent directors present and after thorough discussion
2021/03/25	Board of Directors	<ol style="list-style-type: none"> 9. The Company's 2020 final operating reports 2. The proposal for the distribution of earnings of the Company in 2020; 3. The distribution of profit sharing remuneration to employees and directors for 2020 4. The Company's endorsement and guarantee facility for 2021 5. Lift of non-compete restrictions on the new directors of 16th term 6. Amendment to certain provisions of the Company's "Articles of Incorporation". 7. Amendment to certain provisions of the Company's "Procedure for Election of Directors". 8. The Company's convening of 2021 regular shareholder meeting. 9. The Company's issuance of a Letter of Operating Support (LOS) for the 	Approved as submitted after the chair's consultation with all the directors and independent directors present and after thorough discussion

Date	Meeting type	Important motions	Resolution
		bank facilities of US\$10.2 million for Yulon Motor Finance (China) Limited. 10. The Company's bank facility application for 2021 11. The Company's issuance of Letter of Operating Support (LOS).in 2021. 12. The Company's Statement of Internal Control System for 2020 13. Appointment and professional fees of CPAs and evaluation of their Independence and competence for 2021 14. A lease agreement between the Company and a related party for real estate right-of-use assets	

2. Review of the implementation of the resolutions of the 2020 regular shareholder meeting

Resolutions	Review of the implementation
Adoption of the Company's 2019 final accounting reports	According to the voting result, the number of vote rights in favor of the motion met the statutory requirements, and the motion was adopted as submitted.
Adoption of the Company's 2019 losses make-up.	According to the voting result, the number of vote rights in favor of the motion met the statutory requirements, and the motion was adopted as submitted. The Company's loss after tax was NT\$24,465,407,975 according to the 2019 final accounting reports. In consideration of the Company's profitability, future operating plan, capital requirements and changes in the industry environment, as well as long-term shareholders' equity and the Company's long-term financial planning, no dividends are proposed for this year.
The Company's capital reduction to make up losses	According to the voting result, the number of vote rights in favor of the motion met the statutory requirements, and the motion was adopted as submitted. The capital reduction amounted to NT\$5,729,199,090, resulting in the retirement of 572,919,909 issued shares, or 364.239 shares per 1,000 shares (approximately 635.761 shares exchange per 1,000 shares), approved by the Financial Supervisory Commission, Executive Yuan with its Letter Jin-Guan-Zheng-Fa-Zi 1090349242 dated July 21, 2020 and the capital decrease came to effect and was further approved by the Ministry of Economic Affairs with its Letter Jing-Shou-Shang-Zi 10901157830 dated August 18, 2020. Listing date for the new shares:2020/10/19.
Amendment to certain provisions of the Company's "Articles of Incorporation".	According to the voting result, the number of vote rights in favor of the motion met the statutory requirements, and the motion was adopted as submitted. The amendment has been completed and announced on the Company's website.
Amendment to certain provisions of the Company's "Rules of Procedure for Shareholder Meetings".	According to the voting result, the number of vote rights in favor of the motion met the statutory requirements, and the motion was adopted as submitted. The amendment has been completed and announced on the Company's website.

(XII) Any directors or independent directors have different opinions on the resolutions reached by the Board of Directors with a record or written statement made in 2020 through the publication date of the annual report:

None of the directors or independent directors disagreed with the important resolutions passed by the Board of Directors.

(XIII) For 2020 through the date of publication of the annual report, any resignation and dismissal of the Company's chairperson, president, accounting officer, finance officer, internal audit officer, corporate governance officer, and R&D officer: None.

(XIV) Other matters to be disclosed: None.

IV. Information on CPAs' professional fees

Scale regarding the information on auditing fees

CPA firm	CPA name	Audit period	Remarks
Deloitte & Touche	Guo Li-Wen Fan Yu-Wei	January 1, 2020 to December 31, 2020	

Note: If the accountant or accounting firm has been changed this year, the review period shall be listed and the reason of change shall be noted in the remark column.

Currency unit: NT\$1,000

Breakdown		Fee	Audit fee	Non-audit fee	Total
1	Less than NT\$ 2,000 thousand				
2	NT\$ 2,000 thousand (incl.)~NT\$ 4,000 thousand				
3	NT\$ 4,000 thousand (incl.)~NT\$ 6,000 thousand			✓	
4	NT\$ 6,000 thousand (incl.)~NT\$ 8,000 thousand				
5	NT\$ 8,000 thousand (incl.)~NT\$ 10,000 thousand				
6	More than NT\$ 10,000 thousand (incl.)		✓		✓

- (I) If the non-audit fees paid to the attesting CPA, the CPA firm and its affiliates account for at least one-fourth of the audit fees, the amount of audit and non-audit fees and the content of non-audit services shall be disclosed:

Information on CPA Professional Fees

Currency unit: NT\$1,000

CPA firm	CPA name	Audit fee	Non-audit fee					CPA auditing period	Remarks
			Policy design	Company registration	Human resources	Others (Note 2)	Subtotal		
Deloitte & Touche	Guo Li-Wen	23,380	0	0	0	6,646	6,646	January 1, 2020 to December 31, 2020	The other items are \$4,390 thousand in Investment Commission application, \$2,046 thousand in advance payment, and \$210 thousand in other expenses.
	Fan Yu-Wei							January 1, 2020 to December 31, 2020	

Note 1: If there is any CPA or CPA Firm being replaced in current year, the auditing period should be indicated separately and the reason for such replacement should be detailed in the remark column; also, the information regarding the audit and non-audit fee paid should be disclosed.

Note 2: non-audit remuneration should be listed separately by service category. If the "Other" category amounts to 25% of total non-audit remuneration, then services must be detailed in the remarks column.

- (II) If a change in accounting firm resulted in a lower audit remuneration for that year compared to the previous year, the amount, percentage, and reason of the reduction must be disclosed: Not applicable.
- (III) If the auditing fee is reduced by more than 10% than the previous year, disclose the reduced amount and proportion of the auditing fees and the reason for reduction: Not applicable.
- Not applicable.

V. Information on change of CPAs: If there is a change of CPAs in the last two years and the subsequent period, the following information should be disclosed.

(I) Predecessor CPA

Date of change	Approved by the Board of Directors on March 6, 2020		
Reason for change and explanation	The attesting CPAs appointed by the Company were formerly Tai Shun-Wai and Fan Yu-Wei from Deloitte & Touche. In accordance with the internal rotation requirement of Deloitte & Touche, the appointed CPAs of the Company have been changed from Tai Shun-Wai and Fan Yu-Wei to Guo Li-Wen and Fan Yu-Wei from the first quarter of 2020.		
Indicate whether the appointment is terminated or not accepted by the client or CPA	Party involved	CPA	Client
	Condition		
	Proactively terminate the appointment	Not applicable	Not applicable
	Not accept (continue) the appointment	Not applicable	Not applicable
Opinions in and reason for audit reports issued other than unqualified opinion in the last two years	None		
Disagreement with the issuer (Yes/No)	Yes	Accounting principles or practices	
		Disclosure of financial statements	
		Audit scope or procedure	
		Others	
	None	✓	
	Description	Not applicable	
Other disclosures (Matters to be disclosed as set out in Item 1-4 to 1-7, Subparagraph 6 of Article 10 of these Regulations)	None		

(II) Successor CPAs:

CPA firm	Deloitte & Touche
CPA name	CPAs Guo Li-Wen and Fan Yu-Wei
Date of engagement	April 1, 2021
Subjects of consultation and consultation results in case, prior to the formal engagement of the successor certified public accountant, the company consulted the newly engaged accountant regarding the accounting treatment of or application of accounting principles to a specified transaction or the type of audit opinion that might be rendered on the company's financial report	Not applicable
Written opinion of the successor CPA on matters on which the successor CPA disagreed with the predecessor CPA	Not applicable

(III) Reply letter from the predecessor CPAs: Not applicable.

VI. Where the company's Chairman, President, or any managerial officer in charge of finance or accounting matters has in the preceding year held a position at the accounting firm of its certified public accountant or at an affiliate of such accounting firm, the name and position of the person and the period during which the position was held shall be disclosed: None.

VII. Transfer and change of shareholding of directors, managerial officers and shareholders holding more than 10% of the shares from 2020 through the date of publication of the annual report

(I) Changes in shareholdings of directors, managerial officers and major shareholders

Unit: shares

Title (Note 1)	Name	2020 (Note 1)		2021 up to April 19	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Institutional Director	Tai Yuen Textile Co., Ltd.	(103,772,072)	(33,874,228)	-	-
Institutional Director	China Motor Corporation	(95,513,725)	-	-	-
Institutional Director	Yen Ching-Ling's Foundation	(6,296,908)	-	-	-
Chairman	Yen Chen Li-Lien	(137,655)	-	32,874,383	-
Vice Chairman	Tso, Chi-Sen (Note 2)	-	-	-	-
Vice Chairman	Kuo-Rong Chen (Note 3)	(4,335)	-	-	-
Director	Shin-I Lin	-	-	-	-
Director	Liang Zhang	-	-	-	-
Director	Jack, J.T. Huang	-	-	-	-
Director	Zhen-Xiang Yao	98,326	-	90,000	-
Independent Director	Yi-Hong Hsieh	-	-	-	-
Independent Director	Zhongqi Zhou	-	-	-	-
Independent Director	Yen-Chin, Tsai	-	-	-	-
President	Zhen-Xiang Yao	98,326	-	90,000	-
Vice President	Jian-Hui Li	(22)	-	-	-
Assistant Vice President	Wen-Yi Lo	(414)	-	-	-
Assistant Vice President	Binglin Chen (Note 4)	-	-	-	-
Assistant Vice President	Qiu Minhui (Note 5)	-	-	-	-
Assistant Vice President	Hong-Zheng Chen	(11)	-	-	-
Manager	Shi-Ting Chen	(1,118)	-	-	-
Manager	Li-Hua Wu	(3,210)	-	-	-
Manager	Wen-Yuan Li	(28)	-	-	-
Manager	Hong-Zheng Chen	-	-	-	-
Manager	Chong-Yuan Chen	-	-	-	-
Manager	Shen-Guo Wang	-	-	-	-
Manager	Meng-Yue Jie	-	-	-	-
Manager	Shih-Lin Wu	-	-	-	-
Manager	Hsun-Kuei Hsieh (Note 6)	-	-	-	-
Manager	King-Wai Wong (Note 7)	-	-	-	-
Major Shareholders	Tai Yuen Textile Co., Ltd.	(103,772,072)	-	-	-
Major Shareholders	China Motor Corporation	(95,513,725)	-	-	-
Major Shareholders	Kenneth Yen (Note 8)	(58,324,186)	-	(98,623,149)	-

Note 1: The increase (decrease) in the number of shares held in 2020 includes the decrease in the number of shares held due to capital reduction.

Note 2: The corporate director, Tai Yuen Textile Co., Ltd. reassigned its representative, and the new director, Tso, Chi-Sen, took office on 2021.02.26. On 2021.03.25, the Board of Directors elected Director Tso, Chi-Sen as the new Vice Chairman.

Note 3: The corporate director, Tai Yuen Textile Co., Ltd. reassigned its representative, and the vice chairman, Kuo-Rong Chen, was relieved of office on 2021.02.26.

Note 4: Newly elected on 2020.11.10.

Note 5: Newly elected on 2021.01.28.

Note 6: Newly elected on 2021.01.28.

Note 7: Newly elected on 2021.01.28.

Note 8: The spouse and minor children of the major shareholder, Kenneth Yen, completed a partial inheritance of shares on 2021.1.21.

(II) Information on the related party of the equity transfer:

Name	Reasons for equity transfer	Transaction day	counterparty	The relationship between counterparty and company, shareholding of directors, managerial officers and shareholders holding more than 10% of the shares	Number of shares	Trading price
Kenneth Yen	Inherit	2021.1.21	Yen Chen Li-Lien	husband and wife	32,874,383	None
Kenneth Yen	Inherit	2021.1.21	Daughter of Yen Chen Li-Lien	father and daughter	32,874,383	None
Kenneth Yen	Inherit	2021.1.21	Son of Yen Chen Li-Lien	father and son	32,874,383	None

(III) Information on the related party of the equity pledge: None.

VIII. Information on the top ten shareholders who are related to each other or are spouses or relatives within the second degree of kinship

April 19, 2021

Name (Note 1)	The individual Shareholding		Shareholding of spouse and minor children (Note 2)		Total shareholding in the name of others (Note 2)		The name of and relationship among the top 10 shareholders if anyone is a related party, a spouse or a relative within second degree of kinship of another (Note 3)		Remarks
	Number of shares	%	Number of shares	%	Number of shares	%	Name	Relation	
Tai Yuen Textile Co., Ltd. Representative: Yen Chen Li-Lien	181,128,973 33,114,652	18.11 3.31	— 68,927,571	— 6.89	— —	— —	China Motor Corporation Yen Ching-Ling's Foundation	Same chairperson Same chairperson	
China Motor Corporation Representative: Yen Chen Li-Lien	166,714,441 33,114,652	16.67 3.31	— 68,927,571	— 6.89	— —	— —	Tai Yuen Textile Co., Ltd. Yen Ching-Ling's Foundation	Same chairperson Same chairperson	
Yen Chen Li-Lien	33,114,652	3.31	68,927,571	6.89	—	—	Daughter of Yen Chen Li-Lien Son of Yen Chen Li-Lien	mother and daughter mother and son	
Daughter of Yen Chen Li-Lien	32,874,383	3.28	—	—	—	—	Yen Chen Li-Lien	mother and daughter	
Son of Yen Chen Li-Lien	32,874,383	3.28	—	—	—	—	Yen Chen Li-Lien	mother and son	
Jiayuan Investment Co., Ltd.	28,552,880	2.85	—	—	—	—	None	None	
Fande Investment Co., Ltd. Representative: Mao Xiao-Ling	16,152,669 0	1.61 0	— —	— —	— —	— —	Tai Yuen Textile Co., Ltd.	Chairman of Fande Investment Co., Ltd. is the director of Tai-Yuen Textile Co., Ltd.	
Yen Ching-Ling's Foundation Representative: Yen Chen Li-Lien	10,990,936 33,114,652	1.09 3.31	— 68,927,571	— 6.89	— —	— —	China Motor Corporation Tai Yuen Textile Co., Ltd.	Same chairperson Same chairperson	
Chase Custodian Advanced Starlight Total International Equity Index	7,948,574	0.79	—	—	—	—	None	None	
J.P. Morgan Custodian Van Garde Emerging Markets Equity Index Fund Account	7,917,444	0.79	—	—	—	—	None	None	

Note 1: Illustrate the top-ten shareholders. The name of the corporate shareholders and the name of its representative should be illustrated separately.

Note 2: The calculation of shareholding ratio refers to the shareholding ratio calculated in accordance with the shareholding of the shareholders, spouse, minor children, and in the name of others.

Note 3: The relationship among the shareholders (including legal person and natural person) in the preceding paragraph should be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

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

April 19, 2021

Investee (Note)	Investment by the Company		Investment by directors, supervisors, managerial officers and directly or indirectly controlled enterprises		Total investment	
	Number of shares (Investment amount, thousands of NTD*)	Shareholding percentage	Number of shares (Investment amount, thousands of NTD*)	Shareholding percentage	Number of shares (Investment amount, thousands of NTD*)	Shareholding percentage
China Motor Corporation	44,592,177	8.05%	184,000,688	33.24%	228,592,865	41.29%
Taiwan Acceptance Corporation	152,044,446	45.75%	5,647,391	1.70%	157,691,837	47.45%
Taiwan Acceptance Corporation - preferred stock A	36,603,992	36.60%	17,256,608	17.26%	53,860,600	53.86%
Yueki Industrial Co., Ltd.	12,766,887	65.58%	2,985,888	15.34%	15,752,775	80.92%
Yue Sheng Industrial Co., Ltd.	23,061,050	80.07%	7,750	0.03%	23,068,800	80.10%
Sin Chi Co., Ltd.	108,000,000	100.00%	0	0.00%	108,000,000	100.00%
China Cast Iron Pipe Co., Ltd.	24,850	77.66%	6,109	19.09%	30,959	96.75%
Uni Auto Parts Manufacture Co., Ltd	21,728,516	25.01%	13,033,137	15.00%	34,761,653	40.01%
Uni-Calsonic Corp.	5,982,575	30.68%	6,883,525	35.30%	12,866,100	65.98%
Yu Chang Motor Co., Ltd.	13,998,500	64.99%	1,000	0.00%	13,999,500	65.00%
Coc Tooling & Stamping Co., Ltd.	25,469,581	37.76%	41,986,541	62.24%	67,456,122	99.99%
Yuanlong Automobile Co., Ltd.	7,999,000	20.00%	1,000	0.00%	8,000,000	20.00%
Yu Ching Business Co., Ltd.	72,691,327	60.00%	48,460,885	40.00%	121,152,212	100.00%
Yu Pong Business Co., Ltd.	28,470,422	100.00%	0	0.00%	28,470,422	100.00%
Yung Hang Investment Co., Ltd.	77,622,000	100.00%	0	0.00%	77,622,000	100.00%
Yushin Motor Co., Ltd.	19,999,000	99.99%	1,000	0.01%	20,000,000	100.00%
China Engine Corporation	32,000,000	18.95%	87,999,000	52.10%	119,999,000	71.05%
Chenglong Automobile Service Limited	11,490,704	27.00%	1,414	0.00%	11,492,118	27.00%
Director of R O C SPICER LTD	102,302	20.46%	148,096	29.62%	250,398	50.08%
Yutang Automobile Co., Ltd.	7,117,075	20.33%	1,675	0.00%	7,118,750	20.34%
Carplus Auto Leasing Corporation	3,254,036	3.46%	64,570,378	68.57%	67,824,414	72.03%
Empower Motors Co., Ltd.	5,998,780	20.00%	8,101,220	27.00%	14,100,000	47.00%
Yulon It Solutions Inc.	16,663,998	87.71%	2,336,002	12.29%	19,000,000	100.00%
Esinn Co., Ltd	17,999,000	99.99%	1,000	0.01%	18,000,000	100.00%
Yulon Overseas Investment Co., Ltd.	1,083,097,900	100.00%	0	0.00%	1,083,097,900	100.00%
Nissan Motor Co., Ltd.	143,500,000	47.83%	11,029,000	3.68%	154,529,000	51.51%
Y-Teks Co., Ltd.	602,124	34.00%	212,388	11.99%	814,512	45.99%
Tokio Marine Nawa Insurance Co., Ltd.	52,009,524	17.39%	70,817,524	23.68%	122,827,048	41.08%
Hna-Chuang Automobile Information Technical Center Co., Ltd.	747,400,107	58.84%	522,700,000	41.15%	1,270,100,107	99.99%
Huilian Automobile Co., Ltd.	6,116,138	20.34%	1,000	0.00%	6,117,138	20.35%
Luxgen Motor Co., Ltd.	605,000,000	100.00%	0	0.00%	605,000,000	100.00%
Yulon-Administered Enterprises Company Limited.	0	0%	10,000,000	100%	10,000,000	100.00%
Yulon Construction Co., Ltd.	122,100,000	100.00%	0	0.00%	122,100,000	100.00%
Tai Ya Investment (HK) Co., Ltd.	1,584,917	20.50%	2,242,077	29.00%	3,826,994	49.50%
Fujian Taiya Automobile Industry Co., Ltd.	USD 5,166 thousand*	20.50%	USD 7,308 thousand*	29.00%	USD 12,474 thousand*	49.50%
Yulon Motor Finance (China) Limited	RMB 510,000 thousand*	51.00%	RMB 490,000 thousand*	49.00%	RMB 1,000,000 thousand*	100.00%
Advance Power Machinery Co., Ltd.	500,000	100.00%	0	0.00%	500,000	100.00%

Note: The Company's equity-method investments.

IV. Status of Capital Planning

I. Capital and Shares

(I) Source of Capital

1. Formation of capital

April 19, 2021

Unit: NTD

Year and month	Issuing price	Authorized capital		Paid-up capital		Remarks		
		Number of shares	Amount	Shares	Amount	Sources of shares and dividends	Paid in properties other than cash	Others
1997.09	10	1,300,000,000	13,000,000,000	1,186,800,000	11,868,000,000	Capital increase by cash	-	(1997) Tai-Cai-Sheng (I) No. 70410 on 1997.9.22.
1998.06	10	1,780,000,000	17,800,000,000	1,424,160,000	14,241,600,000	Capital increase from earnings	-	(1998) Tai-Cai-Sheng (I) No. 48031 on 1998.6.2.
1999.05	10	1,780,000,000	17,800,000,000	1,566,576,000	15,665,760,000	Capital increase from earnings	-	(1999) Tai-Cai-Sheng (I) No. 49148 on 1999.5.26.
2000.12	10	2,000,000,000	20,000,000,000	1,644,904,800	16,449,048,000	Capital increase from earnings	-	(2000) Tai-Cai-Sheng (I) No. 102246 on 2000.12.26.
2001.06	10	2,000,000,000	20,000,000,000	1,726,300,040	17,263,000,400	Capital increase from earnings	-	(2001) Tai-Cai-Sheng (I) No. 136949 on 2001.6.11.
2002.09	10	2,000,000,000	20,000,000,000	1,829,146,403	18,291,464,030	Capital increase from earnings	-	Jing-Shou-Shang-Zi No. 09101377780 on 2002.9.16.
2004.01	10	2,000,000,000	20,000,000,000	1,371,216,258	13,712,162,580	Capital reduction	-	Jing-Shou-Shang-Zi No. 09301008840 on 2004.1.20.
2004.08	10	2,000,000,000	20,000,000,000	1,391,784,501	13,917,845,010	Capital increase from earnings	-	Jing-Shou-Shang-Zi No. 09301155140 on 2004.8.26.
2005.09	10	2,000,000,000	20,000,000,000	1,412,603,608	14,126,036,080	Capital increase from earnings	-	Jing-Shou-Shang-Zi No. 09401173740 on 2005.9.6.
2006.09	10	2,000,000,000	20,000,000,000	1,433,760,592	14,337,605,920	Capital increase from earnings	-	Jing-Shou-Shang-Zi No. 09501198260 on 2006.9.4.
2007.03	10	2,000,000,000	20,000,000,000	1,445,538,359	14,455,383,590	Convertible corporate bonds	-	Jing-Shou-Shang-Zi No. 09601052210 on 2007.3.19.
2007.08	10	2,000,000,000	20,000,000,000	1,449,897,329	14,498,973,290	Convertible corporate bonds	-	Jing-Shou-Shang-Zi No. 09601201720 on 2007.8.21.
2007.12	10	2,000,000,000	20,000,000,000	1,477,262,657	14,772,626,570	Conversion of corporate bonds, capital increase from earnings	-	Jing-Shou-Shang-Zi No. 09601304650 on 2007.12.12.
2008.04	10	2,000,000,000	20,000,000,000	1,537,426,961	15,374,269,610	Convertible corporate bonds	-	Jing-Shou-Shang-Zi No. 09701090620 on 2008.4.18.
2008.08	10	2,000,000,000	20,000,000,000	1,547,343,087	15,473,430,870	Convertible corporate bonds	-	Jing-Shou-Shang-Zi No. 09701194450 on 2008.8.11.
2008.09	10	2,000,000,000	20,000,000,000	1,570,404,491	15,704,044,910	Capital increase from earnings	-	Jing-Shou-Shang-Zi No. 09701249270 on 2008.8.11.
2009.09	10	2,000,000,000	20,000,000,000	1,570,435,418	15,704,354,180	Convertible corporate bonds	-	Jing-Shou-Shang-Zi No. 09801203160 on 2009.9.7.
2010.01	10	2,000,000,000	20,000,000,000	1,570,686,264	15,706,862,640	Convertible corporate bonds	-	Jing-Shou-Shang-Zi No. 09901006830 on 2010.1.18.
2010.04	10	2,000,000,000	20,000,000,000	1,572,919,909	15,729,199,090	Convertible corporate bonds	-	Jing-Shou-Shang-Zi No. 09901069120 on 2010.4.12.
2020.08	10	2,000,000,000	20,000,000,000	1,000,000,000	10,000,000,000	Capital reduction	-	Jing-Shou-Shang-Zi No. 10901157830 on 2020.8.18.

Note 1: Information is presented up till the publication date of this annual report.

Note 2: Date and document reference of effected (approved) incremental capital have been presented.

Note 3: Shares issued at prices lower than face value have been labeled in a visible manner.

Note 4: In-kind capital payments such as monetary debt and technology are described separately with details on the types and amounts of contribution provided.

Note 5: Private placements have been highlighted in a visible manner.

2. Stock Type

Unit: shares

Stock Type	Authorized capital			Remarks
	Shares in circulation (TWSE-listed)	Unissued Shares	Total	
Common stock	1,000,000,000	1,000,000,000	2,000,000,000	

Note: Please indicate whether the stock is listed on TWSE or TPEX (add a note if it is restricted from being listed or traded on TWSE or TPEX).

(II) Shareholder structure

April 19, 2021

Shareholder structure Quantity	Government agency	Financial institution	Other corporations	Individual	Foreign institutions and foreigners	Total
No. of People	4	16	243	116,903	318	117,484
Number of shares held	90,925	13,796,793	470,962,808	439,238,500	75,910,974	1,000,000,000
Shareholding percentage(%)	0.01	1.38	47.09	43.92	7.60	100.00
Shareholding percentage by Mainland China investors: 0						

Note: All TWSE/TPEX/Emerging Stock Market companies listing for the first time are required to disclose Chinese investors' holding interests. A Chinese investor refers to an individual, corporation, organization, or institution of Mainland origin, or any company owned by the above party in a foreign location, as defined in Article 3 of the "Regulation Governing Mainland Residents' Investment in Taiwan".

(III) Diversity of Ownership

April 19, 2021
(Denomination of \$10 per share)

Range of Shares	No. of Shareholders	Number of shares held	Shareholding percentage
1 to 999	65,960	15,035,225	1.50
1,000 to 5,000	40,557	80,928,301	8.09
5,001 to 10,000	5,861	43,867,773	4.39
10,001 to 15,000	1,646	20,746,204	2.08
15,001 to 20,000	984	18,109,455	1.81
20,001 to 30,000	831	21,031,085	2.10
30,001 to 50,000	665	26,137,637	2.61
50,001 to 100,000	518	36,105,163	3.61
100,001 to 200,000	228	32,169,123	3.22
200,001 to 400,000	121	32,250,905	3.23
400,001 to 600,000	32	15,401,333	1.54
600,001 to 800,000	22	15,219,463	1.52
800,001 to 1,000,000	9	8,331,096	0.83
Over 1,000,001	50	634,667,237	63.47
Total	117,484	1,000,000,000	100.00

Preferred stock: None.

(IV) List of Major Shareholders

List of major shareholders (shareholding of 5% or more or shareholding of the top ten major shareholders)

April 19, 2021

Names of Major Shareholders	Shares	Number of shares held	Shareholding percentage
Tai Yuen Textile Co., Ltd.		181,128,973	18.11%
China Motor Corporation		166,714,441	16.67%
Yen Chen Li-Lien		33,114,652	3.31%
Daughter of Yen Chen Li-Lien		32,874,383	3.28%
Son of Yen Chen Li-Lien		32,874,383	3.28%
Jiayuan Investment Co., Ltd.		28,552,880	2.85%
Fande Investment Co., Ltd.		16,152,669	1.61%
Yen Ching-Ling's Foundation		10,990,936	1.09%
Chase Custodian Advanced Starlight Total International Equity Index		7,948,574	0.79%
J.P. Morgan Custodian Van Garde Emerging Markets Equity Index Fund Account		7,917,444	0.79%

(V) Information Relating to Market Price, Net Worth, Earnings, and Dividends per Share for the Last Two Years

Items		Year	2019	2020	The current year up to April 30, 2021 (Note 8)
Market price per share (Note 1)	Highest		24.95	47.00	53.10
	Lowest		17.55	14.40	39.80
	Average		20.31	24.58	44.54
Net value per share (Note 2)	Before Distribution		29.14	48.74	50.09
	After Distribution		29.14	-	-
Earnings per share	Weighted average number of shares		957,815 thousand shares	977,704 thousand shares	977,727 thousand shares
	Earnings per share (Note 3)		(26.13)	2.80	1.39
Dividends per share	Cash dividends		-	-	-
	Stock dividends distribution	-	-	-	-
		-	-	-	-
Cumulative undistributed dividends (Note 4)			-	-	-
Analysis of ROI	P/E ratio (Note 5)		(0.78)	8.78	-
	P/D ratio (Note 6)		-	-	-
	Cash dividends yield (Note 7)		-	-	-

* Where stock dividends were paid from earnings or capital reserves, the information on the market price and cash dividends adjusted retroactively according to the number of shares issued shall also be disclosed.

Note 1: The highest and lowest market prices of common stock each year are shown and the annual average market price is calculated according to the strike price and the trading volume in each year.

Note 2: Calculated based on the number of outstanding shares at year-end; amount of distribution resolved in next year's shareholders meeting is presented in the table.

Note 3: If retroactive adjustments are required because of free share distribution, earnings per share before and after adjustments shall be shown.

Note 4: If equity securities are issued with terms that allow dividends to be accrued and accumulated until the year the Company makes profit, the amount of cumulative undistributed dividends up till the current year is disclosed separately.

Note 5: P/E ratio = Average closing price per share in current year/earnings per share

Note 6: P/D ratio = Average closing price per share in current year/cash dividends per share

Note 7: Cash dividend yield = Cash dividends per share / average closing price per share in current year

Note 8: Net worth per share and earnings per share should be based on audited (auditor-reviewed) data as at the latest quarter before the publishing date of this annual report. For all other fields, data should be provided as at the end of their respective years.

(VI) The Company's dividend policy and execution

1. The Company's dividend policy

The payment of dividends is important to shareholders' interests. To clarify the dividend policy, the Company's Articles of Incorporation provide as follows:

With the earnings surplus of the Company shown in the final accounting reports in a fiscal year, after the sum to make good loss in previous year(s) and to pay taxes, a sum 10% shall be first withheld as legal reserve and as special reserve as required by the competent authority. The final balance, if any, in combination with the beginning unappropriated retained earnings, shall be distributable surplus. Where the Company operates business amidst an environment as a mature and stable industry, given such facts notably the Company's profitability, future operating plans, funding needs and changes in the industrial environments and taking into account the long-term shareholders' equity and the Company's long-term financial planning, the Company's dividend distribution plan is mapped out not below 10% of the total surplus available for distribution in the current year in principle. The dividends are distributed in either cash or in stocks among which the proportion of cash dividends shall not be less than 20% of the aggregate total dividends. Eventually, the Board of Directors shall work out the percentage of distribution to be resolved in the shareholders' meeting.

2. Dividend distribution proposed for the next annual general meeting:

The Company shall propose to distribute cash dividends of NT\$1 per share at the 2021 regular shareholder meeting and set July 29, 2021 as the base date for cash dividend distribution.

3. Significant changes in the expected dividend policy are described below.

The Company's dividend policy for the next three years is intended to be implemented in accordance with the aforementioned distribution policy without significant changes.

(VII) Impacts on business performance and earnings per share if the stock dividend proposal is approved during the annual general meeting:

This is not applicable as no issuance of bonus shares is carried out in the present fiscal year.

(VIII) Profit sharing remuneration for employees and directors

1. Proportion or range of employees' bonuses and Directors' remuneration specified in the Articles of Incorporation:

The Company shall set aside profit sharing remuneration as enumerated below for a year with profit:

- i. Remuneration to directors: At 0.5% maximum, provided, that the independent directors shall not participate in the distribution of the aforementioned remuneration.
- ii. Remuneration to employees at 0.1% minimum. The aforementioned remuneration to employees shall be duly distributed in either stocks or in cash as resolved by the Board of Directors. The distribution of remuneration to employees and directors should be reported in the shareholders' meeting.
- iii. The amount to make up such loss shall be retained beforehand before distribution based on the percentages mentioned in the preceding Paragraphs. The Company's supervisors of the 14th term are, in accordance with Articles of Incorporation amidst the 51st amendment on 2013.6.11, entitled to the remuneration incurred before expiry of their tenure of office, discharge of resignation. The provisions under this Article regarding remuneration to directors are mutatis mutandis applicable to the ratio of remuneration, distribution procedures of remuneration and conditions of distribution.

In addition to the profit sharing remuneration to employees, the Company also provides incentive bonuses such as three festival bonuses, additional annual bonuses, and bonuses for the growth of the management team based on the operating performance and individual performance of employees to encourage employees to achieve better performance for the Company and shareholders.

2. The estimation basis of the remuneration amount to employees, directors, and supervisors for the current period; the estimation basis of the number of shares of stock dividend to employees; and the accounting treatment of the discrepancy, if any, between the actual distributed amount of employees' stock bonus and estimated figure thereof:

- i. The estimation of the remuneration amount to employees and directors for the current period is based on the net profit before tax. After reserving net income to cover accumulated loss, the Company still has accumulated loss in 2020, so the Company proposed not to distribute remuneration amount to employees and directors for the current period.
- ii. Where there is discrepancy between the actually distributed and the estimated amount, it shall be treated in accordance with the estimated.

3. Remuneration proposals approved by the board of directors:

The Company's made pre-tax profits for 2020 before appropriation for profit sharing with employees and directors, but after making up losses from the previous year, there were still losses to be made up as of

2020. In accordance with the Company's Articles of Incorporation, the Board of Directors approved not to distribute profit sharing remuneration for employees and directors for the year.

4. Appropriation of employees' and directors' profit sharing remuneration from prior year's earnings.

The Company's had pre-tax losses for 2019 before appropriation for profit sharing with employees and directors. In accordance with the Company's Articles of Incorporation, the Board of Directors approved not to distribute profit sharing remuneration for employees and directors for the year.

(IX) Repurchase of treasury shares: The Company has no repurchase of treasury shares, therefore, it is not applicable.

II. Issuance of corporate bonds

Type of corporate bonds	2017 1st domestic unsecured ordinary corporate bonds	2018 1st domestic unsecured ordinary corporate bonds
Issue Date	2017.12.12	2018.12.25
Face value	NT\$ 1,000,000	NT\$ 1,000,000
Place of Issue and Trading	Domestic	Domestic
Issuing price	Issued at 100% of face value	Issued at 100% of face value
Total amount	NT\$ 10,000,000,000	NT\$ 5,300,000,000
Interest rate	Bond A 5-year interest rate of 1.04% per annum Bond B 7-year interest rate of 1.17% per annum	Bond A 5-year interest rate of 1.18% per annum Bond B 10-year interest rate of 1.80% per annum
Duration	Bond A 5-year \$7.0 billion due on 2022.12.12. Bond B 7-year \$3.0 billion due on 2024.12.12.	Bond A 5-year \$3.6 billion due on 2023.12.25. Bond B 10-year \$1.7 billion due on 2028.12.25.
Guarantee Institution	None	None
Trustee	Mega International Commercial Bank Co., Ltd.	Mega International Commercial Bank Co., Ltd.
Underwriter	KGI Securities Co., Ltd.	Yuanta Securities Co., Ltd.
Certifying Lawyer	Yisheng United Law Firm Guo Hui-Ji, lawyer	Zhongda International Law Firm Wang Huai-Yu, lawyer
Attesting CPA	Deloitte & Touche Tai Shun-Wai, Fan Yu-Wei, CPAs	Deloitte & Touche Tai Shun-Wai, Fan Yu-Wei, CPAs
Repayment Methods	One-off repayment of principal at maturity from the date of issue	One-off repayment of principal at maturity from the date of issue
Outstanding amount to be repaid	NT\$ 10,000,000,000	NT\$ 5,300,000,000
Clause on redemption or earlier redemption	None	None
Restrictive clause	None	None
Name of the credit rating agency	Taiwan Ratings Co., Ltd.	Taiwan Ratings Co., Ltd.
Rating date, corporate bond rating results		
Other equity attached	Amount of common stock, foreign depository receipts or other marketable securities converted (exchanged or subscribed)	Not applicable
	Rules for issuing and conversion (either by exchange or purchase)	Not applicable
Possible dilution of shareholdings and impact on existing shareholders' equity	Not applicable	Not applicable
Custody Agency Name for the Exchange Target	None	None

III. Preferred stock: None.

IV. Disclosure relating to depository receipts: None.

V. Status of employee stock certificates: None.

VI. The new shares from restricted employee stock option: None.

VII. Disclosure on new shares issued in exchange of other company shares: None.

VIII. Progress on the use of funds

(I) Contents of the plan:

For each previous issuance or private placement of marketable securities that has not yet been completed or has been completed within the last three years and the benefits of the plan have not yet been demonstrated, please provide details of the plan: None

(II) Execution:

For each plan, if the implementation progress or benefits do not meet the estimated target, the reasons should be specified: None.

V. Operation overview

I. Description of business

(I) Scope of business

1. Main business content

- (1) Manufacture and sales, design, testing, inspection, processing, repair of a variety of automobiles and related raw materials, parts & components, molds, fixtures, tools, and other mechanical parts and the like; operation of type A auto repair shops, sales of auto parts (accessories), vehicular body refitting and sales, agency services rendered for car inspection business as well as car sales business.
- (2) A variety of raw materials and components oriented to automobiles to be supplied to Nissan Motor Co., Ltd. and those overseas automobile-affiliated enterprises.
- (3) Installation, sales and import & export of low-power radio frequency motor equipment as oriented to vehicles.
- (4) Wholesale of Telecommunication Apparatus
- (5) Retail of Telecommunication Apparatus
- (6) General import and export trade related businesses (excluding such businesses subject to special permits)
- (7) Technical consultation & advisory services linked up with the aforementioned business lines.
- (8) Consultation services oriented to general business administration. (Excluding certified public accountant professional services) (excluding securities investment related consultation services).
- (9) Housing and Building Development and Rental
- (10) Factory/plant leasehold services.
- (11) Warehouse leasehold services.
- (12) Office building leasehold services.
- (13) All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Major business items and proportion

The manufacture and sale of various automobiles and related components accounted for 95.84% of business.

3. The Company's major products

- (1) NISSAN passenger car segment.
 - 370Z series: seven-speed manual sports car.
 - GT-R series: VR38 high-performance twin-turbo engine sports car.
 - NEW JUKE: DCT dual clutch transmission Sports RV
 - TIIDA series: 5th generation X-CVT, non-shift, automatic transmission sedan
 - SENTRA series: 5th generation X-CVT automatic transmission sedan.
 - X-TRAIL series: The 4th generation X-CVT (Continuously Variable Transmission) RV
 - KICKS series: 5th generation X-CVT, non-shift, automatic transmission RV
 - ALTIMA series: VC-Turbo variable compression ratio turbocharged engine sedan.
 - LEAF series: lithium battery sedan.
- (2) INFINITI passenger car segment.
 - Q50 series: VC-Turbo variable compression ratio engine sports car
 - Q60 series: V6 twin-turbocharged engine sports car.
 - QX50 trim: VC-Turbo variable compression ratio engine RV
 - QX60 series: Naturally aspirated V6 engine RV.
- (3) LUXGEN passenger car segment:
 - Luxgen URX series: twin-turbocharged engine, multi-purpose RV.
 - Luxgen M7 series: ECO HYPER turbocharged engine MPV van RV.
 - Luxgen U6 GT series: the new AISIN third-generation smart six-speed automatic transmission Sports RV.
 - Luxgen V7 Turbo Eco series: Intelligent six-speed manual welfare vehicle.

(II) Industrial Overview

1. Analysis of the macro economic environment:

(1) International Situation.

The global economic growth rate was ravaged by the Coronavirus (COVID-19) in 2020, which was more severe than the decline during the financial crisis in 2009, hitting a new low of -3.5% since the global economic depression in 1929. However, the immediate challenges of the resurgence will be offset by vaccination and additional fiscal stimulus, and global economic growth is expected to increase significantly in 2021. According to IHS Global Insight's March 2021 data, the global

economy grew at a rate of about 5.1% in 2021, and the IMF even revised upward from its January forecast of 5.5% to 6%. The IMF estimates that the U.S. economy will grow by about 6.4% in 2021, which is better than the global forecast, and the non-farm employment growth in March is a seven-month high, reflecting the strong rebound of the U.S. under a series of fiscal stimulus packages. On the other hand, the Federal Reserve Board of Governors has announced that the target range for the federal funds rate will remain unchanged between 0 and 0.25%, and no rate increase is expected until the end of 2023. The Eurozone is currently fighting a third wave of new coronaviruses, with several governments reimposing social restrictions on people and forcing mainstream service industries to remain closed. It is expected to take longer for the Eurozone to recover. As for China, economic growth has gradually returned to pre-epidemic levels, with the IMF estimating growth of 8.4%.

The estimated global economic growth rate for 2021 is shown in the following table:

	IHS Global Insight	IMF	The World Bank
Global Economic Growth Rate	5.1% ('110/03)	6.0% ('110/04)	4.0% ('110/01)

Note: () for the forecast date.

(2) Domestic Economy.

Due to the rebound of the bottom of the global economy, the United States and China, which have close trade relations with Taiwan, will soon see high growth. The Directorate-General of Budget, Accounting and Statistics, Executive Yuan forecasted in February that the economy will grow at a rate of 4.64% in 2021, and that the signal for the economy will turn red compared to January. In addition to the lower base period in 2020 due to the impact of the epidemic, the domestic economy continued to strengthen, mainly benefiting from emerging technology applications and remote business opportunities, as well as the continued rebound in demand for traditional products.

According to the latest report of the International Monetary Fund (IMF) in April, Taiwan's economic growth rate is expected to increase by 1.5 percentage points to 4.7% from 3.2% reported in the fall of last October.

The estimated growth rates of Taiwan's 2021 economy by major research institutions are shown in the following table.

	Directorate-General of Budget, Accounting and Statistics	IHS Global Insight	IMF
Taiwan's economic growth rate	4.64% ('2021/02)	4.5% ('2021/03)	4.7% ('2021/04)

Note: () for the forecast date.

2. Industry condition and development

Taiwan's automobile industry has been developing for more than 60 years and has reached the standards of advanced countries in terms of R&D, design, manufacturing quality and management capabilities. However, in recent years, fluctuations in international oil prices, stagnant growth in real income, lengthening of the life cycle of vehicles, saturation of the domestic market and other unfavorable factors, resulting in low capacity utilization and rising production costs; in addition, in recent years, the surge in demand for imported vehicles, but also a serious share of domestic car manufacturers market share, business difficulties have worsened year by year. Looking ahead, Taiwan's automobile market is gradually maturing and there is limited room for significant growth. Therefore, all car manufacturers are committed to strengthening their R&D capabilities and technical standards, improving the added value of their products, and expanding their export markets in order to break through the bottleneck of survival and development. In recent years, the Company has devoted itself to the operation of its private brand, Luxgen, relying on independent research and development and efforts to meet market trends, and will actively expand overseas markets in addition to the Taiwan market.

3. Association between upstream, midstream, and downstream industry participants

The automobile industry is a technology-intensive and capital-intensive industry, and its various value chain processes cover different industries such as steel, plastics, rubber, glass, machinery, electrical, electronics, finance, and services; and the professionals covered include R&D, manufacturing, procurement, marketing, management, and warranty skills in order to integrate a complete automobile industry. In addition, the automobile industry can create hundreds of billions of dollars of output value each year, the export of assembled vehicles and parts and components can bring the country a large amount of trade, drive economic growth and provide hundreds of thousands of jobs, can be said to be the locomotive of economic development. The Company's efforts in its private brand and independent research and development in recent years have not only driven the development of Taiwan's automobile value chain-related industries, but also enhanced the competitiveness of the industry and increased employment opportunities, which is beneficial to society, the government and the overall market.

4. Product development trend and competition situation

In response to changes in the industry environment and future development opportunities, Yulon Group has initiated the strategic transformation of its private brand since 2019, opening up the vehicle platform and R&D energy in the automobile R&D value chain to external parties in order to compete for diversified customers, create scale and reduce costs through the sharing of resources. Under the strategy of open platform transformation, the Company has been able to secure the OEM business of overseas brands such as MUSE, a French electric commercial vehicle, and ADIVA, an Italian three-wheeled heavy motorcycle brand, to actively expand the diversified customer markets. We hope to be the first to take advantage of our strengths in the transformation process and create a solid base for our company.

In 2020, the Company established the joint venture, Foxtron Vehicle Technologies, with Hon Hai. Through the joint venture, we promote the new business model of MIH open platform and sharing in the global automobile industry, combining the complementary advantages of both companies in vehicle research and development and ICT industry resources to provide electric vehicle solutions to our global target customers.

(III) Technological research and development

1. Research and development expenses from 2020 through to the publication date of the annual report

Unit: Thousands of NTD

Year	R&D expenses	Operating revenues	R&D expenses as a percentage of operating revenues (%)
2020	1,364,120	82,597,514	1.652%
1Q2021	89,450	20,471,216	0.437%

2. Work results in the last three years

- (1) May 2018: Yulon Nissan Nissan X-TRAIL 19-year model was launched.
- (2) Sep. 2018: Yulon Nissan Nissan TIIDA 19-year model was launched.
- (3) Sep. 2018: Yulon Nissan Nissan SENTRA 19-year model was launched.
- (4) Sep. 2018: Yulon Nissan Nissan JUKE 19-year model was launched.
- (5) Nov. 2018: Yulon Nissan Nissan KICKS brand new model was launched.
- (6) Feb. 2019: Luxgen M7/U5/U6 GT 19-year model was launched.
- (7) May 2019: Luxgen S5 GT/GT225 19-year model was launched.
- (8) Oct. 2019: Yulon Nissan NISSAN KICKS 20-year model was launched.
- (9) Nov. 2019: Yulon Nissan NISSAN X-TRAIL 20-year model was launched.
- (10) Dec. 2019: Yulon Nissan NISSAN Tiida 20-year model was launched.
- (11) Dec. 2019: Luxgen URX brand new model was launched.
- (12) Jul. 2020: Luxgen URX 5+1 seater LOHAS model was launched.
- (13) Sep. 2020: Yulon Nissan NISSAN X-TRAIL Yue Dong special model was launched in limited quantity.
- (14) Sep. 2020: Yulon Nissan NISSAN KICKS Sao Dong special model was launched in limited quantity..
- (15) Oct. 2020: NISSAN ALL NEW SENTRA was launched.
- (16) Nov. 2020: Yulon Nissan NISSAN NEW JUKE was launched.

3. Future R&D plan

- (1) Construction of electric vehicle production capacity
- (2) Electric vehicle assembly, parts and components inspection capabilities
- (3) Motor power and battery total verification capability
- (4) Construction of mass production capacity of energy storage containers
- (5) Energy storage cabinet assembly and battery component testing capability establishment

The Company has budgeted approximately \$238 million for 2021 capital expenditures and expenses for the above R&D programs, including approximately \$169 million for professional and technical personnel costs, labor costs and other expenses for R&D programs.

(IV) Long and Short-term Business Development Plans

Short-term business development plans.

1. Automobile value chain strategy transformation.

- (1) Light asset and efficiency: By opening up the vehicle platform and R&D energy, competing for diversified customers, sharing resources and sharing scale, and reducing R&D and operating costs, the Luxgen brand is operated in a light asset mode, integrating functional units of the value chain and improving operating efficiency.
 - (2) Full opening up and diversified OEM: In response to market demand and to achieve economies of scale, Yulon is actively transforming its value chain strategy and opening up its operations. Strive for diversified customers and orders from overseas and domestic customers to enhance our professional OEM services.
2. Multi-brand manufacturing.
- In addition to continuing to focus on the current OEM and sales of NISSAN and INFINITI brands. Since 2009, the Company has been releasing its own brand LUXGEN M7 ECO HYPER / U7 ECO HYPER / S5 ECO HYPER / U6 ECO HYPER / S3 CROSS SEDAN /V7 TURBO ECO HYPER/Small SUV U5, and in 2019, launched URX, a multi-purpose RV. In 2020, the URX's Smart-Go and LOHAS models were launched to provide consumers with more diversified car purchasing options, making the product line more complete and mature, and effectively improving capacity utilization and reducing manufacturing costs, providing consumers with a variety of choices that exceed their expectations through the sharing of resources throughout the value chain of the Yulon Group.
3. Increase the satisfaction level of manufacturing services.
- Yulon is a professional manufacturer for many brands. In order to meet the needs of multi-brand business, Yulon strives to improve the manufacturing quality, cost, delivery time and service satisfaction of each brand and provide customized services for each brand as well as the most competitive manufacturing quality, so that the brand companies, Yulon and consumers can create a win-win-win situation and make Yulon the best professional automobile manufacturer in both sides of the Taiwan Strait.
4. Activation of asset utilization.
- For the development of Xindian Yulong City, the construction of the commercial area base started smoothly in October 2017, and the design will be changed in October 2019 to eliminate the residential part and retain only the shopping mall space, and the leasing of the main floors has been completed, and the license is expected to be obtained in the fourth quarter of 2021 and the official opening in the fourth quarter of 2022.
5. Internal process improvement.
- The Company continues to improve the effectiveness of risk management, control and monitoring processes through internal process improvement and internal audits. We also use the Kernel Objectives Management (KOM) system to grasp the implementation status of each department's objectives, and actively work on cost reduction, quality improvement, and promotion of industrial safety, environmental protection, and hygiene to effectively improve the company's operational management performance and quality.
6. Quality resource integration.
- Connect the industrial supply chain with the assembly factory as the center. We will take the initiative to go to the collaborative factories for quality management, implement a comprehensive quality management system, break the shackles of traditional quality thinking, introduce the production system, sales system, inventory system and customer service system one by one, and form the operation mechanism of the quality value chain, and adopt a two-way control mode to drive the overall industrial value chain.

Long-term business development plans.

1. Alliances with ICT industry, solutions and eco-system services.
 - (1) Through the joint venture, Foxtron Vehicle Technologies, which the Company established with Hon Hai, we promote the new business model of MIH open platform and sharing in the global automobile industry, combining the complementary advantages of both companies in vehicle research and development and ICT industry resources to provide overall solutions to our global target customers.
 - (2) With the advanced open platform and shared resources of JV, Luxgen will continue to cultivate its private brand, focus on brand sales and channels, and launch new products that are competitive and meet market demand.
2. Transformation of value chain strategy and provision of diversified manufacturing services: We will strive for cooperation opportunities other than four-wheeled passenger vehicles, expand the acquisition of professional manufacturing commissions for Adiva three-wheeled heavy motorcycle and Muse four-wheeled commercial logistics vehicles, and continue to evaluate and strive for other manufacturing service opportunities.

II. Market, production and sales overview

(I) Market Analysis

1. Sales areas of main products

The Company's products are medium and small sedans, RVs, etc. The main sales area is mainly Taiwan. In 2020, the Company's total sales volume in Taiwan reached 40,801 units (including Nissan & Luxgen), down 4.5% from 2019, with a total market share of 9.2%.

The overall sales situation of the automobile market in Taiwan in 2020 is shown in the following table.

Sales year	2019	2020
Total sales volume	439,836	457,435
Domestic cars	229,887	241,748
Imported cars	209,949	215,687

2. Market supply and demand situation

(1) Market Overview and Outlook

The total market sales for 2020 were approximately 457,000 units, a 4% increase over 2019. For car sales in Taiwan, in 2020, domestic car sales were 242,000 units and imported car sales were 215,000 units. Although both grew compared to 2019, the market share of imported cars declined by 0.5%, indicating a reversal in the ratio of domestic and imported car sales in 2020.

Looking ahead to 2021, in the face of the global economic challenges and adverse factors such as the new coronary pneumonia, the cross-strait auto market is expected to remain stable this year, with an estimated 438,000 units in the Taiwan auto market and 25.31 million units in the mainland market last year. The total vehicle market in China is estimated to be 26.3 million units this year. This year, the Company will actively strengthen its business structure, continue to innovate its operation model, create opportunities amidst challenges, and pursue stable business growth.

(2) Competitive niche

The Company has joint venture brands with Nissan and its own private brand, Luxgen, professional OEM plants and its own R&D team for vehicle models with a complete value chain of automobile R&D, production and sales, and is able to generate stable revenue by putting Nissan's joint venture brands and Luxgen's own brand into the vehicle market.

In the face of unfavorable factors such as the increasing proportion of imported cars in Taiwan's car market and the growth of luxury cars due to the M-shaped society's car buying behavior, although imported cars have a good brand image from the consumer's point of view, domestic brands not only have the advantage of high quality and medium price, but also can provide a perfect service mechanism and affordable prices. Therefore, in the face of the threat of imported vehicles, the Luxgen brand, with its technological advantage of independent research and development, and the Nissan brand, combined with the marketing experience of localized partners, will continue to provide differentiated products to meet consumer demand.

3. Development prospect and favorable and unfavorable factors

Favorable factors:

(1) New Energy Technology Application

Taiwan's high degree of urbanization, high population density, and widespread distribution of electric power systems, coupled with domestic policy support, are particularly suitable for the development of electric vehicles, and the Company has more than 60 years of manufacturing technology capabilities, and in line with the government's exemplary pilot run and power companies to adopt cross-industry cooperation to jointly develop new energy application technologies for electric vehicles.

In response to global climate change, the use of renewable energy in the industry is growing significantly, and the demand for energy storage equipment is increasing along with the trend of electricity liberalization, the Company has integrated the accumulated resources of new energy vehicle research and development, assembly technology, and common use to build a new production line of energy storage products and strive for business opportunities in the energy storage market.

(2) Alliances with ICT industry, solutions and eco-system services.

The joint venture, Foxtron Vehicle Technologies, which the Company established with Hon Hai, promotes the new business model of MIH open platform and sharing in the global automobile industry, combining the complementary advantages of both companies in vehicle research and development and ICT industry resources to provide overall solutions to our global target customers. With the advanced open platform and shared resources of Foxtron Vehicle Technologies, Luxgen will

continue to cultivate its private brand, focus on brand sales and channels, and launch new products that are competitive and meet market demand.

(3) Combine innovative thinking to improve differentiated added value

Innovation has always been our corporate culture. In response to the rapid changes in the global market, our company will uphold innovative technology, innovative product design, innovative thinking and service to meet the changing needs of our customers and enhance our competitiveness and added value of our products with innovation, so that our company can transform into an innovative manufacturing service industry.

(4) Manufacturing capability and quality standards are on par with those of major international manufacturers

The Company has accumulated several decades of automobile manufacturing technology, manufacturing capacity and quality standards have reached a considerable level, and has the ability to produce a small amount of multiple samples flexibly. In terms of production management, we specialize in various process improvement techniques to maintain a high degree of product stability, and have won numerous international quality awards, which have been recognized and favored by international manufacturers.

(5) Strive for regional economic cooperation opportunities

Through global economic and trade regional integration or the signing of inter-regional FTAs, barriers to the flow of products, talents, capital and information can be effectively reduced. In the face of the Mainland China market, the Company has adopted an aggressive competitive and cooperative strategy to pursue opportunities for cross-strait cooperation in the automobile industry. Since the cross-strait automobile industry is highly complementary in R&D, manufacturing and marketing, the construction of a cooperation platform can effectively reduce production costs, expand the production scale of a single vehicle model, reduce R&D, mold sharing costs and the cross-strait division of labor mechanism, etc., bringing into play complementary effects and jointly enhancing the regional competitiveness of both sides.

(6) Government Preferential Policies

The government announced that the policy for old excise tax subsidy on old goods replacement will be extended for another five years to 2026, coupled with the introduction of new car models, price reductions and increased promotional efforts to compete for the market, bullish car market buying in 2021 can still be expected.

Unfavorable factors:

(1) Uncertainty in the international situation

The global economic growth slowed down in 2020 due to COVID-19, and the global epidemic is still very uncertain, although the economies of various countries gradually recovered in 2021 and the operations of various industries became stable. On the other hand, after the U.S. presidential election in 2020 with the shift in power, and the subsequent direction of trade between the U.S. and China as well as regional economic integration, the direction of financial policies of major countries and changes in the exchange rates of emerging market countries will affect the pace of global economic growth, which will require continuous attention in the future.

(2) The domestic car market cycle has reached its peak, and the growth rate is limited

The growing popularity of mass transit systems, the extended life span of automobiles, and the impact of a child-less/aging society are all factors that may change consumer habits.

(3) Increase in operating costs due to relevant regulations and policies

The government's promotion of energy-saving and carbon-reduction policies and related regulations, such as: emission regulations, implementation of formal safety certification, waste vehicle disposal fees, air pollution fees, and luxury taxes and other fees, have all contributed to the increase in business operating costs.

(4) High end cars getting affordable

In recent years, international manufacturers have successfully penetrated the domestic mid-range car market through premium car entry models, coupled with affordable prices, and new consumer groups have been re-formed, gradually affecting domestic car sales.

(5) Second-hand market transactions are active

The seconded-hand car market in Taiwan had a volume of about 770,000 units in 2020, which indirectly affects the new car market.

4. Countermeasures:

In the face of increasing competition in the domestic car market, the Company will continue to maintain its market position through various strategies and core competencies in response to global market and industry

changes, as shown in the table below.

<p>Advantages:</p> <ol style="list-style-type: none"> 1. Multi-brand professional manufacturing capability, flexible production technology 2. High quality & international factory standard vehicle assembly technology 3. Ability in the development of electric vehicle core technology independent capacity / mass production 	<p>Disadvantages:</p> <ol style="list-style-type: none"> 1. Synchronization and digital integration with companies in the value chain need to be further enhanced 2. A large number of customization and new technology into the car prompt the need for a more effective quality control program 3. In response to the emergence of a large number of IT and new energy vehicles and the improvement of production technology, quality inspection needs to be improved
<p>Opportunities:</p> <ol style="list-style-type: none"> 1. AI artificial intelligence and big data to enhance the competitiveness of the Group's value chain 2. Industry chain open architecture and platform sharing 3. The popularity of handheld smart devices and accelerated data transmission 	<p>Threats:</p> <ol style="list-style-type: none"> 1. Taiwan's auto market is maturing and growth is limited 2. Major car manufacturers are competing to invest in digital/intelligent manufacturing 3. Shortened time to market for product development

The following challenges are what Yulon must address:

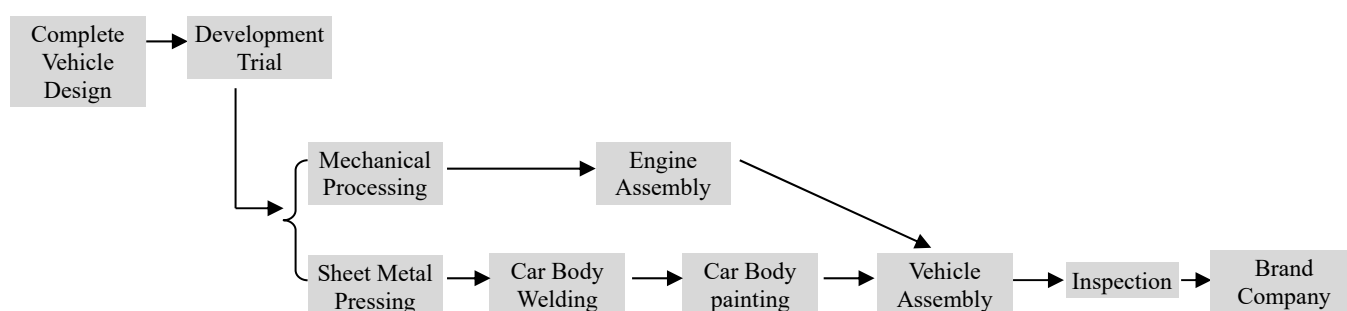
- (1) Set up smart production lines/intelligent warehouses and other related indicators in line with the Internet trend.
- (2) Shorten the test assembly time through design review verification and digital simulation.
- (3) Establish a mechanism to strengthen supplier counseling and rounds to ensure the quality of parts development.
- (4) Combine network and reality integration, smart networking technology, intelligent mobility and huge amount of data, and create a comprehensive system integration solution for industrial development.
- (5) The open structure of the industrial chain can improve the efficiency of vehicle manufacturing.

(II) Key applications and production processes of major products

1. Key applications of major products

The Company mainly designs, develops and produces various kinds of sedans and RVs, which are mainly used for transportation of passengers, leisure and travels, and produces parts for automobile assembly and maintenance.

2. Production processes of major products



(III) The supply of main raw materials

The Company's raw materials are mainly purchased from Nissan Japan and domestic and foreign collaborative suppliers. Due to their long-term cooperation and long-term supply contracts, we can ensure stable raw material prices and secure the supply of raw materials.

(IV) The names of suppliers and customers who have accounted for more than 10% of the total purchases (sales) in any of the most recent 2 years, their purchases (sales) amount and proportion, and the reasons for the increase or decrease

1. Information on the major suppliers in the most recent 2 years:

Unit: Thousands of NTD

Items	2019				2020				2021 up to 1st quarter (Note 2)			
	Name	Amount	Percentage in the net annual percentage of purchase (%)	Relation with the issuer Relation	Name	Amount	Percentage in the net annual percentage of purchase (%)	Relation with the issuer	Name	Amount	As a percentage of net purchases for the year up to the previous quarter (%)	Relation with the issuer
1	Yulon Nissan Motor	17,108,780	19.2	Invested company measured using the equity method	Yulon Nissan Motor	15,693,343	18.3	Invested company measured using the equity method	Yulon Nissan Motor	3,866,318	15.5	Invested company measured using the equity method
2	Nissan Motor Co., Ltd.	9,568,706	10.7		Nissan Motor Co., Ltd.	8,840,735	10.3		Nissan Motor Co., Ltd.	2,115,223	8.5	
3	Other	62,519,897	70.1		Other	61,183,021	71.4		Other	18,964,118	76.0	
	Net purchase amount	89,197,383	100		Net purchase amount	85,717,099	100		Net purchase amount	24,945,659	100	

Note 1: Name of supplier representing more than 10% of total purchases in the previous two years, and the amount and percentage of purchase; code names can be used instead if any contract prohibits the Company from disclosing the supplier's name, or if the counterparty is a non-related party.

Note 2: Financial information audited and reviewed by CPAs up to the date of publication of the annual report
Analysis of the change in the increase or decrease percentage: The decrease in the purchase amount from Yulon Nissan Motor was due to the decline in market sales as a result of the epidemic, and therefore the decrease in shipments from vendors to suppliers.

2. Information on the major customers in the most recent 2 years:

Unit: Thousands of NTD

Items	2019				2020				2021 up to 1st quarter (Note 2)			
	Name	Amount	Ratio of annual net sales (%)	Relation with the issuer	Name	Amount	Ratio of annual net sales (%)	Relation with the issuer	Name	Amount	As a percentage of net sales for the year up to the previous quarter (%)	Relation with the issuer
1	Yulon Nissan Motor	12,928,433	22.2	Invested company measured using the equity method	Yulon Nissan Motor	11,719,035	21.8	Invested company measured using the equity method	Yulon Nissan Motor	2,725,454	21	Invested company measured using the equity method
2	Other	45,222,107	77.8		Other	42,067,733	78.2		Other	10,222,916	79	
	Net sales	58,150,540	100		Net sales	53,786,768	100		Net sales	12,948,370	100	

Note 1: Name of customer representing more than 10% of total purchases in the previous two years, and the amount and percentage of sales; code names can be used instead if any contract prohibits the Company from disclosing the customer's name, or if the counterparty is a non-related party.

Note 2: Financial information audited and reviewed by CPAs up to the date of publication of the annual report
Analysis of the change in the increase or decrease percentage: There is no significant change in major sales customers, and the percentage of increase or decrease is still reasonable

(V) The production volume and value of the last two years

Unit: Car, Unit
Vlaue: Thousands of NTD

Year Production volume & value Major products (or segment)	2019			2020		
	Production capacity	Yield	Output value	Production capacity	Yield	Output value
Vehicle	80,000	37,727	15,613,144	80,000	37,929	16,472,125
Total	80,000	37,727	15,613,144	80,000	37,929	16,472,125

Note: The above figures are compiled from unconsolidated viewpoint.

(VI) Sales volume and value in the last two years

Unit: Car, Unit
Value: Thousands of NTD

Major products (or segment)	Year Sales volume and value	2019				2020			
		Domestic sales		Export sales		Domestic sales		Export sales	
		Volume	Amount	Volume	Amount	Volume	Amount	Volume	Amount
Vehicle		42,721	25,283,799	0	0	39,443	23,410,866	0	0
Parts		0	3,788,424	0	137,975	0	3,655,478	0	99
Total		42,721	29,072,223	0	137,975	39,443	27,066,344	0	99

Note: The above figures are compiled from unconsolidated viewpoint.

III. Employees

April 30, 2021

Year		2019	2020	2021 up to April 30
Number of employees	Staff	295 people	320 people	327 people
	Technician	778 people	744 people	997 people
	Administrative Assistant	20 people	16 people	18 people
	Total	1,093 people	1,080 people	1,342 people
Average age		42.1 years old	41.95 years old	39.17 years old
Average years of service		16.36 years	15.94 year	13.08 year
Education distribution	Doctor	0.1%	0.28%	0.23%
	Master	17.9%	19.63%	17.21%
	University and College	27.1%	32.50%	35.92%
	Senior high school	51.1%	44.63%	44.13%
	Below senior high school	3.8%	2.96%	2.50%

Note: The data for 2019 and 2020 is cut off at December 31 of the year.

Year	2019	2020	2021 up to March 31
Number of employees of the Company and its subsidiaries	11,286 people	10,457 people	9,820 people

Note: The data for 2019 and 2020 is cut off at December 31 of the year.

IV. Information on environmental protection expenditures

(I) The total amount of penalties imposed by the environmental protection authorities in the last two years and the current year as of the date of publication of the annual report: None

(II) Future countermeasures and possible expenditures

1. Future possible environmental expenditures:

Items \ Year	2021	2022	2023
The proposed pollution prevention and control equipment and expenditures	Energy Saving and Pollution Investment in prevention equipment	Energy Saving and Pollution Investment in prevention equipment	Energy Saving and Pollution Investment in prevention equipment
Estimated improvement	In compliance with environmental regulations & international trends	In compliance with environmental regulations & international trends	In compliance with environmental regulations & international trends
Estimated amount	NTD 35,000 thousand	NTD 35,000 thousand	NTD 35,000 thousand

2. Other expenditures:

Items \ Year	2021	2022	2023
Content of expenditures	1. Environmental fees \$14,000 thousand 2. Management fees \$13,500 thousand	1. Environmental fees \$14,000 thousand 2. Management fees \$13,500 thousand	1. Environmental fees \$14,000 thousand 2. Management fees \$13,500 thousand
Estimated improvement	Meets and exceeds environmental protection regulations	Meets and exceeds environmental protection regulations	Meets and exceeds environmental protection regulations
Estimated amount (1+2)	NTD 27,500 thousand	NTD 27,500 thousand	NTD 27,500 thousand

(III) The impact of the improvement.

Items \ Year	2021	2022	2023
Effect on net profits	Increase in depreciation expense by \$7,500 thousand per year	Increase in depreciation expense by \$7,500 thousand per year	Increase in depreciation expense by \$7,500 thousand per year
Effect on Competitive Position	Save energy and reduce waste, enhance corporate image and contribute to social welfare	Same as the left	Same as the left

(IV) Whether the Company has a policy of energy saving and carbon reduction, greenhouse gas reduction, water reduction or other waste?

1. Greenhouse gas reduction: Since the establishment of the “Energy Saving and Carbon Reduction Promotion Project” in 2007, from 580 kg-CO₂ per unit to 306 kg-CO₂ per unit in 2020, the amount of carbon emissions has been reduced by 47.2%, with the goal of reducing carbon emissions by 4% each year to continue to promote; total annual emissions of 15,911 metric tons-CO₂ in 2017, 15,672 metric tons-CO₂ in 2018, 11,965 metric tons-CO₂ in 2019, and 11,654 metric tons-CO₂ in 2020, reducing the rate of global warming.

2. Reduction of water consumption:

The water consumption in 2020 is reduced by 550 metric tons (348,232→347,682 metric tons) compared with 2019, and continue to reduce every year to slow down the consumption of global water resources. All the wastewater in the manufacturing process is discharged from the wastewater treatment plant (43.4 mg/L), which is better than the regulations (below 100 mg/L) to reduce the environmental loading.

3. Waste reduction: Reduce the general waste output by 12.26% in 2020 compared to 2019 (147.59→129.5 metric tons), and reduce the output by 1% each year as our target; recycle and reuse 100% of the resource waste.

4. The Company's energy saving and carbon reduction activities such as greenhouse gas reduction, water reduction, waste production reduction, VOCs emission reduction, etc. are carried out in accordance with ISO-14001 norms in a continuous PDCA cycle, and continue to be audited by the external company, bsi, twice a year to obtain certification.
5. Yulon Motor's ongoing environmental objectives
 - (1) Greenhouse gas emissions per unit: more than 4% reduction per year
 - (2) Volatile organic gas emissions per unit: more than 4% reduction per year
 - (3) Water consumption per unit: more than 1% reduction per year
 - (4) Waste resource : 100% recycled and reused
 - (5) General waste: Reduce the total amount of waste by more than 1% per year
 - (6) Toxic chemical substance: Not used
 - (7) Noise control: the introduction of new equipment noise shall not exceed 85 decibels control

For the specific environmental policies of the Company, please refer to the section of "Fulfillment of Social Responsibility" in Chapter 2.

V. Labor relations

- (I) Current significant labor-management agreements, employee benefits and their implementation
 1. Labor-management agreements
 - (1) The company holds regular labor-management meetings to fully communicate and improve various problems between labor and management.
 - (2) Send staff to attend the union directive and supervisory meetings to understand and respond to the union's demands and promote labor management harmony.
 - (3) Regularly consult and discuss relevant issues with labor administration officials, experts, scholars, or consultants.
 - (4) Continuously strengthen the labor education of the union's leaders, so that employees and management can have more consistent ideas.
 - (5) Reach a consensus after collective bargaining and sign a group agreement to protect the labor work conditions and benefits to promote the cooperative relationship between employees and management.
 - (6) Assist employees to resolve work difficulties and protect their rights and interests through the employee complaint handling system.
 - (7) Cultivate the management mindset in department heads consistent with the Company's corporate culture and build consensus, in addition to conducting consensus camps for supervisors and holding talks with the union leaders..
 2. Employee Welfare Services
 - (1) Provide winter and summer uniforms, safety shoes, commuter transportation in the central part of the country, and a shuttle bus to the north.
 - (2) We provide a safe, convenient and quiet environment for free dormitory.
 - (3) Set up a welfare park for employees, including indoor basketball court, badminton court, recreational vegetable garden, swimming pool, outdoor tennis court, basketball court, health trail, audio-visual center, reading room, restaurant, welfare club and gymnasium, and other recreational and leisure facilities.
 - (4) There are 2 staff cafeterias offering buffets, noodles, special meals, etc.; the Company also provides overtime staff refreshments.
 - (5) Regularly organize large-scale sports activities such as basketball leagues, badminton tournaments, factory road runs, and diversified club activities such as yoga, aerobics, jogging, guitar, photography, etc. to promote employees' physical and mental health and cultivate diversified interests.
 - (6) Organize newcomers' welcome dinner, summer camp for employees' children, end-of-year dinner party, retired colleagues' social gathering and other employee care activities every year.
 - (7) Establish a volunteer club to plan volunteer service activities such as beach purification, blood donation, orphanage support, disadvantaged children care, community service, and year-end donation every year.
 - (8) Set up an employee welfare committee to administer measures such as education subsidies for children and colleagues, family travel subsidies, car purchase subsidies, and annual festival benefits.; also organize large-scale employee activities such as May Day Family Day, domestic and overseas employee trips, and the Dragon Boat Festival and Mid-Autumn Festival celebrations.
 - (9) Provide group insurance covering employees and family dependents.
 - (10) In addition to the leave granted by law, leave and paid leaves are also given for the day of the child's entrance into school, the child's marriage, and the sibling's wedding day according to the customary

needs.

- (11) In accordance with production equipment maintenance, adjust the rest days and arrange long vacations such as spring break and summer vacation, and travel with domestic and foreign employees to increase the time for employees to spend with their families and promote parent-child interaction while relieving work pressure.
 - (12) In order to promote work-life balance, implement a “punctual off-duty day” in which each production line is scheduled to have 8 hours of productivity and no overtime work is scheduled on that day. We hope that our employees can arrange family activities, self-growth courses and sports activities.
 - (13) In order to implement maternity protection and to be considerate of the inconvenience of working for pregnant female colleagues, provide exclusive parking spaces in the factory for pregnant women.
 - (14) In accordance with the announcement and the implementation of the amended “Act of Gender Equality in Employment”, the Company shall grant pre-maternity medical leave for five days during the pregnancy of an employee of the Company, and each pre-maternity medical leave shall be granted by unit of 30 minutes with pays.
 - (15) In line with the “Act of Gender Equality in Employment”, breast milk collection rooms are set up in the factory and special contracts are signed with nurseries in Fengyuan, Sanyi and Miaoli to reduce the burden of employees.
 - (16) When employees take “paternity leave” in accordance with the regulations, they may choose 5 during the 15 days before, on or after the day of spouse's child delivery with pay.
 - (17) Employees are given 8 days of wedding leave for marriage, and considering that the related plan may be affected by the epidemic, they are allowed to take the leave by units of days within 6 months from 10 days before marriage registration, and their wages are paid during the wedding leave.
 - (18) Cooperate with Lifeline Association to promote Employee Assistance Program (EAP) and provide free employee psychological counseling services.
 - (19) For employees who are new mothers and fathers, we promote wraparound birth and parenting care, and provide care activities at each stage (pregnancy → delivery → parenting), such as producing a care handbook for pregnant mothers, subsidizing self-funded prenatal checkups, holding birth and parenting seminars, handing out newborn congratulation gifts by the general manager, and holding “Baby Day” sharing activities.
 - (20) Encourage single colleagues to make friends and cooperate with the Ministry of Internal Affairs to promote single friendship activities, the company subsidizes the full cost of activities and sponsors meal coupons for two people.
 - (21) Hold happiness seminars every year and invite experts in various fields to give courses on topics such as financial management, DIY handicrafts, sports and health care, and workplace makeup to promote work-life balance among employees.
 - (22) In the event of a wedding celebration, employees may apply to the Company for a company car to be used as a limousine.
 - (23) In order to assist new employees to quickly acquire a vehicle for transportation, a subsidy is provided for the purchase of a brand-new domestic car or a domestic used car sold by the Group's dealers.
3. Retirement system:

In order to protect employees' pension rights and interests, the Company makes regular contributions to labor pensions in accordance with the Labor Standards Act and the Labor Pension Act and other relevant regulations.

- (1) The pension system under the Labor Pension Act (new scheme) is subject to the following regulations.
 - A. Employees of the Company who started working on or after July 1, 2005 are subject to the pension system of the Labor Pension Act.
 - B. In accordance with Article 14 of the Labor Pension Act, the Company shall contribute 6% of the monthly salary of the employees under the new scheme to a personal pension account established in the Bureau of Labor Insurance, which is owned by the employee. The employees may also make voluntary contributions to their pensions within 6% of their monthly salary.
- (2) The pension system under the Labor Standards Act (old scheme) is subject to the following regulations.
 - A. After the Labor Pension Act came into effect on July 1, 2005, if an employee chooses to continue to be under the pension provisions of the Labor Standards Act (the old scheme) or chooses to be under the pension system of the Labor Pension Act (the new scheme) and retains his or her years of service in the old scheme, his or her pension benefits for his or her years of service in the old scheme shall be governed by the provisions of the Labor Standards Act.
 - B. In accordance with Article 56(1) of the Labor Standards Act, the Company contributes 7% of the monthly salary of the employees for their years of service under the old scheme to the Labor Retirement Reserve Fund, which shall be deposited in a special account for the exclusive use and is owned by the Company, and the Bank of Taiwan (Trust Department) is responsible for the receipt, custody and use of the fund. When an employee with years of service under the old

scheme applies for a pension, the Company withdraws from the special account for the Labor Retirement Reserve Fund and pays the pension to the employee.

- C. In accordance with Paragraph 2 of Article 56 of the Labor Standards Act and IAS 19, the Company reviews the balance of the Labor Retirement Reserve Fund before the end of the year to see if it is sufficient to support the old scheme retirement applications for the following year and submit to the Labor Retirement Reserve Fund Supervisory Committee of the Company for review; if the balance is insufficient, the Company shall make a lump sum make-up of the difference before the end of March of the following year.
 - D. The Company has established the “Labor Retirement Reserve Fund Supervisory Committee“, which consists of three representatives from management and six representatives from employees, and holds quarterly meetings to jointly supervise the use of the retirement reserve fund.
 - E. The standard for calculating pensions for employees in accordance with the Labor Standards Act is as follows:
 - Two bases will be awarded for each year of service. However, for each year of service in excess of 15 years, one base is given for each year of service, up to a maximum of 45 bases. Services less than half a year are counted as half a year; services more than half a year are counted as one year.
 - If an employee retires due to mental or physical disability as a result of performing his or her duties, he or she shall be paid 20% more in accordance with the preceding paragraph.
 - The standard of pension base refers to the average monthly salary at the time of approved retirement.
- (3) Retirement standards for employees are in accordance with the following rules.
 - A. Employees may apply for retirement on their own in one of the following circumstances.
 - a. Those who have worked for the Company for at least 15 years and are at least 55 years old.
 - b. Those who have worked for the Company for at least 25 years
 - c. Those who have worked for the Company for at least 10 years and are at least 60 years old.
 - B. Employees shall not be compelled to retire unless one of the following applies.
 - a. Aged 65 or older.
 - b. Mentally or physically incapacitated for work.

4. Employee conduct or code of ethics

In order to clearly regulate the relationship between the rights and obligations of employees and management, and to improve the organization and establish the management system, the Company has established various internal work regulations according to the relevant laws and regulations to provide a framework for corporate and employee actions. For the above purposes, the Company has these rules:

- (1) Rules and regulations for promotion, performance appraisal, attendance and salary management, and related internal control operations, in order to ensure that all employees understand and comply with them.
- (2) Work rules for employees: All of the hiring, salary, leave, overtime, rewards and punishments of the Company’s employees, and related office regulations have been clearly regulated to govern the behavior of our employees.
- (3) In order to effectively manage internal network and Internet resources, respect intellectual property rights, and maintain the company's corporate image, we specifically promote and require employees to sign the “Affidavit for Prohibition of Illegal Software“ and the “Agreement on Intellectual Property Rights and Confidentiality“; and in order to comply with the relevant laws and regulations on personal data protection, new employees are informed of the personal data management methods when they report to work, and they are asked to authorize the use of personal data.
- (4) In order to make the company's internal document management, data formulation and review, and operation process specification follow, the “Document Management Measures“ are formulated to provide continuous improvement of the Company's internal operation and to improve the management system.

5. Employee health and safety

- (1) The Company provides labor insurance for each employee in accordance with the labor related laws.
- (2) Group insurance for employees, covering the employees themselves, their spouses and children, at the expense of the Company.
- (3) Set up “Employee Clinic“ as a special clinic for universal health insurance to provide medical, surgical and quit smoking clinics as well as health education and consultation on various medical and health care services to enhance the convenience of medical treatment and the health of employees and their family dependents.
- (4) In accordance with the labor protection related rules, the Company conducts regular employee health checks to maintain employee health.
- (5) The company employs a medical specialist in occupational medicine to take care of the occupational safety and health of its employees and to assist the company in promoting individual employee care and protection practices.
- (6) Provide a good and safe working environment.
 - In accordance with the fire prevention laws and regulations, we have established complete protective equipment, an automatic regional fire prevention monitoring and reporting system, and conduct annual fire prevention training for our staff to strengthen their emergency response capabilities.
 - Access is controlled and patrolled by security personnel around the clock and dynamically. The main intersections in the area are monitored by a network of surveillance systems to ensure the movement of people and vehicles throughout the area to maintain safety.
- (7) Pay attention to the physical and mental health of our employees, and regularly provide health promotion themed literature and conduct health education seminars to provide comprehensive health management for our employees.

6. Staff Development: Education and Training

The Company adheres to the four guiding principles of “Lifelong Learning, Diversified Development, Deep Cultivation Spirit, and Human Orientation“ to cultivate and develop human resources. We actively provide a learning and development environment for our employees, construct a training system through the Talent Development Quality Management System (TTQS), and develop education and training programs based on the strategic planning of the Company's vision for medium- and long-term goals. According to the needs of the business category, we implement multiple learning channels such as on-the-job training, nanny system, job rotation, project work, digital learning, and on-the-job training to enhance the skills required for the profession. Use multiple training outcome assessments, including L1 response assessment, L2 learning assessment, L3 behavior assessment and L4 outcome assessment, to ensure that employees learn and grow before and after training and apply what they have learned in the workplace.

According to the skills required for the job, provide common, professional and management training courses. Training costs in 2020 were about \$2,728 thousand, the average training costs per employee were about \$2,532, the total training hours were 13,486, and the average training hours per employee were 12.5 hours per year; the training courses provided by our company include:

- (1) Common training: Common training courses for all company employees, including international business law series seminars, patent discovery courses, excel computer operation courses, ISO-related courses, happiness seminars, retirement seminars, etc.
- (2) Professional training: Training courses to strengthen professional skills, including CATIA 3D drawing skills, MSA measurement system analysis, FTA defect tree analysis, Taguchi analysis, why why analysis, workflow diagram management, statistical process control and engineering capability analysis, finance, human resources management, manufacturing, production management, and labor safety and health courses, etc.
- (3) Management training: Various management training themes are planned according to the management capabilities of department heads at different levels, including motivational consensus camps for middle and senior department heads; management skills courses for middle-level department heads and seminars on management practices; and on-site management skills courses for management trainees.
- (4) Training for newcomers: In order to familiarize newcomers with the company's corporate culture and working environment, we arrange unified training for newcomers and arrange vehicle disassembly and test assembly courses for newcomers from R&D, production and quality management departments, so that newcomers can better understand the overall structure of vehicles and the relationship between various components.
- (5) Language training: In order to develop international business, language ability is one of the requirements for promotion, and we arrange multi-benefit sprint classes or hold language courses according to business strategies to improve employees' language ability.

The Company encourages a learning culture and has set up two employee growth days each month since 2020 to encourage supervisors to mentor and care for employees, or to exchange new knowledge and skills

within the unit.

(II) Losses suffered from labor disputes from 2020 up to the date of publication and the annual report: None.

(III) Employee communication channels

The Company is committed to providing open and transparent channels of communication between supervisors and employees to promote labor-management harmony and create a win-win situation for both companies and employees. Diversity

Communication channels include:

1. From time to time, hold employee care seminars to understand and value the needs and voices of employees and promote labor harmony.
2. Hold regular employee satisfaction surveys every year and make improvements on items with low satisfaction scores.
3. If employees find major management negligence, illegal or unethical behavior, they can directly complain to the president's mailbox or human resources unit, and the investigation will be conducted by the human resources unit or a task force according to the type of incident, and a project meeting will be held for consideration.
4. Set up EIP "Employee Information Portal" system, so that employees can immediately receive the company's major dynamic announcements, and can also put forward their personal opinions and ideas at any time, and the relevant units will assist in handling them and then immediately reply to colleagues on the results.
5. Provide employee care service line as a channel for employees to reflect their opinions on work, environment and life assistance.
6. Sexual harassment prevention and management measures.

In order to protect the rights and interests of employees, safeguard gender equality, and prevent sexual harassment and gender discrimination in the workplace, the Company has established the "Prevention of Unlawful Acts of Assault in the Performance of Duties",

"Rules for Complaints and Discipline on Measures to Prevent Sexual Harassment in the Workplace", and "Guidelines for Handling Complaints and Investigations on Sexual Harassment" to protect the basic rights of employees.

If an employee encounters the above situation in the factory, he or she may file a complaint with the Compliant Committee in accordance with the procedures of the Company's Complaint Procedure.

(IV) Working environment and employee safety protection measures

In view of the importance of safety protection measures at working environment and for employees, The Company uses the management system of ISO 14001(Term of validity:2020/11/28-2023/11/27) & ISO 45001(Term of validity:2018/7/25-2021/7/24) to control the major environmental considerations/occupational safety and health risks, and uses the target and program management to carry out priority improvement. The lower risks are controlled by means of operational control, and after the improvement with good operation, the results are obvious that things are in good control. The Company's major objectives and management plans are summarized as follows.

Objective/Target	Program	Current Status	Implementation Status
Lower CO2 emissions to 316(kg-co2/unit)	Electricity - change the frequency of motor, change the lighting to LED, change the fixed frequency to variable frequency air compressor at night, change the continuous operation of conveyor belt to induction operation, do not operate the compressor below 25 degrees Celcius for air conditioning temperature control. Reduce fresh air intake, shorten oven warm-up time and earlier shutdown for natural gas-fired incineration (RTO) systems. Heavy oil: change to natural gas boiler, shorten warm-up time, reduce steam pressure, improve heat dissipation.	1. Motor without variable frequency control, additional inverter variable frequency control according to the end demands. 2. Traditional lamps, mercury lamps changed to low-power LED, additional point extinguisher, etc. 3. Regenerative Thermal Oxidizer (RTO) to introduce a lower proportion of fresh air. 4. Shorten the daily warm-up time and early shutdown for ovens, RTOs and boilers.	306(kg-co2/unit)
Domestic waste reduced to 194.4 (ton/year)↓	Nine garbage sorting boards for all staff education and training, reuse of resources, regular audits of sorting scores and promotion	Through the environmental safety executive meeting to promote and regularly audit the classification situation, the three green a beauty committee monthly meeting to control	129.5(ton/year)

Objective/Target	Program	Current Status	Implementation Status
Injuries at the factory 4(incidents/year) ↓	Regular implementation of 5S inspection, TOP survey, and improvement of false alarms.	and promote. Through various routine inspections and improvements, to reduce the occurrence of harm.	2(incidents/year)
Equipment safety function effectiveness 100 (%)	Develop automatic inspection method to perform safety function test of equipment in daily use operation	The on-site operation unit performs the safety function test of the equipment during the operation to ensure the normal function and reduce the occurrence of hazards.	100 %
Water quality monitoring of plant discharge water COD < 100 mg/L Total Chrome < 1.5 mg/L Copper < 1.5mg/L Zinc < 3.5mg/L Cadmium < 0.02mg/L Nickel < 0.7mg/L	Analyze discharge water COD (1~2 times/day) Total chromium, copper, zinc, cadmium, nickel, heavy metals (2 times/week)	Water quality is regularly sampled and analyzed to ensure that discharge water meets and exceeds regulations.	COD 48.45 mg/L Total Chromium ND Copper ND Zinc ND Cadmium ND Nickel 0.18 mg/L

The program for the management of physical security measures for employees is as follows.

1. Access control security: For day, night and holiday, security companies are hired to maintain the security of the factory and staff dormitories around the clock and set up surveillance systems.
2. Equipment maintenance and inspection: In accordance with the Fire Services Law, the on-site units will inspect the firefighting facilities on their own every month, and then appoint external firefighting agencies to carry out inspection and reporting every quarter. Regular (daily, weekly, monthly, quarterly, semi-annually, annually) maintenance and inspection of machines (cranes, elevators, presses, etc.) or equipment (boilers, high and low voltage electrical equipment, etc.).
3. Disaster prevention measures and contingency planning: In accordance with the “Emergency Preparedness and Contingency Management Regulations”, the responsibilities of each relevant unit, contingency measures, notification procedures, task contents, etc. are clearly defined and drills are conducted twice a year.
4. Health care.
 - (1) Health examination: physical examination of new recruits. The regular labor force periodically undergoes employee health examinations in accordance with labor safety and health protection rules. Special operators will undergo a special medical examination once a year.
 - (2) Health education and promotion: employ factory doctors and occupational doctors to provide clinical services twice a month (including) (content: prevention and treatment of occupational injuries and diseases and general injuries and diseases, health consultation and first aid and emergency disposal, health education, health promotion and health guidance...etc.).
 - (3) Half-yearly implementation of vector mosquito control and disinfection in the plant.
 - (4) Specify smoking ban in indoor places and limit smoking to designated area (20 places in the whole factory).

VI. Major contracts

Nature	Party involved	Effective period	Major contents	Restrictive clause
Vehicle OEM contract	Yulon Nissan Motor Consulting Co., Ltd.	From 2015.5.1 to 2020.4.30, the contract will be automatically extended for one year without written notice of non-renewal three months prior to the expiration date, and thereafter.	Assembly OEM for Nissan brand vehicles and components	1. Non disclosure of confidential information 2. Restrictions on the Transfer of Rights and Obligations
Vehicle OEM contract	Luxgen Motor Co., Ltd. Consulting Co., Ltd.	From 2015.5.1 to 2020.4.30, the contract will be automatically extended for one year without written notice of non-renewal three months prior to the expiration date, and thereafter.	Assembly OEM for Luxgen brand vehicles and components	1. Non disclosure of confidential information 2. Restrictions on the Transfer of Rights and Obligations

VI. Financial Status

I. Condensed financial statements for the most recent 5 years

(I) Condensed balance sheet and comprehensive income statement - IFRS

Consolidated condensed balance sheet

Unit: Thousands of NTD

Items	Year	Financial information from the past five years (Note 1)					Financial information for the current year up to March 31, 2021 (Note 3)
		2020	2019	2018 (After restatement)	2017	2016	
Current assets		215,186,668	231,944,241	221,698,791	169,428,441	131,584,835	216,512,304
Property, plant and equipment (Note 2)		35,542,275	36,381,174	37,984,471	35,764,145	33,663,144	35,162,968
Intangible assets		804,348	6,770,533	11,577,481	6,880,839	6,131,053	760,346
Other assets (Note 2)		49,789,455	38,795,595	48,599,816	46,343,082	49,892,609	50,699,868
Total assets		301,322,746	313,891,543	319,860,559	258,416,507	221,271,641	303,135,486
Current liabilities	Before Distribution	201,009,483	230,603,249	207,661,949	158,832,963	132,381,417	200,062,022
	After distribution (Note 4)	-	230,603,249	208,715,805	159,745,257	134,396,668	-
Non-current liabilities		35,437,943	26,207,143	27,774,636	20,462,405	9,827,404	36,210,089
Total liabilities	Before Distribution	236,447,426	256,810,392	235,436,585	179,295,368	142,208,821	236,272,111
	After distribution (Note 4)	-	256,810,392	236,490,441	180,207,662	144,224,072	-
Equity attributable to shareholders of the parent company		48,738,468	45,836,408	71,737,128	70,432,153	69,714,546	50,093,240
Capital stock		10,000,000	15,729,199	15,729,199	15,729,199	15,729,199	10,000,000
Capital surplus		6,563,888	6,566,495	6,597,972	6,665,705	6,664,910	6,563,935
Retained earnings	Before Distribution	32,147,077	23,775,185	49,238,886	47,916,002	46,464,540	33,517,900
	After distribution (Note 4)	-	23,775,185	48,185,030	47,003,708	44,449,289	-
Other equity		403,807	141,833	547,375	497,551	1,232,201	387,709
Treasury stock		(376,304)	(376,304)	(376,304)	(376,304)	(376,304)	(376,304)
Predecessor interests under joint controls (Note 6)		-	-	564,712	-	-	-
Non-controlling interests		16,136,852	11,244,743	12,122,134	8,688,986	9,348,274	16,770,135
Total equity	Before Distribution	64,875,320	57,081,151	84,423,974	79,121,139	79,062,820	66,863,375
	After distribution (Note 4)	-	57,081,151	83,370,118	78,208,845	77,047,569	-

* The Company has prepared individual financial statement; therefore, the below condensed individual balance sheets and Income Statement within five years are provided otherwise.

* The financial information adopting International Financial Reporting Standards is not over 5 years; therefore, financial information adopting Taiwan financial reporting standards is provided otherwise.

Note 1: Any year that has not been audited and attested by CPAs should be noted.

Note 2: If assets have been revalued in the current year, the date of revaluation and the amount of revaluation surplus should be indicated.

Note 3: IFRSs are adopted and the Q1 financial information has been reviewed by CPAs.

Note 4: The "amount after distribution" in the preceding paragraph refers to the amount resolved in the shareholders' meeting in the following year.

Note 5: For the financial data corrected or recomposed internally upon the notice of the competent authorities, the corrected or recomposed amount should be applied to prepare the financial report with the fact and reason for correction or re-composition noted.

Note 6: On March 6, 2020, the Company signed a joint venture agreement with Hua-Chuang Automobile Information Technical Center Co., Ltd. and Hon Hai Precision Industry Co., Ltd. In accordance with IFRS 10 on Consolidated Financial Statements, the Company has been in control of Hua-Chuang Automobile Information Technical Center Co., Ltd since December 31, 2019, considering its ability to control the relevant activities of Hua-Chuang Automobile Information Technical Center Co., Ltd. Since Hua-Chuang Automobile Information Technical Center Co., Ltd is under the common control of both the Company and Tai Yuen Textile, the consolidated balance sheet and the consolidated statement of changes in equity as of December 31, 2018 should be restated as if it had been consolidated from the beginning for the purpose of preparing the comparative consolidated financial statements.

Standalone condensed balance sheet

Unit: Thousands of NTD

Items	Year	Financial information from the past five years (Note 1)				
		2020	2019	2018 (After restatement)	2017	2016
Current assets		13,430,414	27,778,211	21,588,727	28,407,784	16,408,827
Property, plant and equipment (Note 2)		7,424,065	6,711,446	6,461,658	6,361,945	6,238,698
Intangible assets		57,361	1,263,090	1,275,678	1,277,490	68,642
Other assets (Note 2)		58,281,188	44,166,602	68,285,190	56,969,652	56,340,968
Total assets		79,193,028	79,919,349	97,611,253	93,016,871	79,057,135
Current liabilities	Before Distribution	9,951,525	6,082,477	4,665,156	7,288,443	5,275,141
	After dividend distribution (Note 3)	—	6,082,477	5,719,012	8,200,737	6,061,601
Non-current liabilities		20,503,035	28,000,464	20,644,257	15,296,275	4,256,396
Total liabilities	Before Distribution	30,454,560	34,082,941	25,309,413	22,584,718	9,531,537
	After dividend distribution (Note 3)	—	34,082,941	26,363,269	23,497,012	10,317,997
Equity attributable to shareholders of the parent company		48,738,468	45,836,408	72,301,840	70,432,153	69,714,546
Capital stock		10,000,000	15,729,199	15,729,199	15,729,199	15,729,199
Capital surplus		6,563,888	6,566,495	6,597,972	6,665,705	6,664,910
Retained earnings	Before Distribution	32,147,077	23,775,185	49,238,886	47,916,002	46,464,540
	After dividend distribution (Note 3)	—	23,775,185	48,185,030	47,003,708	45,678,080
Other equity		403,807	141,833	547,375	497,551	1,232,201
Treasury stock		(376,304)	(376,304)	(376,304)	(376,304)	(376,304)
Predecessor interests under joint controls (Note 5)		-	-	564,712	-	-
Total equity	Before Distribution	48,738,468	45,836,408	72,301,840	70,432,153	69,714,546
	After dividend distribution (Note 3)	—	45,836,408	71,247,984	69,519,859	68,928,086

* The Company has prepared individual financial statement; therefore, the below condensed individual balance sheets and Income Statement within five years are provided otherwise.

* The financial information adopting International Financial Reporting Standards is not over 5 years; therefore, financial information adopting Taiwan financial reporting standards is provided otherwise.

Note 1: Any year that has not been audited and attested by CPAs should be noted.

Note 2: If assets have been revalued in the current year, the date of revaluation and the amount of revaluation surplus should be indicated.

Note 3: The "amount after distribution" in the preceding paragraph refers to the amount resolved in the shareholders' meeting in the following year.

Note 4: For the financial data corrected or recomposed internally upon the notice of the competent authorities, the corrected or recomposed amount should be applied to prepare the financial report with the fact and reason for correction or re-composition noted.

Note 5: On March 6, 2020, the Company signed a joint venture agreement with Hua-Chuang Automobile Information Technical Center Co., Ltd. and Hon Hai Precision Industry Co., Ltd. In accordance with IFRS 10 on Consolidated Financial Statements, the Company has been in control of Hua-Chuang Automobile Information Technical Center Co., Ltd since December 31, 2019, considering its ability to control the relevant activities of Hua-Chuang Automobile Information Technical Center Co., Ltd Since Hua-Chuang Automobile Information Technical Center Co., Ltd is under the common control of both the Company and Tai Yuen Textile, the standalone balance sheet and the standalone statement of changes in equity as of December 31, 2018 should be restated as if it had been consolidated from the beginning for the purpose of preparing the comparative consolidated financial statements.

Consolidated condensed comprehensive income statement

Unit: Thousands of NTD

Items \ Year	Financial information from the past five years (Note 1)					Financial information for the current year up to March 31, 2021 (Note 2)
	2020	2019	2018	2017	2016	
Operating revenues (Note 5)	82,597,514	85,578,910	88,115,701	94,111,028	112,166,685	20,471,216
Net operating profits (Note 5)	18,629,605	5,725,273	18,965,226	20,001,414	19,199,975	5,975,045
Operating profits and losses (Note 5)	(1,218,462)	(30,747,539)	2,018,343	1,897,027	2,223,895	1,854,898
Non-operating income and expenses (Note 5)	6,942,010	7,310,391	3,366,719	2,241,421	840,000	615,697
Profit before income tax	5,723,548	(23,437,148)	5,385,062	4,138,448	3,063,895	2,470,595
Profit before income tax from continuing operations	4,839,562	(24,533,477)	3,847,036	3,078,421	1,779,223	2,029,650
Losses from discontinued operations (Note 3)	—	—	—	—	—	-
Net profits (losses) for the period	4,839,562	(24,533,477)	3,847,036	3,078,421	1,779,223	2,029,650
Other comprehensive income (net)	240,989	(304,732)	(687,796)	(870,238)	(1,928,172)	(33,234)
Total comprehensive income for the period	5,080,551	(24,838,209)	3,159,240	2,208,183	(148,949)	1,996,416
Net income attributable to shareholders of the parent company	2,739,210	(24,465,408)	2,037,032	2,288,306	1,334,703	1,358,135
Predecessor Equity under joint controls	—	(564,712)	—	—	—	-
Non-controlling interests	2,100,352	496,643	1,810,004	790,115	444,520	671,515
Total comprehensive income attributable to shareholders of parent company	2,949,501	(24,603,974)	1,490,742	1,508,187	(275,544)	1,354,725
Predecessor Equity under joint controls	—	(564,712)	—	—	—	-
Non-controlling interests	2,131,050	330,477	1,668,498	699,996	126,595	641,691
Earnings per share	2.80	(26.13)	1.39	1.56	0.91	1.39

* The Company has prepared individual financial statement; therefore, the below condensed individual balance sheets and Income Statement within five years are provided otherwise.

* The financial information adopting International Financial Reporting Standards is not over 5 years; therefore, financial information adopting Taiwan financial reporting standards is provided otherwise.

Note 1: Any year that has not been audited and attested by CPAs should be noted.

Note 2: IFRSs are adopted and the Q1 financial information has been reviewed by CPAs.

Note 3: The loss of the discontinued department is booked for an amount net of income tax.

Note 4: For the financial data corrected or recomposed internally upon the notice of the competent authorities, the corrected or recomposed amount should be applied to prepare the financial report with the fact and reason for correction or re-composition noted.

Note 5: The Company considered it more appropriate to include impairment loss on lease assets (previously recorded as administration expenses) and gain on recovery of doubtful accounts (previously recorded as other operating income) as a deduction from lease costs and expected credit impairment loss, respectively, and therefore changed the presentation of the consolidated statement of income in 2020 and reclassified the comparative information in 2019 to make the presentation consistent.

Note 6: On August 11, 2020, the Company reduced capital to make up for losses, so the earnings per share for 2019 was adjusted retroactively.

Standalone condensed comprehensive income statement

Unit: Thousands of NTD

Items	Year	Financial information from the past five years (Note 1)				
		2020	2019	2018	2017	2016
Operating revenues		28,271,894	30,261,929	31,808,738	36,092,796	39,998,024
Net operating margin		2,326,374	2,637,334	2,846,516	2,941,489	2,998,922
Operating profit and loss		1,013,256	1,047,888	1,672,619	1,847,150	1,802,855
Non-operating income and expenses		1,625,139	(26,084,898)	489,167	472,753	6,787
Profit before income tax		2,638,395	(25,037,010)	2,161,786	2,319,903	1,809,642
Profit before income tax from continuing operations		2,739,210	(25,030,120)	2,037,032	2,288,306	1,334,703
Losses from discontinued operations (Note 2)						-
Net profits (losses) for the period		2,739,210	(25,030,120)	2,037,032	2,288,306	1,334,703
Other comprehensive income (net)		210,291	(138,566)	(546,290)	(780,119)	(1,610,247)
Total comprehensive income for the period		2,949,501	(25,168,686)	1,490,742	1,508,187	(275,544)

* The Company has prepared individual financial statement; therefore, the below condensed individual balance sheets and Income Statement within five years are provided otherwise.

* The financial information adopting International Financial Reporting Standards is not over 5 years; therefore, financial information adopting Taiwan financial reporting standards is provided otherwise.

Note 1: Any year that has not been audited and attested by CPAs should be noted.

Note 2: The loss of the discontinued department is booked for an amount net of income tax.

Note 3: For the financial data corrected or recomposed internally upon the notice of the competent authorities, the corrected or recomposed amount should be applied to prepare the financial report with the fact and reason for correction or re-composition noted.

(II) Names and audit opinions of the attesting CPAs for the last five years

Year	2020	2019	2018	2017	2016
Attesting CPA	Guo Li-Wen Fan Yu-Wei	Tai Shun-Wai Fan Yu-Wei	Tai Shun-Wai Fan Yu-Wei	Tai Shun-Wai Fan Yu-Wei	Tai Shun-Wai Fan Yu-Wei
Audit Opinion	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified

II. Analysis of important financial ratios for the last five years

(I) Consolidated financial ratio analysis - IFRS

Analysis items (Note 3)		Financial Analysis of the Past Five Years					The current year up to March 31, 2021 (Note 2)
		2020	2019	2018 (After restatement)	2017	2016	
Capital Structure (%)	Debts to assets ratio (%)	78.47	81.82	72.83	69.38	64.27	77.94
	Long-term capital to property, plant and equipment ratio	282.22	164.54	230.65	257.45	237.62	293.13
Solvency (%)	Current ratio	107.05	100.58	106.79	106.67	99.4	108.22
	Quick ratio	99.43	91.97	96.32	96.07	90.79	101.11
	Interest coverage multiplier	7.97	(19.88)	11.49	15.15	10.78	20.86
Operating performance	Accounts receivable turnover rate (times)	0.59	0.67	0.83	1.08	1.53	0.57
	Average collection days	616.55	540.89	437.23	337.96	238.55	640.83
	Inventory turnover rate (times)	4.29	4.57	4.52	6.77	9.96	4.76
	Accounts payable turnover rate (times)	6.37	5.74	4.78	5.28	7.49	9.63
	Average sales days	84.99	79.93	80.81	53.91	36.64	76.72
	Property, plant and equipment turnover rate (times)	2.30	2.32	2.40	2.71	3.35	2.32
	Total asset turnover rate (times)	0.27	0.28	0.31	0.39	0.52	0.27
Profitability	Return on assets (%)	1.79	(7.63)	1.51	1.38	0.94	2.82
	Return on equity (%)	7.94	(35.01)	4.74	3.89	2.22	12.33
	Profits before tax to paid-in capital ratio (%)	57.24	(149)	34.24	26.31	19.48	98.82
	Net profit margin (%)	5.86	(28.67)	4.37	3.27	1.59	9.91
	Earnings per share (NT\$)	2.80	(26.13)	1.39	1.56	0.91	1.39
Cash flow	Cash flow ratio (%)	2.07	(10.8)	(20.75)	(13.47)	(6.47)	(5.49)
	Cash flow adequacy ratio (%)	(274.67)	(251.31)	(182.65)	(84.73)	(46.55)	(308.59)
	Cash reinvestment ratio (%)	2.40	(25.13)	(33.36)	(20.35)	(10.60)	(2.22)
Leverage	Operating leverage	(7.83)	0.67	5.42	4.95	4.41	2.36
	Financial leverage	0.60	0.96	1.34	1.18	1.16	1.07

Analysis of financial ratio differences for the last two years. (If the increase or decrease is less than 20%, an analysis is exempted)

1. The long-term capital to property, plant and equipment ratio increased mainly due to the increase in net profits and long-term loans in 2020 compared to 2019.
2. The increase in the interest coverage multiplier was mainly due to the increase in profits before tax in 2020 compared to 2019.
3. The increase in return on assets was mainly due to the increase in net profits in 2020 compared to 2019.
4. The increase in return on equity was mainly due to the increase in net profits in 2020 compared to 2019.
5. The increase in profitability-related ratio was mainly due to the increase in net profits in 2020 compared to 2019.
6. The increase in cash flow ratio was mainly due to the increase in net cash flow from operating activities in 2020 compared to 2019.
7. The increase in cash reinvestment ratio was mainly due to the increase in net cash flow from operating activities in 2020 compared to 2019.

(II) Standalone financial ratio analysis - IFRS

Analysis item (Note 3)		Year (Note 1)	Financial Analysis of the Past Five Years			
		2020	2019	2018 (After restatement)	2017	2016
Capital Structure (%)	Debts to assets ratio (%)	38.46	42.65	25.93	24.28	12.06
	Long-term capital to property, plant and equipment ratio	932.66	682.96	1,141.84	1,107.09	1,114.42
Solvency ratio (%)	Current ratio	134.96	456.69	462.77	389.76	311.06
	Quick ratio	90.54	383.62	363.88	327.21	230.16
	Interest coverage multiplier	13.25	(114.41)	15.57	146.37	937.18
Operating performance	Accounts receivable turnover rate (times)	134.57	42.11	40.71	46.97	60.15
	Average collection days	2.71	8.67	8.97	7.77	6.07
	Inventory turnover rate (times)	5.86	6.10	6.52	7.46	8.62
	Accounts payable turnover rate (times)	8.92	9.35	9.05	8.98	11.66
	Average sales days	62.26	59.84	55.97	48.95	42.36
	Property, plant and equipment turnover rate (times)	4.00	4.59	5.01	5.73	6.42
	Total asset turnover rate (times)	0.36	0.34	0.36	0.42	0.50
Profitability	Return on assets (%)	3.66	(28.09)	2.27	2.65	1.67
	Return on equity (%)	5.79	(42.58)	2.85	3.27	1.89
	Profits before tax to paid-in capital ratio (%)	26.38	(159.18)	13.74	14.75	11.50
	Net profit margin (%)	9.69	(82.71)	6.40	6.34	3.34
	Earnings per share (NT\$)	2.80	(26.13)	1.39	1.56	0.91
Cash flow	Cash flow ratio (%)	31.52	(2.04)	(61.50)	32.97	98.75
	Cash flow adequacy ratio (%)	4.01	16.18	19.35	35.21	44.97
	Cash reinvestment ratio (%)	5.25	(1.76)	(4.50)	2.09	5.61
Leverage	Operating leverage	1.39	1.40	1.24	1.24	1.24
	Financial leverage	1.27	1.26	1.10	1.01	1.00
<p>Analysis of financial ratio differences for the last two years. (Effort for analysis may be dispensed with in case of increase/decrease change is below 20%)</p> <ol style="list-style-type: none"> 1. The decrease in current ratio and quick ratio was mainly due to increase the capital of the reinvested company. 2. The increase in the interest coverage multiplier was mainly due to the gain in 2020. 3. The increase in accounts receivable turnover rate and decrease in average collection days was mainly draw up bad debt losses in 2019. 4. The increase in return on assets and return on equity was mainly due to the gain in 2020. 5. The increase in net profits before tax to paid-in capital ratio, net profit margin and earnings per share was mainly due to the gain in 2020. 6. The increase in cash flow ratio and cash reinvestment ratio was mainly due to the decrease in net cash outflow from operating activities in 2019 compared to 2018. 7. The decrease in cash flow adequacy ratio was mainly due to capital expenditure increased. 						

* If the Company prepares standalone financial statements, it should prepare a separate analysis of the Company's standalone financial ratios.

* The financial information adopting International Financial Reporting Standards is not over 5 years; therefore, the below table (2) of financial information adopting Taiwan financial reporting standards is provided otherwise.

Note 1: Any year that has not been audited and attested by CPAs should be noted.

Note 2: TWSE or TPEX listed companies should include the financial information of the current year ending one quarter before the publication date of the annual report in the analysis.

Note 3: The following equation shall be identified at the end of the annual report:

1. Financial structure
 - (1) Liabilities to total asset = total liabilities/total assets.
 - (2) Long-term fund to property, plant and equipment = (total equity + non-current liabilities)/net value of property, plant and equipment.
2. Solvency ratio
 - (1) Current ratio = current assets/current liabilities.
 - (2) Quick ratio = (current assets – inventories – prepaid expense) /current liabilities
 - (3) Interest protection multiples = Pre-income tax and interest profits/interest expenditure of the term
3. Operating performance

- (1) Receivables (including accounts receivable and notes receivable resulting from operations) turnover = net sales / balance of average accounts receivable (including accounts receivable and notes receivable resulting from operation)
 - (2) Average collection days = 365/receivables turnover
 - (3) Inventory turnover = cost of goods sold/ average inventory
 - (4) Payables (including accounts payable and bills payable that are incurred as a result of business operation) = sales cost/balance from average payables of each term (including accounts payable and bills payable)
 - (5) Average days in sales = 365/ inventory turnover.
 - (6) Property, plant and equipment turnover = net sales/average net property, plant and equipment.
 - (7) Total assets turnover = net sales/average total assets
4. Profitability
 - (1) ROA = [income after income tax + interest expense*(1-tax rate)]/average total assets.
 - (2) Return on equity = net income / average total equity
 - (3) EBIT margin = net income / net sales amount
 - (4) Earnings per share = (profits or loss attributable to owners of the parent company – preferred stock dividend) / weighted average stock shares issued (Note 4)
 5. Cash Flow
 - (1) Cash flow ratio = Net cash flow from business activities/current liabilities
 - (2) Net cash flow adequacy ratio = net cash flow from operating activities for the most recent five years / (capital expenditures + inventory increase + cash dividend for the most recent five years)
 - (3) Cash re-investment ratio = (net cash flow from operating activities – cash dividend) / gross property, plant and equipment value + long-term investment + other non-current assets + working capital) (Note 5)
 6. Leverage:
 - (1) Operating leverage = (net operating revenue – variable operating costs and expenses) / operating income (Note 6)
 - (2) Financial leverage = Operating income/(operating income - interest expenses)
- Note 4: For the calculation formula of the earnings per share (EPS) above, the following aspects should be particularly taken into account:
1. EPS shall be based on the weighted average number of ordinary shares, rather than the number of outstanding shares at year-end.
 2. In case of any capital increase in cash or trading of treasury stocks, the weighted average number of shares should be calculated within the negotiation period.
 3. In case of any capitalization of earnings or capital reserves, such amount should be adjusted retroactively when the EPS for the previous years and the last six months is calculated.
 4. If the prefer stock is inconvertible cumulative preferred stock, the current stock dividend (regardless distributed or not) should be deducted from the net income or added to the net loss. In case of non-cumulative preferred shares with net profit after tax, the dividends on preferred shares should be deducted from the net profit after tax; in case of any loss, no adjustment will be required.
- Note 5: During the cash flow analysis, the following aspects should be particularly taken into account:
1. “Net cash flow from operating activities” refers to the net cash inflow from operating activities indicated in the cash flow statement.
 2. “Capital expenditure” refers to the cash outflow from annual capital investment.
 3. The increase in inventory should be included where the ending balance is more than the opening balance. If the inventory decreases at the end of that year, zero will be recorded.
 4. Cash Dividends includes the dividends in cash paid to holders of common shares and preferred shares.
 5. The gross property, plant, and equipment refer to the total amount of property, plant, and equipment before deducting the accumulated depreciation.
- Note 6: The issuer shall classify operating costs and expenses into the fixed or variable group. If any estimation or subjective judgment, it is necessary to ensure the rationality and maintain consistency.
- Note 7: If the Company's stock has no face value or the face value per share is not NT\$10, the ratios related to paid-in capital in the preceding paragraph should be replaced with the ratio of equity attributable to shareholders of the parent in the balance sheet.

III. Audit Committee's review report

YULON MOTOR CO.,LTD
Independent Auditors' Report

The Board of Directors had duly worked out the Company's 2020 Business Report, Financial Statement (including Consolidated Financial Statement) and proposal for distribution of earnings. Among them, the Financial Statement (including Consolidated Financial Statement) have been duly audited by Certified Public Accountants Kuo Li-Wen and Fan Yu-Wei of Deloitte Touche Tohmatsu International Taiwan who have duly issued the Audit Report. The aforementioned Business Report, Financial Statement (including Consolidated Financial Statement) and proposal for distribution of earnings have been duly reviewed by us, the Undersigned Audit Committee and prove authentic to the facts. In accordance with Article 14-4 of Securities and Exchange Act and Article 219 of Company Act, we have duly worked out the present Report and hereby submit the same for verification.

Best regards

2021 Regular Shareholders Meeting

YULON MOTOR CO.,LTD

Convener of the Auditing Committee: Yi-Hong Hsieh



March 30, 2021

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Yulon Motor Company Ltd.

Opinion

We have audited the accompanying financial statements of Yulon Motor Company Ltd. (the "Company"), which comprise the balance sheets as of December 31, 2020 and 2019, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit of the financial statements for the year ended December 31, 2020 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. We conducted our audit of the financial statements for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission of the Republic of China on February 25, 2020, 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 Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the 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 of the Company's financial statements for the year ended December 31, 2020 are stated as follows:

Impairment Assessment of Vehicle Model Development Cost and Molds of
Luxgen Motor, Subsidiary Accounted for Using Equity Method

Please refer to Note 13 for details.

Luxgen Co., Ltd., a subsidiary, identifies different models of vehicles as separate cash-generating units, and tests them for impairment if there are indicators of impairment annually. Because impairment assessment is an area of professional judgment, we determined that impairment assessment of the vehicle model development cost and molds equipment is a key audit matter.

The main audit procedures we have performed in respect of the key audit matter stated above about impairment assessment of the vehicle model development cost and molds equipment are as follows:

1. We understood the process and basis for the estimated growth rate and profitability of the sales forecast of the Company.
2. We reviewed whether the estimated operating cash flow considered the latest operating performance and industry overview.
3. We assessed the evaluation model used by the management.
4. We assessed the weighted average cost of capital (WACC) used by the management in calculating the recoverable amount in accordance with the valuation model, including risk-free rate, volatility and risk premium. We verified that the WACC was consistent with the Company status and the industry.

Estimated Impairment of Trade Receivable

The provision for impairment of trade receivables of Yulon Finance Co, Ltd., the Company's horizontal segment subsidiary is based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Company's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. Where the actual future cash inflows are less than expected, a material impairment loss may arise. The key assumptions and inputs used involved significant management judgment and estimation uncertainty; thus, impairment assessment is determined as a key audit matter.

Our audit procedures included the following:

1. We understood the policies on impairment of trade receivable and assessed the reasonableness of impairment of receivables by performing inquiry, inspection and reperformance of related internal controls.
2. We involved our internal IT specialists in testing Yulon Finance Co, Ltd.'s system that generated related documents used by management in the evaluation and determination of default rate and expected loss rate; the tests verified the correctness of the assumptions used in the determination of default rate and expected loss rate.

3. We calculated the expected credit loss based on the impairment policy.

Other Matter

As described in Note 32, Dongfeng Yulon Motor Sales Co., Ltd., a subsidiary, was adjudged by a court as bankrupt on November 9, 2020 and the court appointed a trustee on November 16, 2020. The Company Ltd. has lost control over the subsidiary since then. Therefore, the assets and liabilities of Dongfeng Yulon Motor Sales Co., Ltd. were not included in the financial statements for the year ended December 31, 2020.

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

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the 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 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 Li-Wen Kuo and Yu-Wei Fan.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 30, 2021

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying 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 financial statements shall prevail.

YULON MOTOR COMPANY LTD.

BALANCE SHEETS

DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

ASSETS	2020		2019	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 1,602,487	2	\$ 7,262,478	9
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	2,056,899	3	1,742,556	2
Financial assets at amortized cost - current (Notes 4 and 9)	1,676,880	2	7,200,566	9
Note and trade receivable (Notes 4 and 10)	10,751	-	23,857	-
Notes and trade receivable from related parties (Notes 4, 10 and 30)	82,238	-	303,328	-
Other receivables (Notes 4, 11 and 30)	178,042	-	322,164	1
Inventories (Notes 4 and 12)	7,555,666	10	10,590,908	13
Other current assets (Note 30)	<u>267,451</u>	<u>-</u>	<u>332,354</u>	<u>1</u>
Total current assets	<u>13,430,414</u>	<u>17</u>	<u>27,778,211</u>	<u>35</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	2,271,662	3	2,418,449	3
Investments accounted for using equity method (Notes 4 and 13)	43,461,105	55	32,117,684	40
Property, plant and equipment (Notes 4 and 14)	7,424,065	9	6,711,446	8
Right-of-use assets (Notes 4 and 15)	9,461	-	3,365	-
Investment properties (Notes 4 and 16)	11,686,745	15	8,460,236	11
Intangible assets (Notes 4 and 17)	57,361	-	1,263,090	1
Deferred tax assets (Notes 4 and 25)	610,768	1	593,368	1
Other non-current assets	<u>241,447</u>	<u>-</u>	<u>573,500</u>	<u>1</u>
Total non-current assets	<u>65,762,614</u>	<u>83</u>	<u>52,141,138</u>	<u>65</u>
TOTAL	<u>\$ 79,193,028</u>	<u>100</u>	<u>\$ 79,919,349</u>	<u>100</u>

(Continued)

YULON MOTOR COMPANY LTD.**BALANCE SHEETS****DECEMBER 31, 2020 AND 2019****(In Thousands of New Taiwan Dollars)**

ASSETS	2020		2019	
	Amount	%	Amount	%
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	\$ 1,500,000	2	\$ -	-
Short-term bills payable (Note 18)	1,997,789	2	-	-
Trade payables	1,452,723	2	1,233,436	2
Trade payables to related parties (Note 30)	1,553,047	2	1,590,476	2
Other payables (Notes 20 and 30)	3,412,348	4	1,696,346	2
Current tax liabilities (Notes 4 and 25)	-	-	46,375	-
Lease liabilities - current (Notes 4 and 15)	2,387	-	31	-
Current portion of long-term borrowing and bonds payable	-	-	1,500,000	2
Other current liabilities	<u>33,231</u>	<u>-</u>	<u>15,813</u>	<u>-</u>
Total current liabilities	<u>9,951,525</u>	<u>12</u>	<u>6,082,477</u>	<u>8</u>
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4 and 19)	15,300,000	19	15,300,000	19
Deferred tax liabilities (Notes 4 and 25)	2,476,892	3	2,580,315	3
Lease liabilities - non-current (Notes 4 and 15)	7,082	-	3,298	-
Net defined benefit liabilities - non-current (Notes 4 and 21)	376,412	1	582,964	1
Deposits received	768,256	1	210,567	-
Credit balance on the carrying value of investments accounted for using the equity method (Notes 4 and 13)	1,567,265	2	9,314,207	12
Other non-current liabilities	<u>7,128</u>	<u>-</u>	<u>9,113</u>	<u>-</u>
Total non-current liabilities	<u>20,503,035</u>	<u>26</u>	<u>28,000,464</u>	<u>35</u>
Total liabilities	<u>30,454,560</u>	<u>38</u>	<u>34,082,941</u>	<u>43</u>
EQUITY (Note 22)				
Share capital				
Ordinary shares	<u>10,000,000</u>	<u>13</u>	<u>15,729,199</u>	<u>20</u>
Capital surplus	<u>6,563,888</u>	<u>8</u>	<u>6,566,495</u>	<u>8</u>
Retained earnings				
Legal reserve	8,281,822	10	8,281,822	11
Special reserve	24,228,565	31	39,373,565	49
Unappropriated earnings	<u>(363,310)</u>	<u>-</u>	<u>(23,880,202)</u>	<u>(30)</u>
Total retained earnings	<u>32,147,077</u>	<u>41</u>	<u>23,775,185</u>	<u>30</u>
Other equity				
Exchange differences on translation of foreign operations	(1,118,814)	(2)	(1,255,680)	(2)
Unrealized gain on financial assets at fair value through other comprehensive income	1,522,597	2	1,397,517	2
Gain on hedging instrument	<u>24</u>	<u>-</u>	<u>(4)</u>	<u>-</u>
	<u>403,807</u>	<u>-</u>	<u>141,833</u>	<u>-</u>
Treasury shares	<u>(376,304)</u>	<u>-</u>	<u>(376,304)</u>	<u>(1)</u>
Total equity	<u>48,738,468</u>	<u>62</u>	<u>45,836,408</u>	<u>57</u>
TOTAL	<u>\$ 79,193,028</u>	<u>100</u>	<u>\$ 79,919,349</u>	<u>100</u>

The accompanying notes are an integral part of the financial statements.
(With Deloitte & Touche auditors' report dated March 30, 2021)

(Concluded)

YULON MOTOR COMPANY LTD.

**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 (Notes 4, 23 and 30)				
Sales	\$ 27,094,624	96	\$ 29,202,817	96
Other operating revenue	<u>1,177,270</u>	<u>4</u>	<u>1,059,112</u>	<u>4</u>
Total operating revenue	<u>28,271,894</u>	<u>100</u>	<u>30,261,929</u>	<u>100</u>
OPERATING COSTS (Notes 12, 14, 21, 24 and 30)				
Cost of goods sold	25,805,146	91	27,419,237	91
Other operating cost	<u>182,029</u>	<u>1</u>	<u>206,053</u>	<u>1</u>
Total operating costs	<u>25,987,175</u>	<u>92</u>	<u>27,625,290</u>	<u>92</u>
GROSS PROFIT	2,284,719	8	2,636,639	8
(UNREALIZED) REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	<u>41,655</u>	<u>-</u>	<u>695</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>2,326,374</u>	<u>8</u>	<u>2,637,334</u>	<u>8</u>
OPERATING EXPENSES (Notes 10, 20, 24 and 30)				
Selling and marketing expenses	106,323	-	120,060	-
General and administrative expenses	1,060,169	4	965,315	3
Research and development expenses	146,626	1	145,151	1
Expected credit loss	<u>-</u>	<u>-</u>	<u>358,920</u>	<u>1</u>
Total operating expenses	<u>1,313,118</u>	<u>5</u>	<u>1,589,446</u>	<u>5</u>
PROFIT FROM OPERATIONS	<u>1,013,256</u>	<u>3</u>	<u>1,047,888</u>	<u>3</u>
NON-OPERATING INCOME (LOSS)				
Share of profit (loss) of subsidiaries, associates and joint ventures	2,236,307	8	(26,534,175)	(88)
Other income (Note 24)	60,249	-	64,760	-
Interest income	104,707	1	106,947	1
Finance costs	(215,326)	(1)	(216,931)	(1)
Other gains and losses (Note 24)	<u>(560,798)</u>	<u>(2)</u>	<u>494,501</u>	<u>2</u>
Total non-operating income (loss)	<u>1,625,139</u>	<u>6</u>	<u>(26,084,898)</u>	<u>(86)</u>

(Continued)

YULON MOTOR COMPANY LTD.**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	%
PROFIT (LOSS) BEFORE INCOME TAX	\$ 2,638,395	9	\$ (25,037,010)	(83)
INCOME TAX BENEFIT (EXPENSE) (Notes 4 and 25)	<u>(100,815)</u>	-	<u>(6,890)</u>	-
NET PROFIT (LOSS) FOR THE YEAR	<u>2,739,210</u>	<u>9</u>	<u>(25,030,120)</u>	<u>(83)</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	6,208	-	(91,351)	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	6,552	-	285,487	1
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method	<u>60,665</u>	-	<u>3,837</u>	-
	<u>73,425</u>	-	<u>197,973</u>	1
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using the equity method	<u>136,866</u>	1	<u>(336,539)</u>	(1)
Other comprehensive income (loss) for the year, net of income tax	<u>210,291</u>	1	<u>(138,566)</u>	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 2,949,501</u>	<u>10</u>	<u>\$ (25,168,686)</u>	<u>(83)</u>
EARNINGS (LOSS) PER SHARE (NEW TAIWAN DOLLARS; Note 26)				
Basic	<u>\$ 2.80</u>		<u>\$ (26.13)</u>	
Diluted	<u>\$ 2.80</u>		<u>\$ (26.13)</u>	

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

(With Deloitte & Touche auditors' report dated March 30, 2021)

(Concluded)

YULON MOTOR COMPANY LTD.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)

	Share Capital	Capital Surplus	Retained Earnings			Undistributed Earnings	Exchange Differences on Translation of Foreign Operations	Other Equity Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain/(Loss) on Hedging Instruments	Treasury Shares	Common Control of Predecessor Rights	Total Equity
			Legal Reserve	Special Reserve								
BALANCE, JANUARY 1, 2019	\$ 15,729,199	\$ 6,597,972	\$ 8,078,119	\$ 38,373,565	\$ 2,787,202	\$ (919,398)	\$ 1,466,521	\$ 252	\$ (376,304)	\$ 564,712	\$ 72,301,840	
Appropriation of 2018 earnings												
Legal reserve	-	-	203,703	-	(203,703)	-	-	-	-	-	-	
Special reserve	-	-	-	1,000,000	(1,000,000)	-	-	-	-	-	-	
Cash dividends distributed by the Company (NT\$0.67 per share)	-	-	-	-	(1,053,856)	-	-	-	-	-	(1,053,856)	
Change in equity from investments in subsidiaries, associates and joint ventures accounted for by using equity method	-	(31,477)	-	-	(211,413)	-	-	-	-	-	(242,890)	
Net profit for the year ended December 31, 2019	-	-	-	-	(24,465,408)	-	-	-	-	(564,712)	(25,030,120)	
Other comprehensive loss for the year ended December 31, 2019, net of income tax	-	-	-	-	(87,425)	(336,282)	285,397	(256)	-	-	(138,566)	
Total comprehensive income for the year ended December 31, 2019	-	-	-	-	(24,552,833)	(336,282)	285,397	(256)	-	(564,712)	(25,168,686)	
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	354,401	-	(354,401)	-	-	-	-	
BALANCE, DECEMBER 31, 2019	15,729,199	6,566,495	8,281,822	39,373,565	(23,880,202)	(1,255,680)	1,397,517	(4)	(376,304)	-	45,836,408	
Capital reduction for covering accumulated deficit	(5,729,199)	-	-	-	5,729,199	-	-	-	-	-	-	
Appropriation of the 2019 earnings												
Special reserve	-	-	-	(15,145,000)	15,145,000	-	-	-	-	-	-	
Change in equity from the differences between the consideration received or paid and the carrying amount of the subsidiaries' net assets during disposal or acquisition	-	(2,607)	-	-	(44,834)	-	-	-	-	-	(47,441)	
Net profit for the year ended December 31, 2020	-	-	-	-	2,739,210	-	-	-	-	-	2,739,210	
Other comprehensive income for the year ended December 31, 2020, net of income tax	-	-	-	-	(9,363)	136,866	82,760	28	-	-	210,291	
Total comprehensive income for the year ended December 31, 2020	-	-	-	-	2,729,847	136,866	82,760	28	-	-	2,949,501	
Disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	23,034	-	(23,034)	-	-	-	-	
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	(65,354)	-	65,354	-	-	-	-	
BALANCE, DECEMBER 31, 2020	<u>\$ 10,000,000</u>	<u>\$ 6,563,888</u>	<u>\$ 8,281,822</u>	<u>\$ 24,228,565</u>	<u>\$ (363,310)</u>	<u>\$ (1,118,814)</u>	<u>\$ 1,522,597</u>	<u>\$ 24</u>	<u>\$ (376,304)</u>	<u>\$ -</u>	<u>\$ 48,738,468</u>	

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

(With Deloitte & Touche auditors' report dated March 30, 2021)

YULON MOTOR COMPANY LTD.**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		
Income before income tax	\$ 2,638,395	\$ (25,037,010)
Adjustments for:		
Share of loss (profit) of subsidiaries, associates and joint ventures	(2,236,307)	26,534,175
Impairment loss recognized on non-financial assets	1,280,026	2,407,055
Depreciation expense	407,606	382,572
Gain on disposal of investment properties	(326,871)	-
Gain on disposal of property, plant and equipment	(251,082)	-
Finance costs	215,326	216,931
Interest income	(104,707)	(106,947)
Dividend income	(91,096)	(34,899)
Realized gain on the transactions with subsidiaries, associates and joint ventures	(41,645)	(28,470)
Net gain on fair value changes of financial assets designated as at fair value through profit or loss	(41,117)	(35,734)
Unrealized gain on foreign currency exchange	(34,717)	(29,380)
Amortization expense	28,334	37,113
Gain on disposal of investments accounted for using the equity method	1	(3,150,981)
Expected credit loss	-	358,920
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(273,226)	(1,684,527)
Notes and trade receivable	216,472	414,527
Other receivables	152,841	(12,682)
Inventories	(1,881)	209,244
Other current assets	60,256	53,692
Other operating assets	6,143	(406,917)
Trade payables	211,575	(232,905)
Other payables	1,715,963	290,267
Other current liabilities	(545)	(51,935)
Net defined benefit liabilities - non-current	(200,344)	(65,017)
Other operating liabilities	(1,133)	(23,620)
Cash generated from operations	3,328,267	3,472
Interest received	99,002	88,050
Interest paid	(215,287)	(215,550)
Income tax paid	(75,011)	-
Net cash generated from (used in) operating activities	<u>3,136,971</u>	<u>(124,028)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of associates investment accounted for using equity method	(20,142,661)	(8,939,995)
Proceeds from disposal of financial assets at amortized cost	5,523,686	-
Dividends received	4,287,563	4,082,137

(Continued)

YULON MOTOR COMPANY LTD.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)**

	2020	2019
Payments for investment properties	\$ (1,714,726)	\$ (307,270)
Proceeds from investment properties	521,151	-
Proceeds from disposal of property, plant and equipment	302,404	1,941
Acquisition of property, plant and equipment	(178,066)	(827,939)
Proceeds of financial assets at fair value through other comprehensive income	50,847	-
Payments for intangible assets	(22,344)	(23,210)
Proceeds of associates accounted for using equity method	199	12,103,631
Purchase of disposal of financial assets at amortized cost	-	(5,767,686)
Proceeds from the capital reduction of investments accounted for using the equity method	<u>-</u>	<u>668,883</u>
Net cash (used in) generated from investing activities	<u>(11,371,947)</u>	<u>990,492</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term bills payable	1,997,789	-
Proceeds from short-term borrowings	1,500,000	-
Repayment of long-term borrowings	(1,500,000)	-
Decrease in guarantee deposits received	557,689	30,707
Payments for lease	(3,220)	(3,067)
Dividends paid	<u>-</u>	<u>(1,053,856)</u>
Net cash generated from (used in) financing activities	<u>2,552,258</u>	<u>(1,026,216)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>22,727</u>	<u>12,007</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,659,991)	(147,745)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>7,262,478</u>	<u>7,410,223</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,602,487</u>	<u>\$ 7,262,478</u>

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

(With Deloitte & Touche auditors' report dated March 30, 2021)

(Concluded)

YULON MOTOR COMPANY LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Yulon Motor Company Ltd. (the “Company”) was incorporated in September 1953. It manufactures and markets automobiles and parts.

The Company’s shares have been listed on the Taiwan Stock Exchange since July 1976.

The financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors on March 25, 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 material impact on the Company’s accounting policies.

Amendments to IFRS 9, IAS 39 and IFRS 7 “Interest Rate Benchmark Reform”

Upon retrospective application of the amendments, the Company complied with the hedge accounting requirements under the assumption that the interest rate benchmark (such as the London Interbank Offered Rate or LIBOR) on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered as a result of interest rate benchmark reform.

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

The Company 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 Company shall determine whether or not the abovementioned rent concessions need to be accounted for as lease modifications.

The Company 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 Financial Supervisory Commission (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.

Hedging accounting

The amendments provide the following temporary exceptions to hedging relationships that are subject to the reform:

- 1) The changes to the hedging relationship that are needed to reflect changes required by the reform are treated as a continuation of the existing hedging relationship, and do not result in the discontinuation of hedge accounting or the designation of a new hedging relationship.
- 2) After a cash flow hedging relationship is amended, the amount accumulated in the gain/(loss) on hedging instruments of cash flow hedge is deemed to be based on the alternative benchmark rate on which the hedged future cash flows are determined.
- 3) An entity should allocate the hedged items of a group hedge that is subject to the reform to subgroups based on whether the hedged items have been changed to reference an alternative benchmark rate, and should designate the hedged benchmark rate separately.

As of the date the consolidated financial statements were authorized for issue, the Company continues in evaluating the impact on its financial position and financial performance as a result of the initial adoption of the aforementioned standards or interpretations. The related impact will be disclosed when the Company completes the evaluation.

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

New IFRSs	Effective Date Announced by IASB (Note)
“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 Asset 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	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 financial statements were authorized for issue, the Company continues in evaluating the impact on its financial position and financial performance as a result of the

initial adoption of the aforementioned standards or interpretations. The related impact will be disclosed when the Company completes the evaluation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, (the “Regulations”).

Basis of Preparation

The financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at fair value.

The fair value measurements are grouped into Levels 1 to 3 on the basis of the degree to which the fair value measurement inputs are observable and significant to the fair value measurement in its entirety; the inputs by level are described as follows:

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

Current and Non-current Assets and Liabilities

Current assets include:

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

Current liabilities include:

- a. Liabilities held primarily for the purpose of trading;
- b. Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the financial statements are authorized for issue; and
- c. Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets and liabilities are classified as non-current.

Foreign Currencies

In the preparation of financial statements, transactions in currencies other than the Company's functional currency (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 period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

The assets and liabilities of the Company's foreign operations (including those of the subsidiaries, associates, joint ventures or branches operations in other countries or currencies used that are different from that used by the Company in presenting its financial statements) are translated into New Taiwan dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the 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 non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Inventories

Inventories consist of raw materials, supplies, finished goods and work-in-process, which 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. 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 standard cost and adjusted to approximate weighted-average cost on the balance sheet date.

Investments in Subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

Subsidiary is an entity (including a structured entity) that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income

of the subsidiary. The Company also recognizes the changes in the Company's share of equity of subsidiaries attributable to the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are equity transactions. The Company recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

When the Company's share of losses of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for by the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further losses.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary 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 Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the financial statements of the invested company as whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes the reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

Profits or losses resulting from downstream transactions are eliminated in full only in the parent company's financial statements. Profits and losses resulting from upstream transactions and transactions between subsidiaries are recognized only in the parent company's financial statements only to the extent of interests in the subsidiaries of entities that are not related to the Company.

Investments in Associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The Company 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 Company's share of the profit or loss and other comprehensive income of the associate. The Company also recognizes the changes in the Company's share of the equity of associates attributable to the Company.

When the Company subscribes for additional new shares of the associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Company's proportionate interest in the associate. The Company records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in the Company's share of the equity of associates. If the Company's ownership interest is reduced due to the 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 by the equity method is insufficient, the shortage is debited to retained earnings.

When the Company'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 by the equity method and long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Company has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

Any excess of the cost of acquisition over the Company's share of the 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 Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

The entire carrying amount of the 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 deducted from 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 increased.

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

Property, Plant and Equipment

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

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

Freehold land is not depreciated.

Depreciation is recognized using the straight-line method. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes 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.

An entity that, in the course of its ordinary activities, routinely sells items of property, plant and equipment that it has held for rental to others shall transfer such assets to inventories at their carrying amount when they cease to be rented and become held for sale. The proceeds from the sale of such assets are recognized as revenue in accordance with IFRS 15 “Revenue from Contracts with Customers”. IFRS 5 does not apply when assets held for sale in the ordinary course of business are transferred to inventories.

Assets held for rental that are transferred to inventories at their carrying amount are classified under operating activities.

Investment Properties

Investment properties are properties held for earning rentals and/or for capital appreciation, including property under construction for these purposes. Investment properties also include land held for a currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

For a transfer from the investment properties classification to inventories, the deemed cost of the property for subsequent accounting is its carrying amount at the commencement of development with a view to future sale.

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

Investment properties under construction are stated at cost less impairment, if any. Cost includes professional fees and borrowing costs eligible for capitalization. Depreciation of these assets commences when the construction is completed and the assets are ready for their intended use.

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.

Intangible Assets

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 life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for prospectively. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

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.

Impairment of Tangible and Intangible Assets Other Than Goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets, excluding goodwill, for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of a corporate asset, the asset is tested for impairment in the context of the cash-generating unit (CGU) to which the asset belongs. If a portion of the carrying amount of the asset can be allocated on a reasonable and consistent basis to the CGU, the Company compares the carrying amount of the CGU, including the portion of the asset's carrying amount allocated to the CGU, with the recoverable amount of the CGU to which the asset belongs. If this reasonable and consistent basis of allocation cannot be applied to the CGU to which the asset belongs and can be applied instead to the smallest group of CGUs to which the CGU belongs, this smallest group is used for impairment testing.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication of asset impairment.

Before the Company recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Company expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

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

When the carrying amount of the asset or CGU is increased to a revised estimate of its recoverable amount, the impairment loss is reversed, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or CGU in prior years. A reversal of an impairment loss is recognized in profit or loss.

Financial Instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to 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 fair value through profit or loss are recognized immediately in profit or loss.

a. Financial assets

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

1) Measurement category

a) Financial asset at FVTPL

Financial asset is classified as at FVTPL when the financial asset is mandatorily classified 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, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 29.

b) 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, notes receivable at amortized cost, trade receivables, treasury bills and other receivables and government bonds, are measured at amortized cost, which equals to gross carrying amount determined by 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 a financial asset, except for:

- i. Purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset; and
- ii. Financial asset that has subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset.

Cash equivalents include time deposits and treasury bills 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.

c) Investments in equity instruments at FVTOCI

On initial recognition, the Company 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 Company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

2) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including notes receivable, trade receivables, and other receivables), finance lease receivables, as well as contract assets.

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

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

The Company recognizes an impairment loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount 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 does not reduce the carrying amount of the financial asset.

3) Derecognition of financial assets

The Company derecognizes financial assets only when the contractual rights to the cash flows from the assets expire or when it transfers the financial assets and substantially all the risks and rewards of ownership of the assets 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 liability

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 that had been recognized in other comprehensive income is recognized in profit or loss. 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 that had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

b. Equity instruments

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

Equity instruments issued by the Company 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.

c. Financial liabilities

1) Subsequent measurement

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

a) Financial liability at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is 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 29.

b) Financial liability at amortized cost

The Company's financial liability measured at amortized cost transfers financial assets and related right to trust institutions, which issue beneficiary certificates, and all proceeds raised go to consolidated entities. Under this transaction architecture, the Company does not lose the right of controlling financial assets, and nor derecognize them.

2) Derecognition of financial liabilities

The Company only derecognizes the financial liabilities when the obligation is lifted, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in profit or loss.

d. Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate risks and foreign exchange rate risks, including interest rate swaps and cross-currency swaps.

Derivatives are initially recognized at fair value at the date 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 unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. When the fair value of derivative financial instruments is positive, the derivative is recognized as a financial asset; when the fair value of derivative financial instruments is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts 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 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.

Revenue Recognition

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

a. Revenue from sale of goods

Revenue from the sale of goods comes from sales of cars and materials.

The Company recognize revenue on goods delivered to subcontractors because this delivery involve a transfer of control.

Revenue from sale of goods comes from sales of operating assets held for rental to others. Sales of operating assets held for rental to others are recognized as revenue when ownership of the goods are transferred to the buyers.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and similar allowances. Sales returns are recognized at the time of sale if the Company can reliably estimate future returns and a liability for returns is recognized on the basis of previous experience and relevant factors.

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

Income from properties developed for sale is recognized when construction is complete, rewards of ownership of the properties are transferred to buyers, and collectability of the related receivables is reasonably assured. Deposits received on the sale of properties and installment payments are presented in the balance sheets under current liabilities.

Under the Company's award scheme, the sale of goods that results in award credits for customers is accounted for as a multiple element revenue transaction, and award credits are accounted for as a separately identifiable component of a sales transaction in which these credits are granted ("initial sale"). The fair value of the consideration received or receivable is allocated between the award credits granted and other components of the sale. The consideration allocated to the award credits is measured at their fair value, i.e., the amount for which the award credits could be sold separately. Such consideration is not recognized as revenue at the time of the initial sale but is deferred and recognized as revenue when the award credits are redeemed and the Company's obligations to supply the award have been fulfilled.

b. Rental revenue

A lease is classified as a finance lease if it transfers substantially all the risks, and rewards upon transfer of property or asset. Otherwise, it is classified as an operating lease.

Under finance leases, the lease payments comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives payable. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Company's net investment outstanding in respect of leases.

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. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

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

When the lease contains both land and building, the Company is based on whether almost all the risks and compensation attached to the ownership of the elements have been transferred to the lessee to assess whether the elements are classified as financial or business leases. The lease payment shall be distributed to the land and buildings in proportion to the fair value of the lease rights of the land and buildings at the date of the establishment of the contract. If lease payments can be reliably allocated to these two elements, each element is treated according to the applicable lease classification. If the lease payment cannot be reliably apportioned to these two elements, then the overall lease is classified as a financial lease, but if both elements clearly meet the operating lease criteria, the overall lease is classified as an operating lease.

c. Investment income

For security transactions by Yung Hong Investment Company, the difference between the carrying amount of security and the actual selling price is recognized in profit or loss when these Company entities transfer substantially all the risks and rewards of security ownership to another party.

d. Rendering of services

Revenue from a contract to provide services is recognized by reference to the stage of completion of the contract.

e. Dividend and interest income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established and if it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Leasing

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

The Company as lessee

The Company 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 plus any initial direct costs incurred. 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 balance sheets.

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

Lease liabilities are initially measured at the present value of the lease payments, which comprise in-substance fixed payments and variable 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 Company uses its incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, or a change in future lease payments, the Company 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 balance sheets.

The Company negotiates with the lessor for rent concessions as a direct consequence of the Covid-19 to change the lease payments originally due by June 30, 2021, that results in the revised consideration for the lease less than the consideration for the lease immediately preceding the change. There is no substantive change to other terms and conditions. The Company 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 Company recognizes the reduction in lease payment in profit or loss as a deduction of expenses of variable lease payments, in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

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

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the costs of these assets, until the time 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 those stated above, borrowing costs are recognized in profit or loss in the period in which they are incurred.

Employee Benefits

a. 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 service.

b. Retirement benefits

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

Defined benefit costs (including service cost, net interest and rereasurement) under the 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 liability (asset) are recognized as employee benefits expense in the period they occur. Rereasurement, comprising actuarial gains and losses, and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Rereasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability (asset) represents the actual deficit (surplus) in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

c. Termination benefits

A liability for a termination benefit is recognized at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognizes any related restructuring costs.

Taxation

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

a. Current tax

According to the Income Tax Law, an additional tax of unappropriated earnings is provided for as income tax in the year the shareholders approve to retain the earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

b. 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 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, and interests in joint arrangements, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference 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 asset 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 liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c. 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 or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

Where current tax 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 Company's accounting policies, management is required to make judgments, estimates 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 estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Recognition and Measurement of Defined Benefit Plans

The net defined benefit liabilities (assets) and the resulting defined benefit costs under the defined benefit pension plans are calculated using the projected unit credit method. Actuarial assumptions comprise the discount rates, rates of employee turnover, future salary increases, etc. Changes in economic circumstances and market conditions will affect these assumptions and may have a material impact on the amount of expenses and liabilities.

6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	2020	2019
Cash on hand	\$ 320	\$ 680
Checking accounts and demand deposits	1,602,167	3,503,750
Cash equivalent		
Time deposits with original maturities within 3 months	<u>-</u>	<u>3,758,048</u>
	<u>\$ 1,602,487</u>	<u>\$ 7,262,478</u>

The market rate intervals of cash in bank at the end of the reporting period were as follows:

	<u>December 31</u>	
	2020	2019
Bank balance	0.001%-1.89%	0.001%-2.85%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2020	2019
<u>Financial assets at FVTPL - current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Mutual funds	\$ 1,785,079	\$ 1,129,032
Hybrid financial assets		
Structured deposits	<u>271,820</u>	<u>613,524</u>
	<u>\$ 2,056,899</u>	<u>\$ 1,742,556</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2020	2019
<u>Non-current</u>		
Domestic investments		
Listed shares and emerging market shares	\$ 1,905,428	\$ 2,058,871
Unlisted shares	<u>366,234</u>	<u>359,578</u>
	<u>\$ 2,271,662</u>	<u>\$ 2,418,449</u>

In the meeting on May 11, 2018, the Board authorized the acquisition of Preferred Stock A issued by YFC; the acquisition amounted to \$1,830,200 thousand; the shares are designated as financial assets at fair value through other comprehensive income.

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

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2020	2019
<u>Current</u>		
Time deposits with original maturity of more than 3 months		
	<u>\$ 1,676,880</u>	<u>\$ 7,200,566</u>

10. NOTES RECEIVABLE AND TRADE RECEIVABLES

	<u>December 31</u>	
	2020	2019
<u>Notes receivable</u>		
Notes receivable	\$ 27,284	\$ 15,797
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>
	<u>\$ 27,284</u>	<u>\$ 15,797</u>
<u>Trade receivables</u>		
Trade receivables	\$ 452,647	\$ 698,330
Less: Allowance for impairment loss	<u>(386,942)</u>	<u>(386,942)</u>
	<u>\$ 65,705</u>	<u>\$ 311,388</u>

Trade and notes receivable

The average credit period of sales of goods was 45-90 days. Since Major transaction parties were related parties, The Company's management, when assessing recoverability of its trade and notes receivable, takes into consideration any changes in the credit quality of credit grant at the balance sheet dates, including financial and economic status of the counter-party.

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

2020

	Not Past Due	1 to 180 Days	More Than 181 Days	Total
Gross carrying amount	\$ 84,728	\$ 8,261	\$ 386,942	\$ 479,931
Loss allowance (Lifetime ECL)	<u>-</u>	<u>-</u>	<u>(386,942)</u>	<u>(386,942)</u>
Amortized cost	<u>\$ 84,728</u>	<u>\$ 8,261</u>	<u>\$ -</u>	<u>\$ 92,989</u>

2019

	Not Past Due	1 to 180 Days	More Than 181 Days	Total
Gross carrying amount	\$ 291,476	\$ 94,573	\$ 328,078	\$ 714,127
Loss allowance (Lifetime ECL)	<u>(20)</u>	<u>(80,501)</u>	<u>(306,421)</u>	<u>(386,942)</u>
Amortized cost	<u>\$ 291,456</u>	<u>\$ 14,072</u>	<u>\$ 21,657</u>	<u>\$ 327,185</u>

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

	2020	2019
Balance at January 1	\$ 386,942	\$ 28,022
Add: Impairment losses recognized on receivables (Note)	<u> -</u>	<u> 358,920</u>
Balance at December 31	<u>\$ 386,942</u>	<u>\$ 386,942</u>

Note: Included the receivable from related parties of the Company - Dongfeng Yulon Motor Co., Ltd. was assessed in 2019 according to the expected credit loss model, and the expected credit loss mentioned in the current period was 358,920 thousand.

11. OTHER RECEIVABLES

	December 31	
	2020	2019
<u>Other receivable</u>		
Subsidy receivables	\$ 25,200	\$ 76,000
Receivables for steel plates	14,627	46,466
Receivables for personnel transfer	-	11,145
Others	<u>138,215</u>	<u>188,553</u>
	<u>\$ 178,042</u>	<u>\$ 322,164</u>

12. INVENTORIES

	December 31	
	2020	2019
Finished goods	\$ 1,226,539	\$ 872,499
Work in progress	754,804	832,856
Raw materials	<u>2,127,277</u>	<u>2,497,698</u>
	<u>4,108,620</u>	<u>4,203,053</u>
Property under construction		
Yulon Property Developments	<u>3,447,046</u>	<u>6,387,855</u>
	<u>\$ 7,555,666</u>	<u>\$ 10,590,908</u>

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2020 and 2019 was \$25,805,146 thousand and \$27,419,237 thousand, respectively.

The cost of goods sold for the years ended December 31, 2020 and 2019 included inventory write-downs of \$70,026 thousand and reversal of inventory write-downs of \$73,768 thousand, respectively.

The design of the planned development of a commercial district of Yulon Town was modified in October 2019. The new design only consisted of malls. In addition, the declaration of the

commencement of the residential district was temporarily stopped, and will be re-designed depending on the market situation. Therefore, the Company expected a portion of the asset to have no economic benefits and recognized impairment loss on the residential district (included in inventory) \$929,853 thousand in 2019.

The building permit of the original commercial district was modified. Therefore, the Company reclassified part of the land and construction to investment property in 2020. Please refer to Note 16 for further information.

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31</u>	
	<u>2020</u>	<u>2019</u>
Investments in subsidiaries	\$ 23,437,369	\$ 12,392,783
Investments in associates	<u>20,023,736</u>	<u>19,724,901</u>
	<u>\$ 43,461,105</u>	<u>\$ 32,117,684</u>

For the details of investments in subsidiaries, associates and joint ventures, please refer to Table 9 (information on investee), Table 10 (trading in derivative instruments), Exhibit 3 (statement of changes in investments accounted for using equity method) and financial statements of 2020.

a. Investments in subsidiaries

The Company invested in Yulon Overseas Investment Co., Ltd. (YOIC), then YOIC invested in Yulon Philippine Investment Co., Ltd., which invested in Univation Motor Philippines, Inc. (UMPI) (originally named NMPI) and Sta. Cruz Island Company (SCIC).

Under the approval of Taiwan's Investment Commission under the Ministry of Economic Affairs, the Company and one of its subsidiaries, Taiwan Acceptance Corporation YFC, directly invested RMB255,000 thousand (or US\$42,500 thousand) and \$245,000 thousand (or US\$40,833 thousand), respectively, on June 29, 2015, in Yulon Motor Finance (China) Co., Ltd. ("Yulon Motor Finance") in China. The Company and TAC held 51% and 49%, respectively, of Yulon Motor Finance's shares, and because of YFC's substantial control, Yulon Motor Finance was treated as YFC's subsidiary. On February 19, 2016, Yulon Motor Finance obtained a business license in China; under this license, Yulon Motor Finance may offer car loans to customers, loans to car dealers for their car purchases, loans to other companies for facilities and car financial leasing business, etc.

On August 28 and 23, 2017, the Investment Commission approved and registered the Company and the Company's subsidiary, TAC, to directly invest RMB255,000 thousand (equivalent to US\$42,500 thousand) and RMB245,000 thousand (equivalent to US\$40,833 thousand), respectively, in Yulon Motor Finance (China) Co., Ltd. in China.

Tai-Yuen Textiles Co., Ltd. and the Company are entities under common control. On December 31, 2019, Tai-Yuen Textiles Co., Ltd. increased the capital of Haitec Co., Ltd. Tai-Yuen Textiles Co., Ltd. and the Company held common control over Haitec Co., Ltd. The Company, Haitec Co., Ltd., and Hon Hai Precision Ind. Co., Ltd. had signed a joint venture agreement. In the joint venture agreement, the Company obtained the privilege of carrying out with Haitec Co., Ltd. related activities. According to IFRS 10, with the privilege of carrying out related activities, the Company obtained control and ability to direct the relevant activities

of Haitec Co., Ltd. since December 31, 2019.

The Company invested in Haitec Co., Ltd. by cash and assets on August 17, 2020. Refer to Note 14 for property, plant and equipment and Note 16 for investment properties.

b. Investments in associates

In view of the high economic growth in mainland China, the Company indirectly invested in a horizontal car service and customer service businesses through YOIC. The Company also invested in Hongzhou Xiaoshan Luxgen Automobile Parts Co., Ltd. (“Luxgen Automobile Parts”) in November 2008 to make use of business opportunities in the Chinese market for car parts and to have a business partner in the Chinese motor market. Luxgen Automobile Parts is primarily responsible for researching, developing, assembling, producing, and selling automobile parts, and it is 100% owned by Yulon China (Hong Kong) Investment Co., Ltd. For the Company to have a self-owned brand in China, Dong Feng Yulon Motors Co., Ltd. (“Dong Feng Yulon Motors”), a joint venture of the Company (50%) and Dong Feng Motors Co., Ltd. (50%) was established in Xiaoshan, Hongzhou. Yulon China (Hong Kong) Investment Co., Ltd. acquired a 50% stake in Dong Feng Yulon Motors by paying cash of \$419,218 thousand and transferring all its shares in Luxgen Automobile Parts valued at \$2,033,069 thousand.

The investments in China Motor Company, China Engine Company and Tokio Marine Newa Insurance Co., Ltd. were accounted for by the equity method despite the individual investments being less than 20% because the Company exercised significant influence over the investees’ operating and financial policy decisions.

The Company and China Motor Company and Tai-Yuen Textile Company had cross-shareholdings was accounted by equity method, and their recognition of investment income was accounted by the treasury stock method. In May 2019, in order to eliminate cross-shareholdings, focus on the automotive industry, and reduce the management scale, YuenWen Investment Company, which holds the shares of Taiyuan Textile and Taiwin Company, was merged with Xiang Wei Company. The combined consideration was 11,555,039 thousand. The Company recognized disposal of the investment accounted for using the equity method of 3,150,981 thousand, please refer to Note 24. Other gains and losses.

Equity in the earnings of China Motor Company on their holdings of the Company’s shares was accounted for by the treasury stock method since May 2018.

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Equipment	Vehicles	Miscellaneous Equipment	Property under Construction	Total
<u>Cost</u>							
Balance at January 1, 2019	\$ 4,352,245	\$ 2,723,174	\$ 3,215,458	\$ 75,881	\$ 955,657	\$ 271,252	\$ 11,593,667
Additions	-	21,924	94,538	286	58,387	24,784	199,919
Disposals	-	(360)	(222,121)	(4,430)	(38,784)	-	(265,695)
Reclassification	(68,020)	131,246	491,623	-	40,426	(194,353)	400,922
Balance at December 31, 2019	<u>\$ 4,284,225</u>	<u>\$ 2,875,984</u>	<u>\$ 3,579,498</u>	<u>\$ 71,737</u>	<u>\$ 1,015,686</u>	<u>\$ 101,683</u>	<u>\$ 11,928,813</u>

(Continued)

	Freehold Land	Buildings	Equipment	Vehicles	Miscellaneous Equipment	Property under Construction	Total
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2019	\$ -	\$ (1,778,042)	\$ (2,481,959)	\$ (72,996)	\$ (799,012)	\$ -	\$ (5,132,009)
Disposals	-	360	220,721	4,430	38,243	-	263,754
Impairments	-	-	-	-	-	(52,581)	(52,581)
Reclassification	-	77,875	-	-	-	-	77,875
Depreciation expense	-	(134,626)	(171,637)	(1,056)	(67,087)	-	(374,406)
Balance at December 31, 2019	\$ -	\$ (1,834,433)	\$ (2,432,875)	\$ (69,622)	\$ (827,856)	\$ (52,581)	\$ (5,217,367)
Carrying amount at December 31, 2019	\$ 4,284,225	\$ 1,041,551	\$ 1,146,623	\$ 2,115	\$ 187,830	\$ 49,102	\$ 6,711,446
<u>Cost</u>							
Balance at January 1, 2020	\$ 4,284,225	\$ 2,875,984	\$ 3,579,498	\$ 71,737	\$ 1,015,686	\$ 101,683	\$ 11,928,813
Additions	-	62,133	61,589	1,998	41,601	10,745	178,066
Disposals	(49,203)	-	-	-	(598)	-	(49,801)
Retirements	-	-	(63,771)	(3,212)	(48,851)	-	(115,834)
Asset-based investment	(39,723)	(73,121)	-	-	-	-	(112,844)
Reclassification	420,195	711,932	112,675	-	46,785	-	1,291,587
Balance at December 31, 2020	\$ 4,615,494	\$ 3,576,928	\$ 3,689,991	\$ 70,523	\$ 1,054,623	\$ 112,428	\$ 13,119,987
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2020	\$ -	\$ (1,834,433)	\$ (2,432,875)	\$ (69,622)	\$ (827,856)	\$ (52,581)	\$ (5,217,367)
Disposals	-	-	62,317	3,212	48,784	-	114,313
Asset-based investment	-	18,573	-	-	-	-	18,573
Reclassification	-	(246,448)	-	-	-	-	(246,448)
Depreciation expense	-	(96,191)	(199,932)	(1,030)	(67,840)	-	(364,993)
Balance at December 31, 2020	\$ -	\$ (2,158,499)	\$ (2,570,490)	\$ (67,440)	\$ (846,912)	\$ (52,581)	\$ (5,695,922)
Carrying amount at January 1, 2020	\$ 4,284,225	\$ 1,041,551	\$ 1,146,623	\$ 2,115	\$ 187,830	\$ 49,102	\$ 6,711,446
Carrying amount at December 31, 2020	\$ 4,615,494	\$ 1,418,429	\$ 1,119,501	\$ 3,083	\$ 207,711	\$ 59,847	\$ 7,424,065

(Concluded)

The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful life of the asset:

Buildings	30-60 years
Equipment	10 years
Vehicles	4-5 years
Miscellaneous equipment	2-5 years

The Company invested in Haitec Co., Ltd. by cash and assets on August 17, 2020. The investment included land and building. On December 31, 2020, the carrying value of the land was \$39,723 thousand and the carrying value of the building was \$54,548 thousand; both are classified as

property, plant and equipment.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2020	2019
<u>Carrying amount</u>		
Vehicles	\$ 2,553	\$ 3,365
Land	<u>6,908</u>	<u>-</u>
	<u>\$ 9,461</u>	<u>\$ 3,365</u>
	For the Year Ended December 31	
	2020	2019
Depreciation charge for right-of-use assets		
Vehicles	\$ 2,276	\$ 2,985
Land	<u>987</u>	<u>-</u>
	<u>\$ 3,263</u>	<u>\$ 2,985</u>

b. Lease liabilities

	December 31	
	2020	2019
<u>Carrying amount</u>		
Current	<u>\$ 2,387</u>	<u>\$ 31</u>
Non-current	<u>\$ 7,082</u>	<u>\$ 3,298</u>

Range of discount rate for lease liabilities was as follows:

	December 31	
	2020	2019
Vehicles	0.95%	0.95%
Land	0.95%	-

c. Material leasing activities and terms - as lessee

The Company does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

16. INVESTMENT PROPERTIES

	Freehold Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2019	\$ 6,033,761	\$ 5,007,956	\$ 11,041,717
Additions	-	307,270	307,270
Reclassification	<u>(1,154,369)</u>	<u>83,785</u>	<u>(1,070,584)</u>
Balance at December 31, 2019	<u>\$ 4,879,392</u>	<u>\$ 5,399,011</u>	<u>\$ 10,278,403</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2019	\$ -	\$ (1,201,623)	\$ (1,201,623)
Reclassification	-	(77,875)	(77,875)
Impairment loss	-	(533,488)	(533,488)
Depreciation expense	<u>-</u>	<u>(5,181)</u>	<u>(5,181)</u>
Balance at December 31, 2019	<u>\$ -</u>	<u>\$ (1,818,167)</u>	<u>\$ (1,818,167)</u>
Carrying amount at December 31, 2019	<u>\$ 4,879,392</u>	<u>\$ 3,580,844</u>	<u>\$ 8,460,236</u>
<u>Cost</u>			
Balance at January 1, 2020	\$ 4,879,392	\$ 5,399,011	\$ 10,278,403
Additions	-	1,714,726	1,714,726
Disposals	(181,877)	(26,856)	(208,733)
Asset-based investment	(194,493)	(358,017)	(552,510)
Reclassification	<u>833,597</u>	<u>1,126,939</u>	<u>1,960,536</u>
Balance at December 31, 2020	<u>\$ 5,336,619</u>	<u>\$ 7,855,803</u>	<u>\$ 13,192,422</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2020	\$ -	\$ (1,818,167)	\$ (1,818,167)
Disposals	-	14,453	14,453
Asset-based investment	-	90,939	90,939
Reclassification	-	246,448	246,448
Depreciation expense	<u>-</u>	<u>(39,350)</u>	<u>(39,350)</u>
Balance at December 31, 2020	<u>\$ -</u>	<u>\$ (1,505,677)</u>	<u>\$ (1,505,677)</u>
Carrying amount at December 31, 2020	<u>\$ 5,336,619</u>	<u>\$ 6,350,126</u>	<u>\$ 11,686,745</u>

The investment properties are depreciated on a straight-line basis over the estimated useful life of these assets from 30 to 60 years.

The design of the commercial district of Yulon Town was modified in October 2019. The new design only consisted of malls. In addition, the declaration of the commencement of the district was temporarily stopped, and will be re-designed depending on the market situation. Therefore,

the Company expected a portion of the asset to have no economic benefits and recognized impairment loss of \$533,488 thousand in 2019.

The Company invested in Haitec Co., Ltd. by cash and assets on August 17, 2020. The investment included land and building. On December 31, 2020, the carrying amount of the land was \$194,493 thousand and the carrying amount of the building was \$267,078 thousand. Both are classified as investment properties.

As of December 31, 2020 and 2019, the fair values of the Company's investment property were \$26,249,341 thousand and \$23,158,274 thousand, respectively. Both fair values were appraised by an independent qualified professional appraiser.

17. INTANGIBLE ASSETS

In order to comply with the global regulation of emission and fuel consumption, and also develop the advanced engine technology and new energy power train system for Luxgen brand, the Company acquired the intangible assets, PHEV (EF Engine and Plug in Hybrid Power Module), from Hua-chuang Automobile Information Technical Center Co., Ltd. The monetary amount of the transaction is NT\$1,210 million in 2017.

The Company terminated the development of intangible assets stated above and recognized impairment loss of NT\$1,210,000 thousand in 2020.

18. BORROWINGS

a. Short-term borrowings

	December 31, 2020
Line of credit borrowings	<u>\$ 1,500,000</u>
Interest rate	0.90%-0.95%

b. Short-term bills payable

	December 31, 2020
Commercial paper	\$ 2,000,000
Less: Unamortized discount on bills payable	<u>2,211</u>
	<u>\$ 1,997,789</u>
Interest rate	0.46%-0.90%

19. BONDS PAYABLE

	<u>December 31</u>	
	2020	2019
Unsecured domestic bonds	<u>\$ 15,300,000</u>	<u>\$ 15,300,000</u>

The Company issued unsecured corporate bonds on December 12, 2017, with each issuance amounting to NT\$7 billion and NT\$3 billion, respectively, and the bonds have five-year maturities and seven-year maturities and simple interest at rates of 1.04% and 1.07%, respectively, payable annually. The principal amounts of both bonds would be repaid on the maturity date. The Company also issued unsecured corporate bonds on December 25, 2018, with each issuance amounting to NT\$3.6 billion and NT\$1.7 billion, respectively, and the bonds have five-year maturities and ten-year maturities and simple interest at rates of 1.18% and 1.80%, respectively, payable annually. The principal amounts of both bonds would be repaid on the maturity date.

20. OTHER LIABILITIES

	<u>December 31</u>	
	2020	2019
<u>Current</u>		
Other payables		
Payables for annual leave	\$ 4,793	\$ 5,936
Payables for employees bonus	377,793	387,899
Payables for other taxes	1,983,281	348,771
Payables for Vendor Expenses	99,318	63,955
Payables for other Accrued Expenses	60,635	105,633
Payables for dividends	210,732	211,580
Others	<u>675,796</u>	<u>572,572</u>
	<u>\$ 3,412,348</u>	<u>\$ 1,696,346</u>

21. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company adopted a pension plan under the Labor Pension Act (the "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.

b. Defined benefit plan

The defined benefit plan adopted by the Company is in accordance with the Labor Standards Law. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company contributes amounts equal to 7% 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 Company 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 Company 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 Company has no right to influence the pension fund investment policy and strategy.

The amounts included in the balance sheets on the Company’s defined benefit plans were as follows:

	December 31	
	2020	2019
Present value of defined benefit obligation	\$ 1,271,587	\$ 1,467,624
Fair value of plan assets	<u>(892,970)</u>	<u>(882,182)</u>
Net defined benefit liability	<u>\$ 378,617</u>	<u>\$ 585,442</u>

Movements in net defined benefit liability (asset) were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability (Asset)
Balance at January 1, 2019	<u>\$ 1,542,558</u>	<u>\$ (983,259)</u>	<u>\$ 559,299</u>
Service cost			
Current service cost	23,089	-	23,089
Net interest expense (income)	<u>17,137</u>	<u>(11,057)</u>	<u>6,080</u>
Recognized in profit or loss	<u>40,226</u>	<u>(11,057)</u>	<u>29,169</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(35,910)	(35,910)
Actuarial loss - changes in demographic assumptions	3,389	-	3,389
Actuarial loss - changes in financial assumptions	58,515	-	58,515
Actuarial loss - experience adjustments	<u>65,357</u>	<u> </u>	<u>65,357</u>
Recognized in other comprehensive income	<u>127,261</u>	<u>(35,910)</u>	<u>91,351</u>
Contributions from the employer	-	(28,583)	(28,583)
Benefits paid	<u>(242,421)</u>	<u>176,627</u>	<u>(65,794)</u>
Balance at December 31, 2019	<u>\$ 1,467,624</u>	<u>\$ (882,182)</u>	<u>\$ 585,442</u>
Balance at January 1, 2020	<u>\$ 1,467,624</u>	<u>\$ (882,182)</u>	<u>\$ 585,442</u>
Service cost			
Current service cost	23,483	-	23,483
Net interest expense (income)	<u>11,006</u>	<u>(7,094)</u>	<u>3,912</u>
Recognized in profit or loss	<u>34,489</u>	<u>(7,094)</u>	<u>27,395</u>

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability (Asset)
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(30,387)	(30,387)
Actuarial loss - changes in demographic assumptions	347	-	347
Actuarial loss - changes in financial assumptions	33,914	-	33,914
Actuarial loss - experience adjustments	<u>(10,082)</u>	<u>-</u>	<u>(10,082)</u>
Recognized in other comprehensive income	<u>24,179</u>	<u>(30,387)</u>	<u>(6,208)</u>
Contributions from the employer	-	(125,118)	(125,118)
Benefits paid	<u>(254,705)</u>	<u>151,811</u>	<u>(102,894)</u>
Balance at December 31, 2020	<u>\$ 1,271,587</u>	<u>\$ (892,970)</u>	<u>\$ 378,617</u> (Continued)

Through the defined benefit plan under the Labor Standards Law, the Company is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in 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/corporate 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 in the actuarial valuations were as follows:

	<u>December 31</u>	
	2020	2019
Discount rate(s)	0.50%	0.75%
Expected rate(s) of salary increase	1.75%	1.75%

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(s)		
0.25% increase	\$ (33,914)	\$ (39,388)
0.25% decrease	35,235	40,925
Expected rate(s) of salary increase		
0.25% increase	34,163	39,809
0.25% decrease	(33,057)	(38,515)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change 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	<u>\$ 52,715</u>	<u>\$ 127,681</u>
Average duration of the defined benefit obligation	11.0 years	11.0 years

22. EQUITY

a. Share capital

Common shares

	December 31	
	2020	2019
Number of authorized shares (in thousands)	<u>2,000,000</u>	<u>2,000,000</u>
Amount of authorized shares	<u>\$ 20,000,000</u>	<u>\$ 20,000,000</u>
Number of issued and fully paid shares (in thousands)	<u>1,000,000</u>	<u>1,572,920</u>
Amount of issued and fully paid shares	\$ 10,000,000	\$ 15,729,199
Capital surplus	<u>4,508,131</u>	<u>4,508,131</u>
	<u>\$ 14,508,131</u>	<u>\$ 20,237,330</u>

Fully paid common shares, which have a par value of NT\$10, carry one vote per share and carry a right to dividends.

b. Capital surplus

	<u>December 31</u>	
	2020	2019
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)		
Recognized from issuance of common shares	\$ 4,508,131	\$ 4,508,131
Recognized from treasury share transactions	2,018,204	2,018,204
<u>Capital surplus that can be used only to offset deficit</u>		
Arising from share of changes in capital surplus of associates or joint ventures	<u>37,553</u>	<u>40,160</u>
	<u>\$ 6,563,888</u>	<u>\$ 6,566,495</u>

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

c. Retained earnings and dividend policy

The Company’s Articles of Incorporation provide that appropriation for legal reserve should be made at 10% of annual net income, less any accumulated deficit. From the remainder of the net income, appropriation for special reserve will be made based on relevant laws and regulations, and then any remaining profit together with any undistributed retained earnings may be appropriated and distributed.

The Company’s operating environment is in a mature industry. The Company shall consider profitability, future operating plans and funding needs, and industry condition, and long-term shareholders’ rights and a long-term financial planning in the distribution of earnings. Dividends may be paid in cash or stock; total dividends should not be lower than 10% of distributable net profit, and cash dividends should not be lower than 20% of total dividends. The distribution plan will be proposed by the Company’s board of directors and approved in the shareholders’ meeting.

For information on accrued compensation of employees and remuneration to directors and supervisors and the actual appropriations, please refer to Note 23 - d. employee benefits expense.

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

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

The appropriations of earnings for 2019 and 2018 approved in the shareholders' meetings on June 18, 2020 and June 21, 2019, respectively, were as follows:

	Appropriation of Earnings	Dividend Per Share (NT\$)
	2018	2018
Legal reserve	\$ 203,703	
Special reserve	1,000,000	
Cash dividend	1,053,856	\$0.67

At the shareholders' meeting on June 18, 2020, the Company approved the reduction of capital to offset deficit and resolved not to distribute dividends

At the board of directors' meeting on March 25, 2021, the Company proposed appropriation and distribution of earnings of 2020 as follows:

	Appropriation of Earnings	Dividends Per Share (NT\$)
Reversal of special reserve	\$ 2,000,000	
Cash dividends	1,000,000	\$1

The appropriations of earnings for 2020 are subject to the resolution in the shareholders' meeting to be held on June 17, 2021.

d. Special reserve

	For the Year Ended December 31	
	2020	2019
Balance at January 1	\$ 39,373,565	\$ 38,373,565
Appropriation of earnings	<u>(15,145,000)</u>	<u>1,000,000</u>
Balance at December 31	<u>\$ 24,228,565</u>	<u>\$ 39,373,565</u>

On the first-time adoption of IFRSs, the Company appropriated to special reserve the amounts that were the same as the unrealized revaluation increment and cumulative translation differences transferred to retained earnings, which were \$8,255,468 thousand and \$655,829 thousand, respectively.

If the special reserve appropriated on the first-time adoption of IFRSs relates to property, plant and equipment and investment property other than land, the special reserve may be reversed continuously over the period of use of the asset. The special reserve relating to land may be reversed on the disposal or reclassification of the related asset. A proportionate share of the special reserve relating to exchange differences arising from the translation of the financial statements of foreign operations (including the subsidiaries of the Company) will be reversed on the Company's disposal of foreign operations; on the Company's loss of significant influence, however, the entire special reserve will be reversed.

Additional special reserve should be appropriated for the amount equal to the difference between net debit balance reserves and the special reserve appropriated on the first-time adoption of IFRSs. Any special reserve appropriated may be reversed to the extent that the net

debit balance reverses and thereafter distributed.

e. Other equity items

1) Exchange differences on translating foreign operations

	For the Year Ended December 31	
	2020	2019
Balance at January 1	\$ (1,255,680)	\$ (919,398)
Share of exchange difference of subsidiaries, associates and joint ventures accounted for using the equity method	<u>136,866</u>	<u>(336,282)</u>
Balance at December 31	<u>\$ (1,118,814)</u>	<u>\$ (1,255,680)</u>

2) Unrealized gain/(loss) on financial assets at FVTOCI

	For the Year Ended December 31	
	2020	2019
Balance at January 1	\$ 1,397,517	\$ 1,466,521
Unrealized gain/(loss) - equity instruments	6,552	285,487
Share from associates/joint ventures accounted for using the equity method	76,208	(91)
Disposal of associates accounted for using the equity method	(23,034)	(354,400)
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	<u>65,354</u>	<u>-</u>
Balance at December 31	<u>\$ 1,522,597</u>	<u>\$ 1,397,517</u>

3) Gain (loss) on hedging instruments

	For the Year Ended December 31	
	2020	2019
Balance at January 1	\$ (4)	\$ 252
Share from associates/joint ventures accounted for using the equity method	<u>28</u>	<u>(256)</u>
Balance at December 31	<u>\$ 24</u>	<u>\$ (4)</u>

f. Treasury shares

Reasons for Redemption	Number of Shares, Beginning of Year	Addition During the Year	Reduction During the Year	Number of Shares, End of Year
For the year ended <u>December 31, 2020</u>				
Long-term investment of subsidiary transferred to treasury stock	<u>7,527</u>	<u>-</u>	<u>-</u>	<u>7,527</u>
For the year ended <u>December 31, 2019</u>				
Long-term investment of subsidiary transferred to treasury stock	<u>11,839</u>	<u>-</u>	<u>-</u>	<u>11,839</u>

The Company's shares held by subsidiaries as of December 31, 2020 and 2019 were as follows:

Name of Subsidiaries	Number of Shares Held (In Thousands)	Carrying Amount (In Thousands)	Market Value (In Thousands)
<u>December 31, 2020</u>			
Yu Ching Business Co., Ltd.	7,526	\$ 352,990	\$ 352,990
Yu Pong Business Co., Ltd.	1	<u>4</u>	<u>4</u>
		<u>\$ 352,994</u>	<u>\$ 352,994</u>
<u>December 31, 2019</u>			
Yu Ching Business Co., Ltd.	11,838	\$ 231,442	\$ 231,442
Yu Pong Business Co., Ltd.	1	<u>2</u>	<u>2</u>
		<u>\$ 231,444</u>	<u>\$ 231,444</u>

The subsidiaries holding treasury shares retain shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

g. Common control of predecessor rights

Tai-Yuen Textiles Co., Ltd. and the Company are entities under common control. On December 31, 2019, Tai-Yuen Textiles Co., Ltd. increased the capital of Haitec Co., Ltd. Tai-Yuen Textiles Co., Ltd. and the Company held common control over Haitec Co., Ltd. The Company, Haitec Co., Ltd., and Hon Hai Precision Ind. Co., Ltd. had signed a joint venture agreement. In the joint venture agreement, the Company obtained the privilege of carrying out with Haitec Co., Ltd. related activities. According to IFRS 10, with the privilege of carrying out related activities, the Company obtained control and ability to direct the relevant activities

of Haitec Co., Ltd. since December 31, 2019. In compliance with “IFRS Q&A released in 2018” and “Interpretation No. 301” issued by the Accounting Research and Development Foundation released in 2012, the consolidated balance sheet, the consolidated statement of changes in equity and the consolidated statement of cash flows as of and for the year ended December 31, 2018 have been restated. The related equity adjustment is recognized in common control of predecessor rights.

23. REVENUE

Contract Information

a. Revenue from the sale of goods

The Company 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 vehicles and parts. The Company recognized revenue when goods are delivered and legal ownership is transferred.

b. Rental income

Rental income from an operating lease is recognized on a straight-line basis over the term of the lease.

c. Revenue from the rendering of services

Revenue from a contract to provide services is recognized with reference to the stage of completion of the contract.

24. NET PROFIT

Net profit contained the following components:

a. Other operating revenue

	For the Year Ended December 31	
	2020	2019
Revenue from sale of scrap	\$ 15,319	\$ 21,036
Revenue from providing guarantees	15,669	19,844
Revenue from remuneration of directors and supervisors	9,510	18,619
Others	<u>19,751</u>	<u>5,261</u>
	<u>\$ 60,249</u>	<u>\$ 64,760</u>

b. Other gains and losses

	For the Year Ended December 31	
	2020	2019
Gain/(loss) on disposal of property, plant and equipment/investment properties/intangible assets	\$ 578,519	\$ 12,577
Gains/(losses) on disposal of related parties	21,396	3,150,981
Net foreign exchange gains/(losses)	(2,756)	3,914
Fair value changes of financial assets mandatorily classified as at FVTPL	41,117	35,734
Impairment	(1,210,000)	(2,480,823)
Others	<u>10,926</u>	<u>(227,882)</u>
	<u>\$ (560,798)</u>	<u>\$ 494,501</u>

c. Depreciation and amortization

	For the Year Ended December 31	
	2020	2019
An analysis of depreciation by function		
Operating costs	\$ 297,398	\$ 274,406
Operating expenses	<u>110,208</u>	<u>108,166</u>
	<u>\$ 407,606</u>	<u>\$ 382,572</u>
An analysis of amortization by function		
Operating costs	\$ 15,217	\$ 19,673
Operating expenses	<u>13,117</u>	<u>17,440</u>
	<u>\$ 28,334</u>	<u>\$ 37,113</u>

d. Employee benefits expense

	For the Year Ended December 31	
	2020	2019
Short-term benefits	\$ 1,235,166	\$ 1,237,815
Post-employment benefits		
Defined contribution plans	22,726	20,244
Defined benefit plans	<u>27,395</u>	<u>29,168</u>
Total employee benefits expense	<u>\$ 1,285,287</u>	<u>\$ 1,287,227</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 907,527	\$ 918,954
Operating expenses	<u>377,760</u>	<u>368,273</u>
	<u>\$ 1,285,287</u>	<u>\$ 1,287,227</u>

	For the Year Ended December 31					
	2020			2019		
	Operating Cost	Operating Expenses	Total	Operating Cost	Operating Expenses	Total
Salary expense	\$ 762,947	\$ 302,325	\$ 1,065,272	\$ 791,984	\$ 306,819	\$ 1,098,803
Labor insurance	70,421	19,586	90,007	74,601	18,329	92,930
Pension	38,896	11,191	50,087	39,238	10,151	49,389
Remuneration of directors	-	-	-	-	-	-
Other employment benefits	<u>35,263</u>	<u>44,658</u>	<u>79,921</u>	<u>13,131</u>	<u>32,974</u>	<u>46,105</u>
Total employment benefits	<u>\$ 907,527</u>	<u>\$ 377,760</u>	<u>\$ 1,285,287</u>	<u>\$ 918,954</u>	<u>\$ 368,273</u>	<u>\$ 1,287,227</u>

As of December 31, 2020 and 2019, the numbers of the Company's employees were 1,241 and 1,263, respectively. The Company has 5 directors who are not concurrently employed, and 1 director who is employed. The number of employees aligns with employee benefits expense.

As of December 31, 2020 and 2019, the employee benefits expense was \$1,040 thousand and \$1,024 thousand, respectively, the average salary expense was \$862 thousand and \$874 thousand, respectively, and the average employee salary adjustment was a reduction of 1.37%.

The Company has set up an audit committee in compliance with the Securities and Exchange Act of the ROC. The audit committee is composed of all independent directors, and the committee replaces supervisors.

The remuneration of the Company's board directors and managers is evaluated and reviewed periodically by the compensation committee. The Company participates in salary investigation every year and reviews pay level periodically in order to provide employees with market competitive salaries.

- Compensation of employees and remuneration of directors and supervisors for 2020 and 2019

In compliance with the amended Articles of Incorporation of the Company, the Company accrued compensation of employees and remuneration of directors and supervisors at the rates no less than 0.1% and no higher than 0.5%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors and supervisors. The compensation of employees and remuneration of directors and supervisors for the years ended December 31, 2020 and 2019 which have been approved by the Company's board of directors on March 25, 2021 and March 30, 2020, respectively, were as follows:

Accrual rate

	For the Year Ended December 31	
	2020	2019
Compensation of employees	0.1%	0.1%
Remuneration of directors and supervisors	0.5%	0.5%

Amount

	For the Year Ended December 31			
	2020		2019	
	Cash	Share	Cash	Share
Compensation of employees	\$ -	\$ -	\$ -	\$ -
Remuneration of directors and supervisors	-	-	-	-

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

There was no difference between the actual amounts of compensation of employees and remuneration of directors and supervisors paid and the amounts recognized in the financial statements for the year ended December 31, 2019 and 2018.

Information on the compensation of employees and remuneration of directors and supervisors resolved by the Company's board of directors in 2021 and 2020 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

e. Impairment losses on non-financial assets (reversal of impairment loss)

	For the Year Ended December 31	
	2020	2019
Inventories (included in operating cost, Note 12)	\$ (70,026)	\$ 73,768
Inventories for construction business (included in other gains and losses, Note 12)	-	(929,853)
Other current asset (included in other gains and losses, Note 30)	-	(964,901)
Property, plant and equipment (included in other operating cost, Note 14)	-	(52,581)
Investment properties (included in other gains and losses, Note 16)	-	(533,488)
Intangible assets (included in other gains and losses, Note 17)	<u>(1,210,000)</u>	<u>-</u>
	<u>\$ (1,280,026)</u>	<u>\$ 2,407,055</u>

25. INCOME TAXES

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Year Ended December 31	
	2020	2019
Current tax		
In respect of the current year	\$ 163,418	\$ -
Income tax on unappropriated earnings	-	48,975
Adjustments for prior year	<u>(143,411)</u>	<u>(24,278)</u>
	<u>20,007</u>	<u>24,697</u>
Deferred tax		
In respect of the current year	<u>(120,822)</u>	<u>(31,587)</u>
Income tax expense recognized in profit or loss	<u>\$ (100,815)</u>	<u>\$ (6,890)</u>

A reconciliation of accounting profit and income tax expenses is as follows:

	For the Year Ended December 31	
	2020	2019
Profit before tax from continuing operations	<u>\$ 2,638,395</u>	<u>\$ (25,037,010)</u>
Income tax expense calculated at the statutory rate	\$ 527,679	\$ (5,007,402)
Adjustment items in determining taxable profit	-	112,942
Nondeductible expenses in determining taxable income	1,534	-
Tax-exempt income	(248,343)	(649,347)
Realized loss on investment	(2,244,612)	(885,038)
Income tax on unappropriated earnings	-	48,975
Unrecognized deductible temporary differences	1,842,920	6,397,258
Effect of tax rate changes	163,418	-
Adjustments for prior years' tax	<u>(143,411)</u>	<u>(24,278)</u>
Income tax expense recognized in profit or loss	<u>\$ (100,815)</u>	<u>\$ (6,890)</u>

b. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2020

	Balance at the Beginning of the Year	Recognized in Profit or Loss	Balance at the End of the Year
<u>Deferred tax assets</u>			
Temporary differences			
Share of income of subsidiaries, associates and joint ventures	\$ 172,640	\$ -	\$ 172,640
Property, plant and equipment	4,981	22,717	27,698

(Continued)

	Balance at the Beginning of the Year	Recognized in Profit or Loss	Balance at the End of the Year
Defined benefit obligation	253,562	(30,658)	222,904
Others	<u>162,185</u>	<u>25,341</u>	<u>187,526</u>
	<u>\$ 593,368</u>	<u>\$ 17,400</u>	<u>\$ 610,768</u>
<u>Deferred tax liabilities</u>			
Temporary differences			
Land value increment tax	\$ 2,397,673	\$ (112,101)	\$ 2,285,572
Property, plant and equipment	181,252	8,949	190,201
Others	<u>1,390</u>	<u>(268)</u>	<u>1,119</u>
	<u>\$ 2,580,315</u>	<u>\$ (103,422)</u>	<u>\$ 2,476,892</u>

(Continued)

For the year ended December 31, 2019

	Balance at the Beginning of the Year	Recognized in Profit or Loss	Balance at the End of the Year
<u>Deferred tax assets</u>			
Temporary differences			
Share of income of subsidiaries, associates and joint ventures	\$ 172,640	\$ -	\$ 172,640
Property, plant and equipment	5,305	(324)	4,981
Defined benefit obligation	267,392	(13,830)	253,562
Others	<u>106,441</u>	<u>55,744</u>	<u>162,185</u>
	<u>\$ 551,778</u>	<u>\$ 41,590</u>	<u>\$ 593,368</u>
<u>Deferred tax liabilities</u>			
Temporary differences			
Land value increment tax	\$ 2,397,673	\$ -	\$ 2,397,673
Property, plant and equipment	170,099	11,154	181,252
Others	<u>2,541</u>	<u>(1,149)</u>	<u>1,390</u>
	<u>\$ 2,570,313</u>	<u>\$ 10,005</u>	<u>\$ 2,580,315</u>

c. Income tax assessed

The tax returns through 2018 have been assessed by the tax authorities.

26. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Year Ended December 31	
	2020	2019
Basic earnings (loss) per share	<u>\$ 2.80</u>	<u>\$ (26.13)</u>
Diluted earnings (loss) per share	<u>\$ 2.80</u>	<u>\$ (26.13)</u>

In the calculation of earnings (loss) per share, the number of outstanding shares has been adjusted retrospectively for the impact of the reduction of capital to offset deficit. The base date of the reduction of capital is August 11, 2020. As a result of the retrospective adjustment, the loss per share for 2019 before and after adjustment was as follows:

Unit: NT\$ Per Share

	Before Retrospective Adjustment	After Retrospective Adjustment
Basic earnings (loss) per share	<u>\$ (16.61)</u>	<u>\$ (26.13)</u>
Diluted earnings (loss) per share	<u>\$ (16.61)</u>	<u>\$ (26.13)</u>

The weighted average number of shares outstanding used for the earnings per share computation was as follows:

Net Profit for the Year

	For the Year Ended December 31	
	2020	2019
Net profit attributable to owners of the Company	\$ 2,739,210	\$ (24,465,408)
Net profit attributable to common control of predecessor rights	<u>-</u>	<u>(564,712)</u>
Earnings used in the computation of basic earnings per share	<u>\$ 2,739,210</u>	<u>\$ (25,030,120)</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 2,739,210</u>	<u>\$ (25,030,120)</u>

Shares

	For the Year Ended December 31	
	2020	2019
Weighted average number of common shares in computation of basic earnings per share	<u>977,704</u>	<u>957,815</u>
Weighted average number of common shares used in the computation of diluted earnings per share	<u>977,704</u>	<u>957,815</u>

If the Company offered to settle bonuses paid to employees in cash or shares, the Company assumed the entire amount of the compensation or bonus would be settled in shares and the resulting potentially dilutive shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share. Such dilutive effect of the 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.

27. DISPOSAL OF SUBSIDIARY - LOSS OF CONTROL

Dongfeng Yulon Motor Sales Co., Ltd. was ruled by the court as bankrupt in November 2020. The Company has lost control on Dongfeng Yulon Motor Sales Co., Ltd. since then. The Company derecognized related assets, liabilities, and non-controlling interests of Dongfeng Yulon Motor Sales Co., Ltd.

28. CAPITAL MANAGEMENT

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

The capital structure of the Company consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Company (comprising issued capital, reserves, retained earnings, and other equity).

The Company is not subject to any externally imposed capital requirements.

The Company's management reviews the capital structure whenever necessary. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on the management's recommendations, the Company expects to balance its capital structure by paying dividends, borrowing new loans or repaying original loans.

29. FINANCIAL INSTRUMENTS

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

1) Fair value hierarchy

Fair value measurements recognized in the parent company only balance sheets.

Fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

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

- c) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	\$ 1,785,079	\$ -	\$ -	\$ 1,785,079
Other	<u>-</u>	<u>-</u>	<u>271,820</u>	<u>271,820</u>
	<u>\$ 1,785,079</u>	<u>\$ -</u>	<u>\$ 271,820</u>	<u>\$ 2,056,899</u>
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Securities listed in ROC				
Equity securities	\$ 1,905,428	\$ -	\$ -	\$ 1,905,428
Unlisted shares	<u>-</u>	<u>-</u>	<u>366,234</u>	<u>366,234</u>
	<u>\$ 1,905,428</u>	<u>\$ -</u>	<u>\$ 366,234</u>	<u>\$ 2,271,662</u>

December 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	\$ 1,129,032	\$ -	\$ -	\$ 1,129,032
Other	<u>-</u>	<u>-</u>	<u>613,524</u>	<u>613,524</u>
	<u>\$ 1,129,032</u>	<u>\$ -</u>	<u>\$ 613,524</u>	<u>\$ 1,742,556</u>
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Securities listed in ROC				
Equity securities	\$ 2,058,871	\$ -	\$ -	\$ 2,058,871
Unlisted shares	<u>-</u>	<u>-</u>	<u>359,578</u>	<u>359,578</u>
	<u>\$ 2,058,871</u>	<u>\$ -</u>	<u>\$ 359,578</u>	<u>\$ 2,418,449</u>

There were no transfers between Levels 1 and 2 in the current and prior periods.

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

For the year ended December 31, 2020

Financial Assets	Financial Assets at FVTPL	Financial Assets at FVTOCI	Total
		Equity Instruments	
Balance at January 1, 2020	\$ 613,524	\$ 359,578	\$ 973,102
Recognized in profit or loss (included in other gains and losses)	5,411	-	5,411
Recognized in other comprehensive income (included in unrealized gain/ (loss) on financial assets at FVTOCI)	-	7,141	7,141
Purchases	1,449,800	-	1,449,800
Sales/settlements	<u>(1,796,915)</u>	<u>(485)</u>	<u>(1,797,400)</u>
Balance at December 31, 2020	<u>\$ 271,820</u>	<u>\$ 366,234</u>	<u>\$ 638,054</u>

For the year ended December 31, 2019

Financial Assets	Financial Assets at FVTPL	Financial Assets at FVTOCI	Total
		Equity Instruments	
Balance at January 1, 2019	\$ -	\$ 498,711	\$ 498,711
Recognized in profit or loss (included in other gains and losses)	4,977	-	4,977
Recognized in other comprehensive income (included in unrealized gain/ (loss) on financial assets at FVTOCI)	-	256,867	256,867
Purchases	4,013,500	-	4,013,500
Sales/settlements	<u>(3,404,953)</u>	<u>(396,000)</u>	<u>(3,800,953)</u>
Balance at December 31, 2019	<u>\$ 613,524</u>	<u>\$ 359,578</u>	<u>\$ 973,102</u>

The fair values of non-public stocks and funds are mainly determined by using the asset approach, the income approach, and the market approach.

To determine the fair value of the funds, the Company utilized the asset approach and took into account the net assets' fair value measured by independent appraisers. On December 31, 2019, the Company used unobservable inputs derived from discount for lack of marketability and lack of non-controlling interest.

For the remaining few investments, the market approach was used to arrive at their fair value, for which the recent financing activities of investees, the market transaction prices of similar companies and market conditions were considered.

b. Categories of financial instruments

	December 31	
	2020	2019
<u>Financial assets</u>		
Fair value through profit or loss (FVTPL)	\$ 2,056,899	\$ 1,742,556
Fair value through other comprehensive income (FVTOCI)	2,271,662	15,112,393
Financial assets at amortized cost (Note 1)	3,550,398	2,418,449
<u>Financial liabilities</u>		
Amortized cost (Note 2)	25,215,907	21,320,258

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, and notes receivable, trade receivables and other receivables.

Note 2: The balances included financial liabilities measured at amortized cost, which comprise short-term loans and bills payable, notes payable, trade and other payables, corporate bonds payable, long-term loans and other payables, guarantee deposits received and current portion of long-term borrowings.

c. Financial risk management objectives and policies

For the Company to develop a clear direction and system for its analysis of and response to financial risks and the execution of a financial risk management plan, the definition and the purpose of financial risk management should be made clear before the establishment of related critical policies and processes. Through the financial risk management system, the Company oversees the handling of financial risks pertaining to daily operations, including market risk (exchange rate risk, interest rate risk, other price risk), credit risk, and liquidity risk. The Company strives to identify, evaluate and decrease market uncertainty to mitigate the impact of market fluctuations on its financial performance.

- 1) Financial risk management is defined by the Company as the application of various methods to control and handle current risks by assessing the direct and indirect potential risks affecting the Company's financial status. By minimizing the "cost of risk," the Company ensures its operating stability and its status to continue as a going concern.
- 2) On the key issues involved in financial risk management, the Company has the needed precautions and controls in place. Even with precautions and controls in place, inevitable loss (or events that cause the Company to deviate from its operating goals; in these situations, post-event measures are taken to deter or ease unfavorable consequences for the Company's continued development. Financial risks are due to external and internal factors. To handle these risks, the Company has established these precautionary measures, which include the following key management concepts, control mechanisms, and management tools.

a) Precautionary measures

Key management concepts

- i. Business planning: Among the Company's goals is to run its business using clearly defined key performance indicators. The future operating guidelines and programs, from short term to long term, are also explicitly stated. In addition, the goals of financial functions and ways to achieve these goals are described in the Company's business plan.
- ii. Identification of risk and establishment of risk indicators: This is based on the previous phase of key points of management, to identify potential risk and its monitoring indicators.

Control mechanisms

- i. Business planning and adjustment: This is achieved by mid-term operating prospectus.
- ii. Macro-economic and study of laws and regulation: The Company invites external professional and scholars for workshops regarding current economic status and updates on laws and regulations nonscheduled

Management tools

- i. Research reports on microeconomic and macroeconomic conditions: These reports cover exchange and interest rates and economic growth around the world.
- ii. Analysis of operations: The Company uses its midterm analysis of operations as a control mechanism.
- iii. Articles of Incorporation: The Articles clearly state the risk management measures and the standards for establishing key risk indicators.

b) Operating controls

Key management concepts

- i. Risk assessment and monitoring: The Company monitors regularly key risk indicators and related financial processes.
- ii. Risk reports: The information system automatically sends reports on financial operations and risk indicator-related data periodically or more frequently, as needed to the Company's management. Internal audit teams conduct audits, based on quarterly and yearly audit plans, of the financial risk management of the Company and its subsidiaries. Internal audit teams also conduct audits of financial risk management indicators and execution results.

Control mechanisms

- i. Internal audit: Each financial subunit within the Company conducts, manages and controls independent internal audits after audit plans are proposed to the management.
- ii. Financial management system and procedures: The Company establishes financial management system and monitors daily operations and specific risks.

Management tools

- i. BIS (Business Intelligent System) reports and alerts: The Company uses BIS alerts to transmit data on important operating financial indicators at least monthly.
 - ii. Monthly reports on profits of the Company and its subsidiaries: Operating profit and loss reports are summarized monthly; these reports include analytical summaries and reviews of items not meeting standards set by the management.
 - iii. Internal audit reports: The internal audit team prepares internal audit reports that include the results of financial risk management.
 - iv. Reports on capital financing and endorsements provided: The Company issues monthly a summary report of the prior month's status of capital financing and endorsements provided.
 - v. ERP (Enterprise Resource Planning), DMS (Document Management System) and SAP system verifications: Operating management systems from external parties assist in verifying and strengthening the Company's financial risk management.
- c) Post-loss measures

Key management concepts

- i. Reasons and strategies for statistical deviations from preset goals: When key financial management indicators show abnormal outcomes, the Company should get an understanding of the internal and external causes of and reasons for the abnormalities to determine a corresponding strategy.
- ii. Execution of and follow-ups on strategy: The Company follows up the execution of the strategy applied to handle an abnormality. It also tries to restore normal operations.

Control mechanisms

- i. Analysis and reporting of unattained goals: The Company presents the causes of unattainable financial management goals in periodic reports and management meetings. In addition, improvement plans and schedules are considered in management meetings.
- ii. Board and financial meetings: The Company timely calls for board meetings and review of financial management meetings to ensure that the financial risk management problems are resolved promptly, if not immediately.

Management tools

- i. Reports on unfavorable factors and impacts: The Company lists the impact of unattained risk management goals for each risk indicator.
- ii. Board meeting reports: The execution of financial risk management is summarized in the board meeting reports.
- iii. Endorsement valuation report: The period-end balance of endorsements provided is assessed timely to ensure it conforms to local regulations and corporate rules.
- iv. Periodic meetings for the review of the status of Company groupings by industry: The Company periodically holds review meetings for the comprehensive review of all Company groupings based on their respective industry attributes.

3) Market risk

The Company's activities exposed it primarily to the financial risks of changes in exchange rates and interest rates.

a) Foreign currency risk

The Company had foreign currency sales and purchases, which exposed the Company to exchange rate risk.

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

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities and of the derivatives exposed to exchange rate risk at the end of the reporting period are set out in Note 32.

Sensitivity analysis

The Company's currency exposure was mainly to the U.S. dollar, Renminbi and yen.

The following table shows the Company's sensitivity to a 1% increase and decrease in New Taiwan dollars (the functional currency) against foreign currency. The sensitivity rate of 1% is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items and forward contracts designated as cash flow hedges, and adjusts their translation at the end of the reporting period is adjusted for a 1% change in exchange rates.

	<u>USD Impact</u>		<u>JPY Impact</u>	
	<u>For the Year Ended December 31</u>		<u>For the Year Ended December 31</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit or loss	\$ (5,625)	\$ (7,718)	\$ 768	\$ 1,395

	RMB Impact		EUR Impact	
	For the Year Ended December 31		For the Year Ended December 31	
	2020	2019	2020	2019
Profit or loss	\$ (158)	\$ 79	\$ 134	\$ 15

b) Interest rate risk

The Company was exposed to interest rate risk because the Company borrowed funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts and forward contracts.

The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rate risks at the end of the reporting period were as follows.

	December 31	
	2020	2019
Fair value interest rate risk		
Financial assets	\$ 1,677,605	\$ 10,958,614
Financial liabilities	17,297,789	15,300,000
Cash flow interest rate risk		
Financial assets	1,601,442	3,503,750
Financial liabilities	1,500,000	1,500,000

Sensitivity analysis

The sensitivity analysis was based on the Company's exposure to changes in interest rates for both derivative and non-derivative instruments at the end of the reporting period.

If interest rates had been 1% higher and had all other variables been held constant, the Company's pre-tax profit would have increased by \$1,014 thousand in 2020 and \$20,038 thousand in 2019.

c) Other price risk

The Company was exposed to equity price risk on its investments in listed equity securities.

Sensitivity analysis

The Company assesses equity price risk using sensitivity analysis.

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period. If equity prices had been 1% lower, as of December 31, 2020, financial assets at FVTPL and FVTOCI would have decreased by \$20,569 thousand and \$22,717 thousand, respectively.

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period. If equity prices had been 1% lower, as of December 31, 2019, financial assets at FVTPL and FVTOCI would have decreased by \$17,426 thousand and \$24,184 thousand, respectively.

d) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Company. As at the end of the reporting period, the Company's maximum exposure to credit risk referred to the failure of counterparties to discharge an obligation and to financial guarantees provided by the Company.

- i. The carrying amount of the respective recognized financial assets as stated in the balance sheets; and
- ii. The amount of contingent liabilities in relation to financial guarantee issued by the Company

It is the Company's policy to have transactions only with creditworthy counterparties. Credit information on counterparties is gathered by independent rating agencies through credit search and analysis. Credits are then given to counterparties in the basis of the nature of transactions, financial status of the counterparties, and collateral conditions, with related contracts to be renewed after careful reexamination to ensure that credit risk is within the level the Company has the capacity to bear.

The main objects of accounts receivable are associates companies of the company, and the Company analyzes its numerous trade receivable clients' financial status continuously.

e) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company'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.

30. 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. Details of transactions between the Company and its related parties are disclosed below:

a. Related parties and relationships with the Company

Related Party	Relationship with the Company
Yulon Finance Corporation	Subsidiary
Yu Ching Business Co., Ltd.	Subsidiary
Yu Pong Business Co., Ltd.	Subsidiary
Yung Hang Investment Co., Ltd.	Subsidiary

(Continued)

<u>Related Party</u>	<u>Relationship with the Company</u>
Yue Sheng Industrial Co., Ltd.	Subsidiary
Yue-Ki Industrial Co., Ltd.	Subsidiary
China Cast Iron Pipe Co., Ltd.	Subsidiary
Yu Chang Motor Co., Ltd.	Subsidiary
Yushin Motor Co., Ltd.	Subsidiary
Yu Chia Motor Co., Ltd.	Subsidiary
SinYi Co., Ltd.	Subsidiary
Singan Co., Ltd.	Subsidiary
Singual Travel Service Co., Ltd.	Subsidiary
Yulon Construction Co., Ltd.	Subsidiary
Yumin Motor Co., Ltd.	Subsidiary
Tian Wang Co., Ltd.	Subsidiary
Yu Pool Enterprise Co., Ltd.	Subsidiary
Chan Yun Technology Co., Ltd.	Subsidiary
Univation Motor Philippines, Inc.	Subsidiary
Sin Chi Co., Ltd.	Subsidiary
Yu Sing Motor Co., Ltd.	Subsidiary
Y-Teks Co., Ltd.	Subsidiary
Yulon Overseas Investment Co., Ltd.	Subsidiary
Yulon China Investment Co., Ltd.	Subsidiary
Yulon Philippine Investment Co., Ltd.	Subsidiary
Union & NKH Auto Parts Co., Ltd.	Subsidiary
Yustar Corporation	Subsidiary
Car-plus Auto Leasing Corporation	Subsidiary
Diamond Leasing Service Corporation	Subsidiary
Yu Rich Financial Services Co., Ltd.	Subsidiary
Chinh-Ling RTC Co., Ltd.	Subsidiary
Qinton Motor Co., Ltd.	Subsidiary
Haitec Co., Ltd.	Subsidiary
H. K. Manpower Service Co., Ltd.	Subsidiary
Sheng Qing (Bei Jin) Investment Co., Ltd.	Subsidiary
Hong Shou Culture Enterprise Co., Ltd.	Subsidiary
Hsiang Shou Enterprise Co., Ltd.	Subsidiary
Luxgen Motor Co., Ltd.	Subsidiary
Luxgen Motor Taipei Co., Ltd.	Subsidiary
Luxgen Motor Taoyuan Co., Ltd.	Subsidiary
Luxgen Motor Taichung Co., Ltd.	Subsidiary
Luxgen Motor Tainan Co., Ltd.	Subsidiary
Luxgen Motor Kaohsiung Co., Ltd.	Subsidiary
Yes-Energy Service Co., Ltd.	Subsidiary
Sin Jiang Enterprises	Subsidiary
Advance Power Machinery Co., Ltd.	Subsidiary
Yulon Motor Investment Limited	Subsidiary
Dong Feng Yulon Motor Sales Co., Ltd.	Subsidiary (Announced bankruptcy and assigned bankruptcy trustee in the 4th quarter of 2020. The Company lost control over Dong Feng Yulon Motor Sales Co., Ltd.)
Luxgen Motor Co., Ltd.	Subsidiary
Luxgen Motor Taipei Co., Ltd.	Subsidiary

(Continued)

<u>Related Party</u>	<u>Relationship with the Company</u>
Luxgen Motor Taoyuan Co., Ltd.	Subsidiary
Luxgen Motor Taichung Co., Ltd.	Subsidiary
Luxgen Motor Tainan Co., Ltd.	Subsidiary
Luxgen Motor Kaohsiung Co., Ltd.	Subsidiary
Yes-Energy Service Co., Ltd.	Subsidiary
Sin Jiang Enterprises	Subsidiary
Advance Power Machinery Co., Ltd.	Subsidiary
Yulon Motor Investment Limited	Subsidiary
Dong Feng Yulon Motor Sales Co., Ltd.	Subsidiary (Announced bankruptcy and assigned bankruptcy trustee in the 4th quarter of 2020. The Company lost control over Dong Feng Yulon Motor Sales Co., Ltd.)
Chuang Jie Co., Ltd.	Subsidiary
Hang Zhou Haitec Company	Subsidiary
Dong Feng Yulon Motor Sales Co., Ltd.	Subsidiary
Yuan Zhi Co., Ltd.	Other related parties
Yuen-jin Co., Ltd.	Other related parties
Taiway Co., Ltd.	Other related parties
ROC-Keper Industrial Ltd.	Other related parties
Kian-shen Co., Ltd.	Other related parties
Sino Diamond Motors Co.	Other related parties
Carnival Industrial Corporation	Other related parties
Hui-Fong Motor Co., Ltd.	Other related parties
Lowin Industrial Co., Ltd.	Other related parties
Gatetech Technology Inc.	Other related parties
Nissan Motor Co., Ltd.	Other related parties
Chi Ho Company	Associates
Cheng Long Co., Ltd.	Associates
Yuan Lon Motor Co., Ltd.	Associates
Yu Tang Motor Co., Ltd.	Associates
Yulon Nissan Motor Co., Ltd.	Associates
Ding Long	Associates
Tai-Yuen Textiles Co., Ltd.	Associates
China Motor Company	Associates
Tokio Marine Nawa Insurance Co., Ltd.	Associates
ROC-Spicer Ltd.	Associates
UNI-Calsonic Co.	Associates
China Ogihara Company	Associates
China Engine Company	Associates
Chingis Technology Corporation	Associates
Hui-Lian Motor Co., Ltd.	Associates
Yulon Management Co., Ltd.	Associates
DXMedia Co., Ltd.	Associates (All shares were sold in the 4 th quarter of 2020.)
DX Creative House Co., Ltd.	Associates

(Concluded)

b. Transactions in operating activities

Related Party Categories	For the Year Ended December 31	
	2020	2019
<u>Sales of goods</u>		
Subsidiaries		
Luxgen	\$ 3,740,173	\$ 3,191,166
Others	<u>20,537</u>	<u>61,696</u>
	3,760,710	3,252,862
Associates		
Yulon Nissan	23,301,919	25,877,233
Joint venture	<u>99</u>	<u>137,805</u>
	<u>\$ 27,062,728</u>	<u>\$ 29,267,900</u>
<u>Purchases of goods</u>		
Subsidiaries	\$ 2,226,152	\$ 2,113,689
Associates	489,818	437,792
Other related parties		
Nissan Motor Co., Ltd.	8,840,735	9,568,707
Others	<u>411,226</u>	<u>422,693</u>
	9,251,961	9,991,400
Joint venture	<u>134,966</u>	<u>343,712</u>
	<u>\$ 12,102,897</u>	<u>\$ 12,886,593</u>
<u>Operating expense</u>		
Subsidiaries	\$ 58,534	\$ 47,469
Associates	45,187	45,111
Other related parties	<u>2,363</u>	<u>5,914</u>
	<u>\$ 106,084</u>	<u>\$ 98,494</u>
<u>Other operating revenue</u>		
Subsidiaries	\$ 238,822	\$ 270,089
Associates		
Yulon Nissan	509,484	531,545
Others	<u>30,276</u>	<u>32,965</u>
	539,760	564,510
Other related parties	<u>8,222</u>	<u>12,645</u>
	<u>\$ 786,804</u>	<u>\$ 847,244</u>

On the balance sheet dates, the amounts receivable from related parties were as follows:

Related Party Categories	December 31	
	2020	2019
<u>Notes and trade receivable</u>		
Subsidiaries		
Luxgen	\$ 59,931	\$ 90,422
Others	<u>741</u>	<u>7,818</u>
	60,672	98,240
Associates		
Yulon Nissan	21,295	204,816
Other related parties	271	272
Joint venture		
Dongfeng Yulon Motor Co., Ltd. (Note)	<u>-</u>	<u>-</u>
	<u>\$ 82,238</u>	<u>\$ 303,328</u>

Note: As of December 31, 2020, the receivable from related party - Dong Feng Yulon Motor Sales Co., Ltd. - was assessed according to the expected credit loss model. At the end of the period, the carrying amount of the receivable after deduction of allowance for loss of \$386,942 thousand was \$0.

Related Party Categories	December 31	
	2020	2019
<u>Other financial assets (recognized as other receivables)</u>		
Subsidiaries		
Luxgen	\$ 87,522	\$ 43,517
Others	<u>17,242</u>	<u>103,287</u>
	104,764	146,804
Associates		
Yulon Nissan	30,929	69,815
Others	<u>1,480</u>	<u>11,825</u>
	32,409	81,640
Other related parties		
Others	<u>15,089</u>	<u>37,234</u>
	<u>\$ 152,262</u>	<u>\$ 265,678</u>

Prepayments (accounted as other current assets)

Related Party Categories	December 31	
	2020	2019
Joint venture		
Dongfeng Yulon Motor Co., Ltd. (Note)	<u>\$ 1,905</u>	<u>\$ 53,743</u>

Note: As of December 31, 2020, the Company recognized impairment loss of \$964,901 thousand on the prepayments to Dongfeng Yulon Motor Co., Ltd. The carrying

amount of the prepayment to Dongfeng Yulon Motor Co., Ltd. was \$1,905 thousand at December 31, 2020.

Related Party Categories	December 31	
	2020	2019
<u>Trade payables</u>		
Subsidiaries	\$ 425,123	\$ 335,038
Associates	97,563	113,782
Other related parties		
Nissan Motor Co., Ltd.	971,470	1,048,104
Others	<u>58,344</u>	<u>45,595</u>
	1,029,814	1,093,699
Joint venture	<u>547</u>	<u>47,957</u>
	<u>\$ 1,553,047</u>	<u>\$ 1,590,476</u>

c. Compensation of key management personnel

	For the Year Ended December 31	
	2020	2019
Short-term employee benefits	\$ 62,266	\$ 58,802
Post-employment benefits	<u>1,565</u>	<u>1,620</u>
	<u>\$ 63,831</u>	<u>\$ 60,422</u>

The compensation of the board members and the Company's management is determined by the remuneration committee based on individual performance and market conditions.

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, information on significant contingent liabilities and unrecognized commitments on the balance sheet date is as follows:

- a. The Company has a manufacturing contract with Yulon Nissan Motor Co., Ltd. ("Yulon Nissan") with a five-year validity from May 1, 2015 to April 30, 2020. The contract is automatically renewed unless either party issues a notice of discontinuance within three months before contract expiry. The contract states that Yulon Nissan has authorized the Company to manufacture Nissan automobiles and parts, and Yulon Nissan is responsible for the subsequent development of new automobile parts. The volume of the Company's manufacturing should be based on Yulon Nissan's projection of car unit sales for the year. In addition, the Company manufactures other service parts for Yulon Nissan upon the latter's request.

Yulon Nissan is responsible for developing new car models, refining designs, and providing the Company with sales projections. The Company is responsible for transforming the sales projections into manufacturing plans and making the related materials orders and purchases, providing product quality assurance, delivering cars, and providing warranty-related services.

- b. Luxgen Motor Co., Ltd. (“Luxgen”) entrusted to the Company the manufacture and assembly of cars based on the design purchased by Luxgen from Haitec Co., Ltd., a vehicle model developer. This car assembly is based on a five-year contract valid from May 1, 2015 to April 30, 2020. The contract is automatically renewed unless either party issues a notice of discontinuance within three months before contract expiry. The contract states that Luxgen authorizes the Company to manufacture Luxgen automobiles and parts. The volume of the Company’s manufacturing should be based on Luxgen’s projection of car unit sales for the year. In addition, the Company manufactures other service parts for Luxgen upon the latter’s request.

Luxgen is responsible for contracting the Company for the manufacture of new car model parts, refining designs, registering products, and providing the Company with sales projections. The Company is responsible for transforming the sales projections into manufacturing plans and making the related materials orders and purchases, providing product quality assurance, delivering cars, and providing warranty-related services.

- c. See Table 2 for the information on endorsements/guarantees provided to subsidiaries or associates.

32. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Company’s significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies and the related exchange rates between foreign currencies and respective functional currencies were as follows:

December 31, 2020

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 49,496	28.48 (USD:NTD)	\$ 1,409,646
JPY	303,826	0.276 (JPY:NTD)	83,856
RMB	3,992	4.377 (RMB:NTD)	17,473
EUR	4	35.02 (EUR:NTD)	<u>140</u>
			<u>\$ 1,511,115</u>
Nonmonetary items			
RMB	475,246	4.377 (RMB:NTD)	<u>\$ 2,080,151</u>
<u>Financial liabilities</u>			
Monetary items			
USD	29,747	28.48 (USD:NTD)	\$ 847,195
JPY	581,950	0.276 (JPY:NTD)	160,618
RMB	380	4.377 (RMB:NTD)	1,663
EUR	388	35.02 (EUR:NTD)	<u>13,588</u>
			<u>\$ 1,023,064</u>

December 31, 2019

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 53,418	29.980 (USD:NTD)	\$ 1,601,472
JPY	671,008	0.276 (JPY:NTD)	185,198
RMB	1,004	4.298 (RMB:NTD)	4,315
EUR	676	33.590 (EUR:NTD)	<u>22,707</u>
			<u>\$ 1,813,691</u>
Nonmonetary items			
RMB	540,090	4.298 (RMB:NTD)	<u>\$ 2,321,035</u>
<u>Financial liabilities</u>			
Monetary items			
USD	27,673	29.980 (USD:NTD)	\$ 829,637
JPY	1,176,415	0.276 (JPY:NTD)	324,691
RMB	2,834	4.298 (RMB:NTD)	12,179
EUR	722	33.590 (EUR:NTD)	<u>24,252</u>
			<u>\$ 1,190,758</u>

For the years ended December 31, 2020 and 2019, realized and unrealized net foreign exchange gains (losses) were \$(2,756) thousand and \$3,914 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions or functional currencies of the Company.

33. SEPARATELY DISCLOSED ITEMS

- a. Information about significant transactions and investees:
 - 1) Financing provided to others. (Table 1)
 - 2) Endorsements/guarantees provided. (Table 2)
 - 3) Marketable securities held (excluded investment in subsidiaries, associates and joint controlled entities). (Table 3)
 - 4) Marketable securities acquired and disposed at costs or prices at least NT\$300 million or 20% of the paid-in capital. (Table 4)
 - 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital. (Table 5)
 - 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital. (Table 6)

- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 7)
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 8)
 - 9) Information on investees. (Table 9)
- b. Information on investments in mainland China

There was no information on investments in mainland China should be disclosed excluding in Table 10.

TABLE I

YULON MOTOR COMPANY LTD.

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
0	The Company	Luxgen (Hangzhou) Motor Sales	Accounts receivable - related parties	Y	\$ 4,317,000	\$ -	\$ -	-	Repaying loan	\$ -	Repaying loan	\$ -	-	\$ -	\$ 4,873,847	\$ 14,621,541	Note 1
1	Yulon China (HK) Holding	Sheng Qing	Other receivables	Y	758,250	712,700	-	-	Operating capital	-	Operating capital	-	-	-	712,700	712,700	Note 1
2	Yulon China	Sheng Qing	Other receivables	Y	2,123,100	1,995,560	-	-	Operating capital	-	Operating capital	-	-	-	3,420,960	3,420,960	Note 1
3	Singgual	Ching-Tong Singan	Other receivables	Y	10,000	10,000	10,000	0.97%	Operating capital	-	Operating capital	-	-	-	69,915	69,915	Note 1
			Other receivables	Y	50,000	50,000	20,000	0.97%	Operating capital	-	Operating capital	-	-	-	69,915	69,915	Note 1
4	Hsiang Shuo	Singan	Other receivables	Y	90,000	90,000	90,000	0.97%	Operating capital	-	Operating capital	-	-	-	94,575	94,575	Note 1
5	Yulon Motor Investment	Wuhan Yu Hsin	Accounts receivable - related parties	Y	65,682	65,388	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Zi Bo Yu An	Accounts receivable - related parties	Y	6,111	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Dong Tai	Accounts receivable - related parties	Y	12,796	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Shi Cheng	Accounts receivable - related parties	Y	17,061	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Yi Ding	Accounts receivable - related parties	Y	25,592	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Mei De	Accounts receivable - related parties	Y	38,388	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Tai Feng	Accounts receivable - related parties	Y	51,184	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Shenzhen Yu Zhi	Accounts receivable - related parties	Y	58,929	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Nan Jing Yu Hua	Accounts receivable - related parties	Y	59,714	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Chang Sha Yu Lu	Accounts receivable - related parties	Y	4,379	4,359	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Hang Zhou Hua You	Accounts receivable - related parties	Y	81,008	80,645	80,645	4.00%	Operating capital	-	Operating capital	-	-	-	2,203,464	2,203,464	Note 1
		Hang Zhou Haitec Company	Accounts receivable - related parties	Y	240,834	239,756	180,907	-	Operating capital	-	Operating capital	-	-	-	2,203,464	2,203,464	Note 1
		Dongfeng Yulon	Accounts receivable - related parties	Y	459,774	457,716	305,144	6%-6.15%	Operating capital	-	Operating capital	457,716	-	-	2,203,464	2,203,464	Note 1
6	Sheng Qing	Shanghai Yuming	Accounts receivable - related parties	Y	75,652	-	-	-	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Jiangmen Yuli	Accounts receivable - related parties	Y	8,758	8,718	-	-	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Chang Sha Yu Lu	Accounts receivable - related parties	Y	17,460	-	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Ning Bo Yu Cheng	Accounts receivable - related parties	Y	87,302	-	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Jin Ce	Accounts receivable - related parties	Y	8,758	8,718	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Gao Te	Accounts receivable - related parties	Y	23,571	8,718	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Ke Yu	Accounts receivable - related parties	Y	30,556	13,078	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Zhuhai Yuhsin	Accounts receivable - related parties	Y	48,016	41,412	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Zi Bo Yu An	Accounts receivable - related parties	Y	52,381	45,990	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		An Hui Min Tung	Accounts receivable - related parties	Y	113,492	52,310	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
		Tung Ling Kuo Tung	Accounts receivable - related parties	Y	\$ 106,944	\$ 56,016	\$ -	-	Operating capital	\$ -	Operating capital	\$ -	-	\$ -	\$ 2,449,162	\$ 7,347,487	Note 1
		Shenzhen Yu Zhi	Accounts receivable - related parties	Y	58,238	57,977	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Fu Jian Yu Xin	Accounts receivable - related parties	Y	144,048	39,233	7,847	6.00%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Hang Zhou Hua You	Accounts receivable - related parties	Y	14,757	14,691	7,969	5.75%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Ka Shing Yu Da	Accounts receivable - related parties	Y	15,764	15,693	15,693	3.00%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Guang Zhou Yuan Du	Accounts receivable - related parties	Y	46,232	34,874	26,155	6.00%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Jiangmen Junxing	Accounts receivable - related parties	Y	43,788	43,592	43,592	6.00%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Hang Zhou Hua Zhi	Accounts receivable - related parties	Y	61,303	61,029	47,760	5.75%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Xiao Gan Yu Feng	Accounts receivable - related parties	Y	130,952	52,310	52,079	5.60%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Nan Jing Yu Hua	Accounts receivable - related parties	Y	61,303	61,029	53,503	0%-6%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Zhu Hai Fu Te En	Accounts receivable - related parties	Y	191,190	116,827	69,747	0%-6%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Wuhan Yu Hsin	Accounts receivable - related parties	Y	213,016	82,825	73,235	0%-6%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Qingdao Yuanhuang	Accounts receivable - related parties	Y	87,576	87,184	85,004	6.00%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Hang Zhou Haitec Company	Accounts receivable - related parties	Y	218,940	217,960	100,255	5.75%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Nanjing Hanhong	Accounts receivable - related parties	Y	237,024	153,880	142,250	0%-6%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Dongfeng Yulon	Accounts receivable - related parties	Y	157,637	156,931	156,931	6.15%	Operating capital	-	Operating capital	156,931	-	-	979,665	979,665	Note 1
		Xiamen Young Chang	Accounts receivable - related parties	Y	182,024	166,521	166,521	0.5%-3%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Yu-Jie	Accounts receivable - related parties	Y	179,531	178,727	174,368	1.00%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Yulon Motor Investment	Accounts receivable - related parties	Y	1,604,167	1,220,576	888,810	0.5%-3%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
7	Zhu Hai Fu Te En	Wuhan Yu Hsin	Accounts receivable - related parties	Y	4,365	-	-	-	Operating capital	-	Operating capital	-	-	-	263,512	527,023	Note 1
		Nanjing Hanhong	Accounts receivable - related parties	Y	15,714	6,975	-	-	Operating capital	-	Operating capital	-	-	-	263,512	527,023	Note 1
		Nan Jing Yu Hua	Accounts receivable - related parties	Y	21,825	17,437	-	-	Operating capital	-	Operating capital	-	-	-	263,512	527,023	Note 1
		Zhuhai Yuhsin	Accounts receivable - related parties	Y	56,746	45,772	-	-	Operating capital	-	Operating capital	-	-	-	263,512	527,023	Note 1
8	Nanjing Hanhong	Nan Jing Yu Shang	Accounts receivable - related parties	Y	48,167	47,951	47,951	6.00%	Operating capital	-	Operating capital	-	-	-	286,437	572,874	Note 1
9	Su Zhou Feng Shen	Wu Jiang Lian Cheng	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Su Zhou Chen Long	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Su Zhou Cheng Hung	Accounts receivable - related parties	Y	21,894	21,796	17,437	4.10%	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Su Zhou Cheng Guo	Accounts receivable - related parties	Y	43,788	43,592	21,796	4.10%	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Su Chou Cheng Pin	Accounts receivable - related parties	Y	43,788	43,592	23,976	4.10%	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Tai Chang Cheng Mau	Accounts receivable - related parties	Y	65,682	65,388	39,233	4.10%	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Su Zhou Feng Shun	Accounts receivable - related parties	Y	70,061	69,747	39,233	4.10%	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
10	Wu Jiang Lian Cheng	Tai Chang Cheng Mau	Accounts receivable - related parties	Y	26,190	21,796	-	-	Operating capital	-	Operating capital	-	-	-	25,933	25,933	Note 1

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note		
													Item	Value					
11	HangZhou Yu Zhong	Dongfeng Yulon Yulon Motor Investment Hang Zhou hsiao Yu Hang Zhou Hua You	Other receivables	Y	\$ 7,444	\$ 7,411	\$ 7,411	6.15%	Operating capital	\$ -	Operating capital	\$ 7,411	-	\$ -	\$ 29,792	\$ 29,792	Note 1		
			Other receivables	Y	15,103	11,770	11,770	-	Operating capital	-	Operating capital	-	-	-	744,791	1,117,186	Note 1		
			Other receivables	Y	17,515	17,437	17,437	-	Operating capital	-	Operating capital	-	-	-	744,791	1,117,186	Note 1		
			Other receivables	Y	17,953	17,873	17,873	-	Operating capital	-	Operating capital	-	-	-	29,792	29,792	Note 1		
12	Shinshin	A13	Other receivables	Y	15,000	15,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	Inventory	-	1,512,736	1,512,736	Note 1		
		A2	Other receivables	Y	45,000	-	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1		
		A23	Other receivables	Y	10,000	10,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1		
		A16	Other receivables	Y	20,000	20,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1		
		A27	Other receivables	Y	25,000	25,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1		
		A8	Other receivables	Y	30,000	30,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1		
		A24	Other receivables	Y	40,000	40,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1		
		A17	Other receivables	Y	10,000	10,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1		
		A11	Other receivables	Y	10,000	10,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1		
		A9	Other receivables	Y	25,000	25,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Property	2,000	1,512,736	1,512,736	Note 1	
		A12	Other receivables	Y	20,000	20,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Land	8,600	1,512,736	1,512,736	Note 1	
		A1	Other receivables	Y	51,287	-	-	1.5%-19.99%	Operating capital	66,000	Operating capital	-	-	Property	25,000	1,512,736	1,512,736	Note 1	
		A28	Other receivables	Y	10,000	10,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Land	27,540	1,512,736	1,512,736	Note 1	
		S1	Other receivables	Y	17,606	3,380	3,380	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Property	66,000	945,460	3,781,840	Note 1	
		A5	Other receivables	Y	6,000	4,655	4,655	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Performance bond	-	1,512,736	1,512,736	Note 1	
		A6	Other receivables	Y	30,000	4,900	4,900	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Property	2,300	1,512,736	1,512,736	Note 1	
		A21	Other receivables	Y	7,000	7,000	7,000	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Inventory	93	1,512,736	1,512,736	Note 1	
		A20	Other receivables	Y	25,000	23,330	8,330	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Property	98	1,512,736	1,512,736	Note 1	
		A19	Other receivables	Y	20,000	18,333	8,333	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Inventory	140	1,512,736	1,512,736	Note 1	
		A22	Other receivables	Y	12,000	10,482	10,482	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Inventory	167	1,512,736	1,512,736	Note 1	
		A7	Other receivables	Y	15,000	10,965	10,965	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Inventory	167	1,512,736	1,512,736	Note 1	
		A14	Other receivables	Y	15,000	11,580	11,580	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Inventory	210	1,512,736	1,512,736	Note 1	
		A26	Other receivables	Y	18,000	17,032	17,032	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Inventory	219	1,512,736	1,512,736	Note 1	
		A10	Other receivables	Y	40,000	33,344	33,344	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Inventory	232	1,512,736	1,512,736	Note 1	
		A18	Other receivables	Y	45,000	37,765	37,765	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Stock	341	57,200	1,512,736	1,512,736	Note 1
		A4	Other receivables	Y	69,632	67,773	47,773	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Inventory/ performance bond	667	1,500	1,512,736	1,512,736	Note 1
		A15	Other receivables	Y	60,000	56,394	56,394	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Inventory/ performance bond	755	-	1,512,736	1,512,736	Note 1
A25	Other receivables	Y	70,000	69,001	69,001	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Inventory/ performance bond	955	-	1,512,736	1,512,736	Note 1		
K1	Other receivables	Y	113,050	109,911	109,911	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Property	1,128	35,000	1,512,736	1,512,736	Note 1		
13	Guang Zhou Yuan Du	Qingdao Yuanhuang	Accounts receivable - related parties	Y	87,576	87,184	59,721	6.40%	Operating capital	-	Operating capital	1,843	-	-	143,450	143,450	Note 1		
14	Su Zhou Feng Shun	Tai Chang Cheng Mau	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	65,596	65,596	Note 1		
		Su Zhou Cheng Hung	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	65,596	65,596	Note 1		
		Su Chou Cheng Pin	Accounts receivable - related parties	Y	30,556	21,796	-	-	Operating capital	-	Operating capital	-	-	-	65,596	65,596	Note 1		
15	Suzhou Yueshun	Tai Chang Cheng Mau	Accounts receivable - related parties	Y	6,568	6,539	-	-	Operating capital	-	Operating capital	-	-	-	17,499	17,499	Note 1		
		Su Zhou Feng Shun	Accounts receivable - related parties	Y	6,568	6,539	-	-	Operating capital	-	Operating capital	-	-	-	17,499	17,499	Note 1		
16	Nan Jing Yu Hua	Nanjing Hanhong	Accounts receivable - related parties	Y	118,762	118,230	118,230	-	Operating capital	-	Operating capital	-	-	-	144,490	288,980	Note 1		
17	Xiao Gan Yu Feng	Wuhan Yu Hsin	Accounts receivable - related parties	Y	21,825	-	-	-	Operating capital	-	Operating capital	-	-	-	258,170	516,339	Note 1		
		Chang Sha Yu Lu	Accounts receivable - related parties	Y	19,643	10,898	-	-	Operating capital	-	Operating capital	-	-	-	258,170	516,339	Note 1		
18	Yu-Jie	Dongfeng Yulon	Other receivables	Y	218,940	217,960	217,960	6.15%	Operating capital	-	Operating capital	217,960	-	-	891,149	891,149	Note 1		
19	Yu-Hsin Intl	Yu-Hsin Intl HK	Other receivables	Y	151,650	142,540	114,032	2.90%	Operating capital	-	Operating capital	-	-	-	285,005	427,507	Note 1		
20	Su Zhou Chen Long	Su Zhou Feng Shun	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	147,215	147,215	Note 1		
		Su Zhou Cheng Pang	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	147,215	147,215	Note 1		
		Su Chou Cheng Pin	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	147,215	147,215	Note 1		

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
		Tai Chang Cheng Mau	Accounts receivable - related parties	Y	\$ 21,894	\$ 21,796	\$ 21,796	5.00%	Operating capital	\$ -	Operating capital	\$ -	-	\$ -	\$ 147,215	\$ 147,215	Note 1
		Su Zhou Cheng Guo	Accounts receivable - related parties	Y	52,546	52,310	23,976	4.35%	Operating capital	-	Operating capital	-	-	-	147,215	147,215	Note 1
21	Su Zhou Cheng Pang	Su Zhou Cheng Hung	Accounts receivable - related parties	Y	13,136	13,078	-	-	Operating capital	-	Operating capital	-	-	-	19,727	19,727	Note 1
22	Hang Zhou Tang Yu	Dongfeng Yulon Yulon Motor Investment	Other receivables Other receivables	Y Y	4,817 38,937	4,795 38,361	4,795 38,361	6.15% -	Operating capital Operating capital	- -	Operating capital Operating capital	- -	- -	- -	19,055 476,385	19,055 714,578	Note 1 Note 1
23	Hang Zhou hsiao Yu	Yulon Motor Investment	Other receivables	Y	873	392	-	-	Operating capital	-	Operating capital	-	-	-	435,920	653,880	Note 1
24	Hang Zhou Chien Yu	Yulon Motor Investment	Other receivables	Y	3,929	3,487	3,487	-	Operating capital	-	Operating capital	-	-	-	435,920	653,880	Note 1
25	Ke Yu	Yi Ding Dongfeng Yulon Sheng Qing	Other receivables Other receivables Other receivables	Y Y Y	21,894 74,440 436,508	21,796 74,106 405,406	21,796 74,106 212,729	0.50% 6.15% 0.50%	Operating capital Operating capital Operating capital	- - -	Operating capital Operating capital Operating capital	- 74,106 -	- - -	- - -	726,153 290,461 726,153	1,452,307 290,461 1,452,307	Note 1 Note 1 Note 1
26	Gao Te	Dongfeng Yulon	Other receivables	Y	23,646	23,540	23,540	6.15%	Operating capital	-	Operating capital	23,540	-	-	93,564	93,564	Note 1
27	Mei De	Sheng Qing Dongfeng Yulon Shi Cheng	Other receivables Other receivables Other receivables	Y Y Y	135,317 35,381 209,524	130,776 35,222 130,776	- 35,222 130,776	- 6.15% 0.50%	Operating capital Operating capital Operating capital	- - -	Operating capital Operating capital Operating capital	- 35,222 -	- - -	- - -	531,020 141,605 531,020	1,062,040 141,605 1,062,040	Note 1 Note 1 Note 1
28	Xiamen Young Chang	Dongfeng Yulon	Other receivables	Y	65,682	65,388	65,388	6.15%	Operating capital	-	Operating capital	65,388	-	-	323,660	323,660	Note 1
29	Qing Tai	Shi Cheng Dongfeng Yulon Dong Tai	Other receivables Other receivables Other receivables	Y Y Y	17,515 30,652 109,470	17,437 30,514 108,980	17,437 30,514 108,980	0.50% 6.15% 0.50%	Operating capital Operating capital Operating capital	- - -	Operating capital Operating capital Operating capital	- 30,514 -	- - -	- -	465,461 124,123 465,461	930,922 124,123 930,922	Note 1 Note 1 Note 1
30	Jin Ce	Dongfeng Yulon Yi Ding	Other receivables Other receivables	Y Y	7,006 39,286	6,975 30,514	6,975 30,514	6.15% 0.50%	Operating capital Operating capital	- -	Operating capital Operating capital	6,975 -	- -	- -	28,066 701,655	28,066 1,052,482	Note 1 Note 1
31	Tai Feng	Yi Ding Dong Tai Dongfeng Yulon	Other receivables Other receivables Other receivables	Y Y Y	13,136 21,894 48,167	13,078 21,796 47,951	13,078 21,796 47,951	0.50% 0.50% 6.15%	Operating capital Operating capital Operating capital	- - -	Operating capital Operating capital Operating capital	- - 47,951	- - -	- -	1,106,131 1,106,131 294,968	2,212,261 2,212,261 294,968	Note 1 Note 1 Note 1
32	Dong Tai	Dongfeng Yulon	Other receivables	Y	11,823	11,770	11,770	6.15%	Operating capital	-	Operating capital	11,770	-	-	28,688	28,688	Note 1
33	Shi Cheng	Dongfeng Yulon	Other receivables	Y	13,968	13,731	13,731	6.15%	Operating capital	-	Operating capital	13,731	-	-	36,453	36,453	Note 1
34	Yi Ding	Dongfeng Yulon	Other receivables	Y	23,135	22,973	22,973	6.15%	Operating capital	-	Operating capital	22,973	-	-	91,678	91,678	Note 1
35	Sin Jang	Singan	Other receivables	Y	210,000	210,000	210,000	0.97%	Operating capital	-	Operating capital	-	-	-	210,828	210,828	Note 1
36	Su Zhou Cheng Li	Su Zhou Feng Shun Su Chou Cheng Pin	Accounts receivable - related parties Accounts receivable - related parties	Y Y	8,758 8,758	8,718 8,718	- -	- -	Operating capital Operating capital	- -	Operating capital Operating capital	- -	- -	- -	20,151 20,151	20,151 20,151	Note 1 Note 1
37	Yu Ching	Haitec	Other receivables	Y	339,000	-	-	-	Operating capital	-	Operating capital	-	-	-	539,244	539,244	Note 1
38	Chuang Jie New Energy Vehicle	Luxgen (Hangzhou) Motor Sales	Other receivables	Y	120,876	-	-	-	Operating capital	-	Operating capital	-	-	-	336,274	1,008,822	Note 1
39	Sin Chi	Haitec	Other receivables	Y	269,000	-	-	-	Operating capital	-	Operating capital	-	-	-	501,555	501,555	Note 1
40	NISSAN Taiwan Ltd.(Shanghai)	Zhe Jiang Cheng Yi Company	Other receivables	Y	9,635	9,603	9,603	4.00%	Operating capital	-	Operating capital	-	-	-	10,330	10,330	Note 1
41	Shanghai Yuming	Ka Shing Yu Da	Other receivables	Y	26,273	26,155	8,718	5.00%	Operating capital	-	Operating capital	-	-	-	37,922	37,922	Note 1
42	Tai Chang Cheng Mau	Su Zhou Cheng Guo	Accounts receivable - related parties	Y	8,758	8,718	-	-	Operating capital	-	Operating capital	-	-	-	24,310	24,310	Note 1

(Continued)

28. Xiamen Young Chang: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
29. Qing Tai: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity. While the financing was provided to a foreign subsidiary which was directly or indirectly held by the Company, credit financing limit for each borrower was 150% of the lender's net equity and aggregate financing limits was 300% of the lender's net equity.
30. Jin Ce: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity. While the financing was provided to a foreign subsidiary which was directly or indirectly held by the Company, credit financing limit for each borrower was 1,000% of the lender's net equity and aggregate financing limits was 1,500% of the lender's net equity.
31. Tai Feng: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity. While the financing was provided to a foreign subsidiary which was directly or indirectly held by the Company, credit financing limit for each borrower was 150% of the lender's net equity and aggregate financing limits was 300% of the lender's net equity.
32. Dong Tai: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
33. Shi Cheng: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
34. Yi Ding: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
35. Sin Jiang: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
36. Su Zhou Cheng Li: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
37. Yu Ching: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
38. Chuang Jie: Credit financing limit for each borrower were not exceeding 10% of the lender's net equity and aggregate financing limits were not exceeding 30% of the lender's net equity.
39. Sin Chi: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
40. Genwise: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
41. Shanghai Yuming: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
42. Tai Chang Cheng Mau: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.

(Concluded)

TABLE 2

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2020

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Each Endorsement/Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collaterals	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit	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 (Note 2)											
0	The Company	Luxgen Kaohsiung	b	\$ 13,750,922	\$ 164,250	\$ 50,000	\$ -	\$ -	0.10	\$ 36,553,851	Y	N	N	Note 1
		Luxgen Taichung	b	13,750,922	165,000	50,000	-	-	0.10	36,553,851	Y	N	N	Note 1
		Luxgen Tainan	b	13,750,922	200,000	50,000	-	-	0.10	36,553,851	Y	N	N	Note 1
		Luxgen Taoyuan	b	13,750,922	208,000	50,000	-	-	0.10	36,553,851	Y	N	N	Note 1
		Luxgen Taipei	b	13,750,922	600,000	50,000	50,000	-	0.10	36,553,851	Y	N	N	Note 1
		Sin Chi	b	13,750,922	500,000	500,000	-	-	1.03	36,553,851	Y	N	N	Note 1
		Yu Sing	b	13,750,922	1,440,000	510,000	280,000	-	1.05	36,553,851	Y	N	N	Note 1
		UMPI	b	13,750,922	758,250	570,160	93,760	-	1.17	36,553,851	Y	N	N	Note 1
		Yu Ching	b	13,750,922	1,000,000	1,000,000	-	-	2.05	36,553,851	Y	N	N	Note 1
		Luxgen	b	13,750,922	11,350,000	8,100,000	100,000	-	16.62	36,553,851	Y	N	N	Note 1
		Luxgen (Hangzhou) Motor Sales	b	13,750,922	9,099,000	-	-	-	-	-	36,553,851	Y	N	Y
1	Union & NKH Auto Parts	Hangchow Liangrun	b	327,770	312,000	312,000	-	-	13.33	936,484	N	N	Y	Note 1
2	YFC	Yulon Finance Philippines Corporation	b	48,158,883	2,408,000	2,344,000	1,029,680	-	12.17	96,317,765	N	N	N	Note 1
		TAC Leasing (Suzhou)	b	48,158,883	5,961,152	5,936,128	3,317,248	-	30.82	96,317,765	N	N	Y	Note 1
		Car-Plus Go Co., Ltd.	b	48,158,883	320,000	-	-	-	-	96,317,765	N	N	Y	Note 1
		TAC Finance Company	b	48,158,883	10,000,000	3,800,000	1,747,325	-	19.73	96,317,765	N	N	Y	Note 1
3	Car-plus Corporation	Car-Plus Go Co., Ltd.	b	5,145,628	480,000	-	-	-	-	10,291,255	N	N	Y	Note 1
4	Sheng Qing	Tung Ling Kuo Tung	b	12,245,811	17,460	-	-	-	-	61,229,055	N	N	Y	Note 1
		Shanghai Yuming	b	12,245,811	21,825	-	-	-	-	61,229,055	N	N	Y	Note 1
		Xiao Gan Yu Feng	b	12,245,811	21,825	-	-	-	-	61,229,055	N	N	Y	Note 1
		Chang Sha Yu Lu	b	12,245,811	30,556	-	-	-	-	61,229,055	N	N	Y	Note 1
		Jiangmen Junxing	b	12,245,811	43,651	-	-	-	-	61,229,055	N	N	Y	Note 1
		Nan Jing Yu Hua	b	12,245,811	65,476	-	-	-	-	61,229,055	N	N	Y	Note 1
		Nanjing Hanhong	b	12,245,811	211,305	108,980	60,157	-	4.45	61,229,055	N	N	Y	Note 1
		Qingdao Yuanhuang	b	12,245,811	218,940	217,960	78,577	-	8.90	61,229,055	N	N	Y	Note 1
		Wuhan Yu Hsin	b	12,245,811	262,728	261,552	254,621	-	10.68	61,229,055	N	N	Y	Note 1
		Guang Zhou Yuan Du	b	12,245,811	350,304	348,736	83,374	-	14.24	61,229,055	N	N	Y	Note 1
		Yu-Jie	b	12,245,811	875,760	871,840	-	-	35.60	61,229,055	N	N	Y	Note 1
5	Nanjing Hanhong	Nan Jing Yu Hua	b	435,920	109,470	108,980	-	-	57.07	588,492	N	N	Y	Note 1
		Zhu Hai Fu Te En	d	435,920	218,940	217,960	31,168	-	114.14	588,492	N	N	Y	Note 1
6	Zhu Hai Fu Te En	Nan Jing Yu Hua	d	527,023	109,470	108,980	-	-	41.36	790,535	N	N	Y	Note 1
		Nanjing Hanhong	d	527,023	175,152	174,368	-	-	66.17	790,535	N	N	Y	Note 1
7	Su Zhou Feng Shen	Wu Jiang Lian Cheng	b	773,581	43,788	43,592	-	-	5.64	2,320,742	N	N	Y	Note 1
		Su Zhou Feng Shun	b	773,581	76,366	76,024	-	-	9.83	2,320,742	N	N	Y	Note 1
		Su Zhou Cheng Pang	b	773,581	131,364	130,776	37,560	-	16.91	2,320,742	N	N	Y	Note 1
		Tai Chang Cheng Mau	b	773,581	148,879	148,213	43,674	-	19.16	2,320,742	N	N	Y	Note 1

(Continued)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Each Endorsement/Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collaterals	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit	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 (Note 2)											
8	Wu Jiang Lian Cheng	Su Zhou Feng Shen	c	\$ 392,328	\$ 43,788	\$ 43,592	\$ -	\$ -	67.24	\$ 871,840	N	N	Y	Note 1
		Su Zhou Feng Shun	c	392,328	229,624	228,596	75,937	-	352.59	871,840	N	N	Y	Note 1
9	Su Zhou Feng Shun	Su Zhou Cheng Li	b	819,944	26,273	26,155	-	-	15.95	1,639,888	N	N	Y	Note 1
		Su Zhou Feng Shen	c	819,944	43,788	43,592	-	-	26.58	1,639,888	N	N	Y	Note 1
		Wu Jiang Lian Cheng	b	819,944	153,258	152,572	49,856	-	93.04	1,639,888	N	N	Y	Note 1
10	Su Zhou Cheng Pang	Su Zhou Feng Shen	c	392,328	153,258	152,572	20,996	-	309.36	784,656	N	N	Y	Note 1
11	Tai Chang Cheng Mau	Su Zhou Feng Shen	c	392,328	153,258	152,572	20,996	-	251.05	871,840	N	N	Y	Note 1
12	Su Zhou Cheng Guo	Su Zhou Chen Long	c	392,328	109,470	108,980	48,934	-	999.99	871,840	N	N	Y	Note 1
13	Su Zhou Chen Long	Su Zhou Cheng Hung	b	1,840,191	78,818	78,466	6,362	-	21.32	3,680,382	N	N	Y	Note 1
14	Nan Jing Yu Hua	Nanjing Hanhong	c	481,633	175,152	174,368	-	-	-	963,265	N	N	Y	Note 1
		Zhu Hai Fu Te En	d	481,633	218,940	217,960	-	-	-	963,265	N	N	Y	Note 1

Note 1: The Company: The aggregate endorsement/guarantee limit was calculated for 75% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 40% of the aggregate endorsement/guarantee amounts.

Union & NKH Auto Parts: The aggregate endorsement/guarantee limit was calculated for 40% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 35% of the aggregate endorsement/guarantee amounts.

YFC: The aggregate endorsement/guarantee limit was calculated for 500% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 50% of the aggregate endorsement/guarantee amounts.

Car-plus Corporation: The aggregate endorsement/guarantee limit was calculated for 500% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party was calculated for 250% of the endorser's/guarantor's net equity.

Sheng Qing: The aggregate endorsement/guarantee limit was calculated for 2,500% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party was calculated for 500% of the endorser's/guarantor's net equity.

Nanjing Hanhong: The aggregate endorsement/guarantee limit was RMB135 million. The limits on each endorsement/guarantee given on behalf of each party was RMB100 million.

Zhu Hai Fu Te En: The aggregate endorsement/guarantee limit was calculated for 300% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party was calculated for 200% of the endorser's/guarantor's net equity.

Su Zhou Feng Shen: The aggregate endorsement/guarantee limit was calculated for 300% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party was calculated for 100% of the endorser's/guarantor's net equity.

Wu Jiang Lian Cheng: The aggregate endorsement/guarantee limit was RMB200 million. The limits on each endorsement/guarantee given on behalf of each party was RMB90 million.

Su Zhou Feng Shun: The aggregate endorsement/guarantee limit was calculated for 300% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 100% of the aggregate endorsement/guarantee amounts.

Su Zhou Cheng Pang: The aggregate endorsement/guarantee limit was RMB180 million. The limits on each endorsement/guarantee given on behalf of each party was RMB90 million.

Tai Chang Cheng Mau: The aggregate endorsement/guarantee limit was RMB200 million. The limits on each endorsement/guarantee given on behalf of each party was RMB90 million.

Su Zhou Cheng Guo: The aggregate endorsement/guarantee limit was RMB200 million. The limits on each endorsement/guarantee given on behalf of each party was RMB90 million.

Su Zhou Chen Long: The aggregate endorsement/guarantee limit was calculated for 1,000% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 500% of the aggregate endorsement/guarantee amounts.

(Continued)

Nanjing YuHua: The aggregate endorsement/guarantee limit was calculated for 1,000% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 500% of the aggregate endorsement/guarantee amounts.

Note 2: The relationship between guarantor and guarantee are as follows:

- a. The Company in relation to business.
- b. Subsidiaries' common stocks which were directly owned by parent company over 50%.
- c. Investees' common stocks which were both owned by parent company and subsidiary over 50%.
- d. Investees' common stocks which were directly or indirectly held by the Company over 90%.
- e. Based on contract projects among their peers in accordance with contract provisions which need mutual insurance company.
- f. Owing to the joint venture funded by the shareholders on its endorsement of its holding company.
- g. Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

(Concluded)

TABLE 3

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

DECEMBER 31, 2020

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	<u>Structured finance products</u>							
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	125	\$ 12,515	-	\$ 12,515	-
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	500	50,037	-	50,037	-
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	290	29,076	-	29,076	-
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	250	25,073	-	25,073	-
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	300	30,072	-	30,072	-
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	300	30,027	-	30,027	-
	Yuanta Securities CLN - M.J. 1st		Financial assets at fair value through profit or loss - current	17	1,708	-	1,708	-
	Yuanta Securities CLN - Yeong Guan 3		Financial assets at fair value through profit or loss - current	200	20,052	-	20,052	-
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	100	10,003	-	10,003	-
	Yuanta Securities CLN -Singtex 2nd		Financial assets at fair value through profit or loss - current	181	18,162	-	18,162	-
	Yuanta Securities CLN -Center 5		Financial assets at fair value through profit or loss - current	100	10,026	-	10,026	-
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	200	20,009	-	20,009	-
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	150	15,060	-	15,060	-
	<u>Beneficiary certificates</u>							
	Fuh Hwa Intelligence Fund		Financial assets at fair value through profit or loss - current	3,000	30,213	-	30,213	-
	Taishin Dragon Fund		Financial assets at fair value through profit or loss - current	1,819	21,160	-	21,160	-
	KGI Feng-Li Fund		Financial assets at fair value through profit or loss - current	739	10,890	-	10,890	-
	KGI Kifly Strategic Fund		Financial assets at fair value through profit or loss - current	2,349	32,584	-	32,584	-
	The RSIT Enhanced Money Market		Financial assets at fair value through profit or loss - current	830	10,005	-	10,005	-
	Jih Sun Money Market Fund		Financial assets at fair value through profit or loss - current	1,372	20,518	-	20,518	-
	Capital Money Market Fund		Financial assets at fair value through profit or loss - current	1,702	27,689	-	27,689	-
	FSITC Taiwan Money Market		Financial assets at fair value through profit or loss - current	13,932	215,015	-	215,015	-
	Hua Nan Phoenix Money Market		Financial assets at fair value through profit or loss - current	18,309	300,007	-	300,007	-
	Union Money Market Fund		Financial assets at fair value through profit or loss - current	30,786	409,748	-	409,748	-
	Taishin 1699 Money Market		Financial assets at fair value through profit or loss - current	4,409	60,168	-	60,168	-
	Taishin Ta-Chong Money Market		Financial assets at fair value through profit or loss - current	17,458	250,005	-	250,005	-
	Allianz Gbl Investors Taiwan Money Mkt		Financial assets at fair value through profit or loss - current	2,501	31,592	-	31,592	-
	Nomura Taiwan Money Market		Financial assets at fair value through profit or loss - current	608	10,005	-	10,005	-
	Fuh Hwa Global Balanced		Financial assets at fair value through profit or loss - current	1,180	30,840	-	30,840	-
	Shin Kong Global Bond Fund		Financial assets at fair value through profit or loss - current	910	9,938	-	9,938	-
	Yuanta Global ETFs Stable Fund of Funds		Financial assets at fair value through profit or loss - current	1,721	26,514	-	26,514	-
	PGIM US Corporate Bond Fund USD T Distribution		Financial assets at fair value through profit or loss - current	7	25,431	-	25,431	-

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	FSITC 4-Year Maturity Emerging Market Investment Grade Bond Fund Inc USD		Financial assets at fair value through profit or loss - current	1,300	\$ 13,007	-	\$ 13,007	-
	Cathay Smart ETF Conservative Fund of ETFs		Financial assets at fair value through profit or loss - current	1,929	21,716	-	21,716	-
	Taishin North American Income Trust		Financial assets at fair value through profit or loss - current	208	4,808	-	4,808	-
	Taishin Strategy Senior Total Return High Yield Bond Fund		Financial assets at fair value through profit or loss - current	1,860	18,941	-	18,941	-
	PineBridge Emerg Mkt AsiaPac Strat Bd		Financial assets at fair value through profit or loss - current	1,585	20,194	-	20,194	-
	Allianz Global Investors All Seasons Harvest Fund of Bond Funds		Financial assets at fair value through profit or loss - current	1,974	26,687	-	26,687	-
	NN (L) US Credit - X Dis(M) USD		Financial assets at fair value through profit or loss - current	1	25,228	-	25,228	-
	Union Advantage Global Fixed Income Portfolio Fund		Financial assets at fair value through profit or loss - current	1,180	19,527	-	19,527	-
	KGI Taiwan Multi-Asset Income Fund		Financial assets at fair value through profit or loss - current	994	10,338	-	10,338	-
	THE RSIT Digital Fund		Financial assets at fair value through profit or loss - current	221	10,120	-	10,120	-
	Capital Conservative Allocation Fund of Funds		Financial assets at fair value through profit or loss - current	500	4,987	-	4,987	-
	Capital Global Abundant Income Fund Of Fund TWD Inc		Financial assets at fair value through profit or loss - current	2,193	29,035	-	29,035	-
	Capital Global Biotech Fund		Financial assets at fair value through profit or loss - current	822	15,271	-	15,271	-
	FSITC AI Global Precision Medicine Fund		Financial assets at fair value through profit or loss - current	335	5,278	-	5,278	-
	Preferred Securities Income Fund		Financial assets at fair value through profit or loss - current	510	5,403	-	5,403	-
	UPAMC GREAT CHINA Fund		Financial assets at fair value through profit or loss - current	119	5,816	-	5,816	-
	Nomura Global Equity Fund		Financial assets at fair value through profit or loss - current	233	5,426	-	5,426	-
	Nomura Taiwan Equity Fund		Financial assets at fair value through profit or loss - current	77	5,449	-	5,449	-
	Franklin Templeton SinoAm AI Hi-Tech Fund		Financial assets at fair value through profit or loss - current	1,500	15,525	-	15,525	-
	<u>Common stocks</u>							
	Taiwan Stock Exchange		Financial assets at fair value through other comprehensive income - non-current	7,503	366,234	1.00	366,234	-
	Taiwan Aerospace Company		Financial assets at fair value through other comprehensive income - non-current	811	-	0.60	-	-
	Yulon Finance Corporation, Preferred Shares A	Subsidiary	Financial assets at fair value through other comprehensive income - non-current	36,604	1,874,124	36.60	1,874,124	-
	Mison - Century Technology, Ltd	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	5,025	31,303	8.37	31,303	-
YFC	<u>Bonds</u>							
	Government bonds		Financial assets at amortized cost - non-current	-	5,203	-	5,671	-
Shinshin	<u>Bonds</u>							
	Government bonds		Financial assets at amortized cost - non-current	-	10,042	-	10,051	-
Diamond Leasing	<u>Beneficiary certificates</u>							
	Union Money Market Fund		Financial assets at fair value through profit or loss - current	2,256	30,024	-	30,024	-
	Cathay Taiwan Money Market Fund		Financial assets at fair value through profit or loss - current	798	10,003	-	10,003	-

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
H. K. Manpower	<u>Beneficiary certificates</u>							
	Union Money Market Fund		Financial assets at fair value through profit or loss - current	235	\$ 3,123	-	\$ 3,123	-
	The RSIT Enhanced Money Market		Financial assets at fair value through profit or loss - current	254	3,061	-	3,061	-
	Jih Sun Money Market Fund		Financial assets at fair value through profit or loss - current	206	3,076	-	3,076	-
	Capital Money Market Fund		Financial assets at fair value through profit or loss - current	129	2,093	-	2,093	-
Da Wei	<u>Beneficiary certificates</u>	The parent company						
	Jih Sun Money Market Fund		Financial assets at fair value through profit or loss - current	172	2,578	-	2,578	-
Yu Pong	<u>Structured finance products</u>		Financial assets at fair value through profit or loss - current	-	30,150	-	30,150	-
	CLN Jiaying Three							
Yu Pong	<u>Beneficiary certificates</u>							
	FSITC US Top 100 Bond Fund		Financial assets at fair value through profit or loss - current	1,000	10,218	-	10,218	-
	FSITC Taiwan Money Market		Financial assets at fair value through profit or loss - current	2,798	43,177	-	43,177	-
	KGI Global ESG Sustainable High Yield Bond Fund		Financial assets at fair value through profit or loss - current	1,000	10,516	-	10,516	-
	Taishin 1699 Money Market		Financial assets at fair value through profit or loss - current	734	10,023	-	10,023	-
	KGI Feng-Li Fund		Financial assets at fair value through profit or loss - current	800	11,793	-	11,793	-
Yu Pong	<u>Common stocks</u>							
	Yulon Motor Company		Financial assets at fair value through other comprehensive income - current	-	4	-	4	-
	Fubon Financial Company		Financial assets at fair value through other comprehensive income - current	2,419	113,077	-	113,077	-
China Cast Iron Pipe	<u>Beneficiary certificates</u>							
	Franklin Templeton Sinoam Money Market		Financial assets at fair value through profit or loss - current	153	1,600	-	1,600	-
	The RSIT Enhanced Money Market Fund		Financial assets at fair value through profit or loss - current	42	509	-	509	-
Yue Sheng	<u>Common stocks</u>	The same ultimate parent company						
	YUE KI INDUSTRIAL CO., LTD.		Financial assets at fair value through other comprehensive income - non-current	16	100	0.80	100	-
Yung Hong	<u>Beneficiary certificates</u>							
	FSITC Taiwan Money Market		Financial assets at fair value through profit or loss - current	3,582	55,280	-	55,280	-
	Cathay Asian High Yield Bond Fund		Financial assets at fair value through profit or loss - current	500	5,093	-	5,093	-
Yung Hong	<u>Common stocks</u>	Related party in substance						
	CARNIVAL Company		Financial assets at fair value through profit or loss - current	141	1,578	-	1,578	-
	Kian-shen Company	Related party in substance	Financial assets at fair value through profit or loss - current	81	5,515	-	5,515	-
	TAC Corporation	The same ultimate parent company	Financial assets at fair value through profit or loss - current	7	710	-	710	-
	Yulon Finance Corporation, Preferred Shares A	The same ultimate parent company	Financial assets at fair value through other comprehensive income - current	8,001	409,665	8.00	409,665	-

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Yu Ching	Orgchem Technology Company		Financial assets at fair value through other comprehensive income - non-current	291	\$ 5,085	-	\$ 5,085	-
	T-Car Inc.		Financial assets at fair value through other comprehensive income - non-current	1,275	25,728	-	25,728	-
	ADTO Company		Financial assets at fair value through other comprehensive income - non-current	1	10	-	10	-
	ROCKER ZONE		Financial assets at amortized cost - non-current	330	5,945	-	5,945	-
Yu Ching	<u>Beneficiary certificates</u> Jih Sun Money Market Fund		Financial assets at fair value through profit or loss - current	11,974	179,004	-	179,004	-
	Franklin Templeton SinoAm Fund		Financial assets at fair value through profit or loss - current	1,631	17,006	-	17,006	-
Yu Ching	<u>Common stocks</u> Yulon Motor Company	The parent company	Financial assets at fair value through other comprehensive income - non-current	7,526	352,990	0.75	352,990	-
	Yulon Management	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	1	9	0.01	9	-
Yu Chang	<u>Common stocks</u> Luxgen Taichung	The same ultimate parent company	Financial assets at fair value through other comprehensive income - non-current	250	1,896	3.52	1,896	-
	Kai Xing Insurance Agency		Financial assets at fair value through other comprehensive income - non-current	43	1,785	6.96	1,785	-
Yushin	<u>Common stocks</u> Kai Xing Insurance Agency		Financial assets at fair value through other comprehensive income - non-current	43	781	6.96	781	-
Empower	<u>Common stocks</u> Kai Xing Insurance Agency	The same ultimate parent company	Financial assets at fair value through other comprehensive income - non-current	43	1,477	6.67	1,477	-
	Luxgen Taichung		Financial assets at fair value through other comprehensive income - non-current	120	1,200	1.13	1,200	-
Yu Sing	<u>Common stocks</u> Kai Xing Insurance Agency		Financial assets at fair value through other comprehensive income - non-current	43	842	6.97	842	-
	<u>Beneficiary certificates</u> Jih Sun Money Market Fund		Financial assets at fair value through profit or loss - current	61,757	923,266	-	923,266	-

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note	
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value		
Sin Chi	<u>Common stocks</u> CARNIVAL Company	Related party in substance	Financial assets at fair value through profit or loss - current	59	\$ 660	-	\$ 660	-	
	RECTRON LTD.		16	403	-	403	-		
	Yang Ming Marine Transport Corporation		6	163	-	163	-		
	SHIN KONG SECURITY CO.,LTD.	The same ultimate parent company	Financial assets at fair value through profit or loss - current	50	1,852	-	1,852	-	
	Compal Electronics, INC		14	291	-	291	-		
	Yue Sheng Company		2	33	-	33	-		
	<u>Beneficiary certificates</u> Jih Sun Money Market Fund		Financial assets at fair value through profit or loss - current	569	8,506	-	8,506	-	
	<u>Beneficiary certificates</u> Franklin Money Fund		Financial assets at fair value through profit or loss - current	12,476	130,109	-	130,109	-	
	Yulon China	<u>Common stocks</u> YUNG JEN INDUSTRIAL CO., LTD.		Financial assets at fair value through profit or loss - non-current	75	2,136	-	2,136	-
	Luxgen	<u>Beneficiary certificates</u> CTBC Hwa-win Money Market Fund		Financial assets at fair value through profit or loss - current	36,012	400,000	-	400,000	-
Luxgen	<u>Common stocks</u> Yulon Finance Corporation, Preferred Shares A	The same ultimate parent company	Financial assets at fair value through other comprehensive income - non-current	8,000	409,600	8.00	409,600	-	
Yu-Jie	<u>Financial products</u> 7-Day Call Deposit		Financial assets at amortized cost - current	-	65,472	-	65,472	-	
	Lidodo Public Structural Deposit		Financial assets at fair value through profit or loss - current	-	144,038	-	144,038	-	
Su Zhou Feng Shen	<u>Common stocks</u> Guang Zhou Cheng Yi		Financial assets at fair value through other comprehensive income - non-current	660	4,153	2.20	4,153	-	
	<u>Financial products</u> Bank Of Nanjing Call Deposit		Financial assets at amortized cost - current	-	375,373	-	375,373	-	
	Fubon Bank (China) Structured Deposit		Financial assets at amortized cost - current	-	43,648	-	43,648	-	
Chuang Jie	<u>Financial products</u> Structural Deposit		Financial assets at fair value through profit or loss - current	-	130,944	-	130,944	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
HangZhou Yu Zhong	<u>Financial products</u> Yuntong Wealth Term Structured Deposit		Financial assets at fair value through profit or loss - current	-	\$ 19,642	-	\$ 19,642	-
Hangchow Liangrun	<u>Financial products</u> Yuntong Wealth Term Structured Deposit		Financial assets at fair value through profit or loss - current	-	21,824	-	21,824	-
Hang Zhou Haitec Company	<u>Financial products</u> Pension Financial products Daily schedule Financial products Income Progressive Wealth Management Products		Financial assets at fair value through profit or loss - current	-	27,498	-	27,498	-
			Financial assets at fair value through profit or loss - current	-	8,511	-	8,511	-
			Financial assets at fair value through profit or loss - current	-	6,111	-	6,111	-

(Concluded)

TABLE 4

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED AND 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 of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares/Units	Amount (Note)	Shares/Units	Amount	Shares/Units	Amount	Carrying Value	Gain (Loss) on Disposal	Shares/Units	Amount (Note)
The Company	KGI Securities PGN-structured products	Financial assets at fair value through profit or loss - current	-	-	6	\$ 600,011	-	\$ -	6	\$ 600,379	\$ 600,000	\$ 379	-	\$ -
	ML Securities PGN-Commercial Paper-90 Days	Financial assets at fair value through profit or loss - current	-	-	-	-	5	500,000	5	500,721	500,000	721	-	-
	KGI Securities CLN-structured products	Financial assets at fair value through profit or loss - current	-	-	-	-	6	600,000	6	600,568	600,000	568	-	-
	Yuanta De-Li Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	30,481	500,000	30,481	500,263	500,000	263	-	-
	Jih Sun Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	33,775	502,492	1,707	25,503	34,110	509,297	506,214	3,083	1,372	20,518
	Capital Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	32,523	527,675	30,821	500,637	500,000	637	1,702	27,689
	Prudential Financial Money Market	Financial assets at fair value through profit or loss - current	-	-	31,582	501,580	-	-	31,582	503,262	500,000	3,262	-	-
	FSITC Taiwan Money Market	Financial assets at fair value through profit or loss - current	-	-	-	-	33,750	520,000	19,818	305,437	304,999	437	13,932	215,015
	Hua Nan Phoenix Money Market	Financial assets at fair value through profit or loss - current	-	-	-	-	48,903	800,000	30,594	500,668	500,000	668	18,309	300,007
	Union Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	64,688	859,739	33,902	450,631	450,000	631	30,786	409,748
	CTBC Hwa-win Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	45,123	500,000	45,123	500,614	500,000	614	-	-
	Taishin 1699 Money Market	Financial assets at fair value through profit or loss - current	-	-	-	-	41,159	560,156	36,750	500,786	500,000	786	4,409	60,168
	Yulon Overseas	Investments accounted for using equity method	-	-	-	(2,540,934)	-	8,507,874	-	-	-	-	-	7,936,718
	Haitec	Investments accounted for using equity method	-	-	116,370	(9,314,207)	631,030	7,474,000	-	-	-	-	747,400	(1,567,265)
	Luxgen	Investments accounted for using equity method	-	-	980,000	727,182	600,000	6,000,000	975,000	-	-	-	605,000	204,974
Yulon Overseas	Yulon China	Investments accounted for using equity method	-	-	-	(3,199,133)	-	8,507,874	-	-	-	-	-	7,961,705
Yulon China	Yulon China Holding	Investments accounted for using equity method	-	-	-	(4,784,558)	-	8,578,779	-	-	-	-	-	6,284,898
Yulon China Holding	Yulon China (HK)	Investments accounted for using equity method	-	-	-	(4,784,563)	-	8,578,779	-	-	-	-	-	6,284,893
Yulon China (HK) Holding	Yulon Motor Investment	Investments accounted for using equity method	-	-	-	(108,285)	-	2,603,385	-	-	-	-	-	5,552,817
Yulon Motor Investment	Sheng Qing	Investments accounted for using equity method	-	-	-	1,847,524	-	2,610,874	-	-	-	-	-	4,043,078
Yulon China (HK) Holding	Luxgen (Hangzhou) Motor Sales	Investments accounted for using equity method	-	-	-	(5,022,369)	-	5,897,000	-	-	-	-	-	227,205

(Continued)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares/Units	Amount (Note)	Shares/Units	Amount	Shares/Units	Amount	Carrying Value	Gain (Loss) on Disposal	Shares/Units	Amount (Note)
Yulon China	Wen Yang	Investments accounted for using equity method	-	-	-	\$ 192,658	-	\$ 452,518	-	\$ -	\$ -	\$ -	-	\$ 681,189
Luxgen	Haitec	Investments accounted for using equity method	-	-	-	-	522,700	5,227,000	-	-	-	-	522,700	-
Haitec	Foxtron Vehicle Technologies Co., Ltd.	Investments accounted for using equity method	-	-	-	-	754,200	7,542,000	-	-	-	-	754,200	7,477,802
Car-plus Corporation	Car Plus Global Investment (Samoa) Co., Ltd.	Investments accounted for using equity method	-	-	18,000	643,644	13,200	378,921	-	-	-	-	31,200	790,208
Car Plus Global Investment (Samoa) Corporation	Car Plus Hangzhou Investment (Samoa) Co., Ltd.	Investments accounted for using equity method	-	-	6,000	54,306	13,200	378,921	-	-	-	-	19,200	180,060
Car Plus Hangzhou Investment (Samoa) Corporation	Car-Plus Go Co., Ltd.	Investments accounted for using equity method	-	-	68,662	90,510	146,747	631,667	-	-	-	-	215,409	300,100
Luxgen	Hua Nan Phoenix Money Market	Financial assets at fair value through profit or loss - current	-	-	-	-	61,229	1,000,000	61,229	1,000,072	1,000,000	72	-	-
	CTBC Hwa-win Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	126,336	1,400,000	90,324	1,000,025	1,000,000	25	36,012	400,000

(Concluded)

TABLE 5**YULON MOTOR COMPANY LTD. AND SUBSIDIARIES****ACQUISITION OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST \$300 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE YEAR ENDED DECEMBER 31, 2020****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Types of Property	Transaction Date	Transaction Amount	Payment Term	Counterparty	Nature of Relationships	Prior Transaction of Related Counterparty				Price Reference	Purpose of Acquisition	Other Terms
							Owner	Relationships	Transfer Date	Amount			
Haitec	Building	2020/8/10	\$ 359,270	Asset-based investment	The Company	The parent company	-	-	-	\$ -	- Great Eastern Real Estate Appraisers, Zhengyi Real Estate Appraisers	Asset-based investment	None
	Land	2020/8/10	1,490,730	Asset-based investment	The Company	The parent company	-	-	-	-	- Great Eastern Real Estate Appraisers, Zhengyi Real Estate Appraisers	Asset-based investment	None

TABLE 6

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

DISPOSAL OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST NTS300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Seller	Property	Event Date	Original Acquisition Date	Carrying Amount	Transaction Amount	Collection of Payments	Gain (Loss) on Disposal	Counterparty	Relationship	Purpose of Disposal	Price Reference	Other Terms
The Company	Land	2020/5/14	1989/12/1	\$ 129,136	\$ 443,416	Collected	\$ 314,280	Eunion Enterprise	Other related party Subsidiary	Revitalising of assets	Tianyi Real Estate Appraisers	-
	Building	2020/8/10	2007/11/1	321,626	359,270	Asset-based investment	20,536 (Note)	Haitec		Asset-based investment	Great Eastern Real Estate Appraisers, Zhengyi Real Estate Appraisers	-
	Land	2020/8/10	1965/6/1	234,216	1,490,730	Asset-based investment	1,256,514 (Note)	Haitec	Subsidiary	Asset-based investment	Great Eastern Real Estate Appraisers, Zhengyi Real Estate Appraisers	-

Note: Gain (loss) on disposal is deferred since counterparty of transaction is a consolidated entity.

TABLE 7

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

TOTAL PURCHASE FROM OR SALE TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Purchasing or (Selling) Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase/ (Sale)	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Company	Yulon Nissan Luxgen	An investee accounted for by equity method The Company's subsidiary	Sales	\$ (23,301,919)	86	Within 45 days	-	3 days to 45 days	\$ 21,295	23	
			Sales	(3,740,173)	14	Within 10 days	-	3 days to 10 days	59,931	100	
YFC	Yu Chang Yuan Lon Hui-Lian Luxgen Taipei Yu Sing Yushin Yu Tang Luxgen Taoyuan Empower Cheng Long Luxgen Taichung Luxgen Kaohsiung Luxgen Tainan Ding Long Lian Cheng Yuan Zhi	The same ultimate parent company An investee accounted for by equity method An investee accounted for by equity method The same ultimate parent company The same ultimate parent company The same ultimate parent company An investee accounted for by equity method The same ultimate parent company The same ultimate parent company An investee accounted for by equity method The same ultimate parent company The same ultimate parent company The same ultimate parent company The same ultimate parent company An investee accounted for by equity method An investee accounted for by equity method An investee accounted for by equity method	Sales	(3,833,223)	9	Receipt of payment on the day	-	-	11,203	-	
			Sales	(2,996,425)	7	Receipt of payment on the day	-	-	6,721	-	
			Sales	(3,160,020)	7	Receipt of payment on the day	-	-	15,340	-	
			Sales	(1,250,642)	3	Receipt of payment on the day	-	-	29,652	-	
			Sales	(3,407,116)	8	Receipt of payment on the day	-	-	13,448	-	
			Sales	(2,259,352)	5	Receipt of payment on the day	-	-	6,681	-	
			Sales	(1,984,081)	5	Receipt of payment on the day	-	-	1,964	-	
			Sales	(613,283)	1	Receipt of payment on the day	-	-	8,538	-	
			Sales	(2,565,226)	6	Receipt of payment on the day	-	-	6,475	-	
			Sales	(2,491,927)	6	Receipt of payment on the day	-	-	10,068	-	
			Sales	(718,125)	2	Receipt of payment on the day	-	-	8,297	-	
			Sales	(491,278)	1	Receipt of payment on the day	-	-	3,070	-	
			Sales	(389,318)	1	Receipt of payment on the day	-	-	3,567	-	
			Sales	(625,571)	1	Receipt of payment on the day	-	-	2,262	-	
			Sales	(585,756)	1	Receipt of payment on the day	-	-	809	-	
Sales	(503,188)	1	Receipt of payment on the day	-	-	1,428	-				
Sin Jang	YFC	The same ultimate parent company	Sales	(13,085,762)	97	Receipt of payment on the day	-	-	-	-	
Union & NKH Auto Parts	The Company China Motor	The parent company An investee accounted for by equity method	Sales	(782,091)	47	60 days	Because the standard and characteristic of products are different, there is no base to compare.	Same as general customer	181,595	45	
			Sales	(638,455)	38	60 days	Because the standard and characteristic of products are different, there is no base to compare.	Same as general customer	151,185	37	
Yueki	The Company China Motor Kian-shen	The parent company An investee accounted for by equity method A related party in substance	Sales	(414,402)	49	45 days	Bargaining	45 days	86,182	24	
			Sales	(173,176)	20	45 days	Bargaining	45 days	45,762	13	
			Sales	(145,425)	17	45 days	Bargaining	45 days	67,950	19	
Y-Teks	The Company	The parent company	Sales	(229,361)	73	45 days	-	-	49,366	55	
Yue Sheng	The Company	The parent company	Sales	(185,464)	49	At sight or a month	Bargaining	At sight or a month	37,916	52	
Luxgen	Hui-Fong Luxgen Taipei Luxgen Taoyuan Luxgen Taichung YFC	A related party in substance The same ultimate parent company The same ultimate parent company The same ultimate parent company The same ultimate parent company	Sales	(176,432)	4	At sight	-	At sight	-	-	
			Sales	(213,020)	5	At sight	-	At sight	752	2	
			Sales	(143,207)	3	At sight	-	At sight	532	1	
			Sales	(179,895)	4	At sight	-	At sight	775	2	
			Sales	(3,435,097)	76	Within 3 days	-	Within 3 days	40,472	85	
Singual	The Company	The parent company	Sales	(114,982)	24	At sight or a month	Bargaining	At sight or a month	22,460	22	
Kuen You Trading	Yu Sing	The same ultimate parent company	Sales	(145,586)	90	At sight or a month	Bargaining	At sight or a month	13,469	95	
Tian Wang	Yu Chang	The same ultimate parent company	Sales	(107,008)	75	At sight or a month	Bargaining	At sight or a month	6,822	83	
Hang Zhou Haitec Company	The Company	The parent company	Sales	(396,994)	94	25 days	-	-	47,628	61	
Chuang Jie	Hang Zhou Haitec Company	The same ultimate parent company	Sales	(189,165)	90	60 days	Because the standard and characteristic of products are different, there is no base to compare.	60 days	-	-	

(Continued)

Purchasing or (Selling) Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase/ (Sale)	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Company	Union & NKH Auto Parts	The Company's subsidiary	Purchase	\$ 782,091	4	60 days	Because the standard and characteristic of products are different, there is no base to compare.	-	\$ (181,595)	6	
	Yueki	The Company's subsidiary	Purchase	414,402	2	45 days	Bargaining	45 days	(86,182)	3	
	Nissan Motor Co., Ltd.	A related party in substance	Purchase	8,840,735	43	12 days after bill of lading	-	12 days after bill of lading	(971,470)	32	
	Y-Teks	The Company's subsidiary	Purchase	229,361	1	45 days	-	-	(49,366)	2	
	Yue Sheng	The Company's subsidiary	Purchase	185,464	1	At sight or a month	Bargaining	At sight or a month	(37,916)	1	
	Dongfeng Yulon	An investee accounted for by equity method	Purchase	134,966	1	60 days after monthly closing	-	60 days after monthly closing	(546)	-	
	Singual	The Company's subsidiary	Purchase	114,982	1	At sight or a month	Bargaining	At sight or a month	(22,460)	1	
	China Ogihara	An investee accounted for by equity method	Purchase	147,668	1	45 days after monthly closing	Bargaining	45 days after monthly closing	(46,870)	2	
	Yuen-jin	A related party in substance	Purchase	114,280	1	45 days after monthly closing	Bargaining	45 days after monthly closing	-	-	
	Taiway	A related party in substance	Purchase	147,668	1	45 days after monthly closing	Bargaining	45 days after monthly closing	(29,117)	1	
Hang Zhou Haitec Company	The Company's subsidiary	Purchase	396,994	2	25 days	-	-	(47,628)	2		
YFC	Yulon Nissan	An investee accounted for by equity method	Purchase	25,778,687	61	Within 3 days	-	-	(229,334)	50	
	Luxgen	The same ultimate parent company	Purchase	3,435,097	9	Within 3 days	-	-	(40,472)	9	
	Sin Jang	The same ultimate parent company	Purchase	13,085,762	29	Payment on the day	-	-	-	-	
Yu Sing	YFC	The same ultimate parent company	Purchase	3,407,116	86	Receipt of payment on the day	-	-	(13,448)	10	
	Yulon Nissan	An investee accounted for by equity method	Purchase	356,625	9	Receipt of payment on the day	-	-	(25,756)	19	
	Kuen You Trading	The same ultimate parent company	Purchase	145,586	4	60 days	-	-	(13,469)	10	
Yushin	YFC	The same ultimate parent company	Purchase	2,259,352	84	Receipt of payment on the day	-	-	(6,681)	4	
	Yulon Nissan	An investee accounted for by equity method	Purchase	287,826	11	Receipt of payment on the day	-	-	(12,929)	7	
Yu Chang	YFC	The same ultimate parent company	Purchase	3,833,223	86	Receipt of payment on the day	-	-	(11,203)	14	
	Yulon Nissan	An investee accounted for by equity method	Purchase	444,912	10	Receipt of payment on the day	-	-	(21,255)	26	
	Tian Wang	The same ultimate parent company	Purchase	107,008	2	Receipt of payment on the day	-	-	(6,822)	8	
Empower	YFC	The same ultimate parent company	Purchase	2,565,226	38	Receipt of payment on the day	-	-	(6,475)	4	
	Yulon Nissan	An investee accounted for by equity method	Purchase	351,733	5	Receipt of payment on the day	-	-	(7,763)	5	
Luxgen	The Company	The parent company	Purchase	3,740,173	100	Within 10 days	-	3 days to 10 days	(59,931)	100	
Luxgen Taipei	YFC	The same ultimate parent company	Purchase	1,250,642	80	Receipt of payment on the day	-	-	(29,652)	57	
	Luxgen	The same ultimate parent company	Purchase	213,020	14	At sight	-	-	(752)	1	
Luxgen Taoyuan	YFC	The same ultimate parent company	Purchase	613,283	75	Receipt of payment on the day	-	-	(8,538)	36	
	Luxgen	The same ultimate parent company	Purchase	143,207	18	At sight	-	-	(532)	2	
Luxgen Taichung	YFC	The same ultimate parent company	Purchase	718,125	79	Receipt of payment on the day	-	-	(8,297)	45	
	Luxgen	The same ultimate parent company	Purchase	179,895	20	At sight	-	-	(775)	4	
Luxgen Tainan	YFC	The same ultimate parent company	Purchase	389,318	73	Receipt of payment on the day	-	-	(3,567)	26	
Luxgen Kaohsiung	YFC	The same ultimate parent company	Purchase	491,278	80	Receipt of payment on the day	-	-	(3,070)	20	
Hang Zhou Haitec Company	Chuang Jie	The same ultimate parent company	Purchase	189,165	54	60 days	Because the standard and characteristic of products are different, there is no base to compare.	60 days	-	-	

Note: The balance of Accounts receivable \$358,920 thousand less allowance for uncollectible accounts \$358,920 thousand to Dongfeng Yulon is \$0.

(Concluded)

TABLE 8

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
The Company	Luxgen	Subsidiary	\$ 147,454 (Note 1)	26.94	\$ -	-	\$ 99,353	\$ -
	Dongfeng Yulon	An investee accounted for by equity method	358,919	-	-	-	-	358,919
Union & NKH Auto Parts	The Company	The parent company	181,595	5.00	-	-	-	-
Luxgen	Dongfeng Yulon	An investee accounted for by equity method	172,800	-	-	-	-	172,800
Yueki	Hangchow Yue Wan	The same ultimate parent company	196,750 (Note 2)	-	142,490	-	-	6,972
TAC Leasing (Suzhou)	Dongfeng Yulon	An investee accounted for by equity method	285,806	-	-	Depends on status of fund	-	285,806
Yulon Motor Finance	Dong Feng Yulon Sales Company	The same ultimate parent company	136,532	-	-	Depends on status of fund	-	136,532
Shinshin	YES Energy Service	The same ultimate parent company	264,219	-	-	Depends on status of fund	515	1,362
LUXGEN (hangzhou) Motor Sales	Dong Feng Yulon Sales Company	The same ultimate parent company	678,729 (Note 3)	-	-	-	-	678,729
	Dongfeng Yulon	An investee accounted for by equity method	6,548,440 (Note 4)	-	-	-	-	6,542,628
Yulon Motor Investment	Dongfeng Yulon	An investee accounted for by equity method	405,477 (Note 5)	-	-	-	-	405,477
Union & NKH Auto Parts	Hangchow Liangrun	The same ultimate parent company	201,683 (Note 6)	-	-	-	-	-
	China Motor	An investee accounted for by equity method	151,317 (Note 7)	-	-	-	-	-
Haitec	Dongfeng Yulon	An investee accounted for by equity method	7,510,233 (Note 8)	-	-	-	-	7,510,233
	Luxgen	The same ultimate parent company	192,559 (Note 9)	-	-	-	-	132,623
Hangchow Y-Teks	Dongfeng Yulon	An investee accounted for by equity method	105,398 (Note 10)	-	-	-	-	105,398
Hang Zhou Haitec Company	Dongfeng Yulon	An investee accounted for by equity method	531,224 (Note 10)	-	-	-	-	531,224
Hangchow Yue Wan	Dongfeng Yulon	An investee accounted for by equity method	108,325 (Note 10)	-	-	-	-	107,600
Haitec	Yulon Motor Investment	The same ultimate parent company	103,422 (Note 11)	-	-	-	-	103,422
Yulon Motor Investment	Hang Zhou Haitec Company	The same ultimate parent company	236,916 (Note 11)	-	-	-	-	-

(Continued)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
Sheng Qing	Yu-Jie	The same ultimate parent company	\$ 174,742 (Note 11)	-	\$ -	-	\$ -	\$ -
	Xiamen Young Chang	The same ultimate parent company	167,789 (Note 11)	-	-	-	-	-
	Yulon Motor Investment	The same ultimate parent company	889,952 (Note 11)	-	-	-	-	-
	Nanjing Hanhong	The same ultimate parent company	154,077 (Note 11)	-	-	-	-	11,645
	Dongfeng Yulon	An investee accounted for by equity method	157,133 (Note 11)	-	-	-	-	157,133
	Hang Zhou Haitec Company	The same ultimate parent company	100,383 (Note 11)	-	-	-	-	-
Yu-Jie	Dongfeng Yulon	An investee accounted for by equity method	218,650 (Note 11)	-	-	-	-	218,650
Yu-Hsin Intl	Yu-Hsin Intl HK	The same ultimate parent company	113,920 (Note 11)	-	-	-	-	-
Yu-Hsin Intl HK	Hangchow Y-Teks	The same ultimate parent company	113,920 (Note 11)	-	-	-	-	-
Ke Yu	Tai Feng	The same ultimate parent company	207,206 (Note 11)	-	-	-	-	-
	Sheng Qing	The same ultimate parent company	213,002 (Note 11)	-	-	-	-	-
Qing Tai	Dong Tai	The same ultimate parent company	109,120 (Note 11)	-	-	-	-	-
Mei De	Shi Cheng	The same ultimate parent company	130,944 (Note 11)	-	-	-	-	-
Nan Jing Yu Hua	Nanjing Hanhong	The same ultimate parent company	118,382 (Note 11)	-	-	-	-	-
Chuang Jie New Energy Vehicle	Hang Zhou Haitec Company	The same ultimate parent company	100,908 (Note 11)	-	-	-	-	-
Hangchow Liangrun	Dongfeng Yulon	An investee accounted for by equity method	156,694 (Note 11)	-	-	-	-	156,694
Yulon China	Wen Yang	The same ultimate parent company	603,075 (Note 11)	-	-	-	-	-

Note 1: The receivables comprised accounts and notes receivable of \$59,931 thousand and other receivables of \$87,523 thousand.

Note 2: The receivables comprised accounts and notes receivable of \$138,588 thousand and other receivables of \$58,162 thousand.

Note 3: The receivables comprised accounts and notes receivable of \$6,940 thousand and other receivables of \$671,789 thousand.

Note 4: The receivables comprised accounts and notes receivable of \$2,930 thousand and other receivables of \$6,545,510 thousand.

Note 5: The receivables comprised accounts and notes receivable of \$91,117 thousand and other receivables of \$314,360 thousand.

Note 6: The receivables comprised accounts and notes receivable of \$294 thousand and other receivables of \$201,389 thousand.

Note 7: The receivables comprised accounts and notes receivable of \$151,185 thousand and other receivables of \$132 thousand.

Note 8: The receivables comprised accounts and notes receivable of \$6,851,396 thousand and other receivables of \$658,837 thousand.

Note 9: The receivables comprised accounts and notes receivable of \$19,226 thousand and other receivables of \$294 thousand.

Note 10: The receivables comprises account receivables.

Note 11: The receivables comprises other receivables.

TABLE 9

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE CORPORATION EXERCISES SIGNIFICANT INFLUENCE (EXCLUDING INVESTMENT IN MAINLAND CHINA)
FOR THE YEAR ENDED DECEMBER 31, 2020

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

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2020			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2020	December 31, 2019	Shares	Percentage of Ownership	Carrying Value			
The Company	Yulon Nissan	Miaoli, Taiwan	Sales of cars	\$ 7,062,225	\$ 7,062,225	143,500	47.83	\$ 10,305,719	\$ 6,540,938	\$ 3,251,759	-
	China Motor	Taoyuan, Taiwan	Manufacturing and sales of cars	810,409	810,409	44,592	8.05	4,090,118	3,277,320	257,087	-
	YFC	Taipei, Taiwan	Sale and lease of cars and parts	512,150	512,150	152,044	45.75	5,211,313	3,139,301	1,328,915	-
	Yueki	Hsinchu, Taiwan	Manufacturing and sale of car components	169,978	169,978	12,767	65.58	399,358	(36,575)	(20,955)	-
	Yue Sheng	Miaoli, Taiwan	Car manufacture and furnishing; manufacture, installation and sale of car parts	238,872	238,872	23,061	80.07	359,474	(1,246)	(688)	-
	China Cast Iron Pipe	Taipei, Taiwan	Metal casting and related business	24,850	24,850	25	77.66	67,110	12,353	9,593	-
	Union & NKH Auto Parts	Taipei, Taiwan	Manufacturing and sale of springs for various motor vehicles and sale of nonmotorized vehicles	183,692	183,692	21,729	25.01	587,055	119	(589)	-
	Uni-calsonic	Miaoli, Taiwan	Production and sales of various kinds of radiators, heat transfer apparatus, geysers, water tank and car parts	96,449	96,449	5,983	30.68	127,517	(6,256)	(2,212)	-
	Yu Chang	Kaohsiung, Taiwan	Sale, maintenance and repair of cars and parts	114,096	114,096	13,999	64.99	74,902	29,254	8,331	-
	China Ogihara	Taoyuan, Taiwan	Design, manufacturing and sales of cars and various kinds of molds, fixtures, stamping parts and inspection implements	280,071	280,071	25,470	37.76	512,082	131,073	55,112	-
	Yuan Lon	Taoyuan, Taiwan	Sale, maintenance and repair of cars and parts	84,405	84,405	7,999	20.00	105,927	3,543	6,416	-
	Yu Ching	Taipei, Taiwan	Import and export and sale of cars and parts	1,077,221	1,077,221	72,691	60.00	522,967	88,545	53,127	-
	Yu Pong	Taipei, Taiwan	Yulon basketball team management and related services	1,122,659	1,122,659	28,470	100.00	841,467	35,129	36,028	-
	Yung Hong	Taipei, Taiwan	Investments	537,311	537,311	77,622	100.00	628,734	27,181	27,181	-
	Yushin	Hsinchu, Taiwan	Sale, maintenance and repair of cars and parts	132,986	132,986	19,999	99.99	211,693	3,046	(23,465)	-
	China Engine	Taoyuan, Taiwan	Manufacturing of car engines and parts	320,000	320,000	32,000	18.95	154,861	29,898	6,865	-
	Cheng Long	Taipei, Taiwan	Sale, maintenance and repair of cars and parts	51,677	51,677	11,491	27.00	226,747	131,052	33,588	-
	Yu Tang	Taichung, Taiwan	Sale, maintenance and repair of cars and parts	71,166	71,166	7,117	20.33	109,692	12,653	1,851	-
	ROC-Spicer	Taoyuan, Taiwan	Manufacturing and sales of cars and parts	476,740	476,740	102	20.46	204,539	139,675	28,661	-
	Car-plus Corporation	Taipei, Taiwan	Sales and lease of cars	106,372	106,372	3,254	3.46	70,929	245,067	8,479	-
	Empower	Taichung, Taiwan	Sale, maintenance and repair of cars and parts	29,987	29,987	5,999	20.00	73,206	10,648	(4,990)	-
	Chan Yun	Taipei, Taiwan	Wholesale and retail of information software	40,680	40,680	16,664	87.71	33,927	(1,926)	(1,689)	-
	Sin Chi	Taipei, Taiwan	General advertising planning services	871,157	871,157	108,000	100.00	1,229,079	103,608	103,608	-
	Yu Sing	Taipei, Taiwan	Sale, maintenance and repair of cars and parts	325,199	325,199	17,999	99.99	130,781	(9,431)	(11,028)	-
	Y-Teks	Taoyuan, Taiwan	Manufacturing and furnishing, cars and the import and export of, and serving as sales agent for, car parts	61,307	61,307	602	34.00	307,654	83,931	29,751	-
	Yulon Overseas	B.V.I.	Investments	32,321,598	23,813,725	1,083,098	100.00	7,936,718	2,621,431	1,899,933	-
	Tokio Marine Newa Insurance	Taipei, Taiwan	Property insurance	796,956	796,956	52,010	17.39	1,672,821	860,719	149,679	-
	Haitec	New Taipei City, Taiwan	Product design	2,047,449	2,047,449	747,400	58.84	(1,567,265)	(3,873,434)	(2,477,765)	-
	Hui-Lian	Changhua, Taiwan	Sale, maintenance and repair of cars and parts	74,366	74,366	6,116	20.34	66,406	21,639	2,428	-
	DXMEDIA	Taipei, Taiwan	Publication	-	10,000	-	-	-	(3,995)	(799)	-
	Luxgen	Miaoli, Taiwan	Sales and producing of cars and related parts	20,840,000	14,840,000	605,000	100.00	204,974	(2,465,119)	(2,463,134)	-
	Yulon Management	New Taipei City, Taiwan	Investment advisor and temporary labor services	32,991	32,991	3,299	32.99	30,232	5,176	(3,547)	-
	Yulon Construction	Taipei, Taiwan	Construction industry	3,034,485	3,034,485	122,100	100.00	4,546,029	178,025	169,721	-
	Hong Kong-Spicer	Hong Kong	Investment	56,475	56,475	1,585	20.50	50,557	(9,679)	(1,984)	-
	Advance Power Machinery	Miaoli, Taiwan	Sales and producing of cars and related parts	10,787	-	500	100.00	11,520	10,380	733	-

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2020			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2020	December 31, 2019	Shares	Percentage of Ownership	Carrying Value			
YFC	Car-plus Corporation	Taipei, Taiwan	Car lease and trade	\$ 757,288	\$ 757,288	64,570	68.57	\$ 1,411,342	\$ 245,067	\$ -	-
	Shinshin	Taipei, Taiwan	Installment financing services for cars and trucks	419,808	419,808	221,833	100.00	3,781,840	591,295	-	-
	TAC Global	Samoa	Shareholding company	3,342,688	3,089,942	108,833	100.00	4,370,654	88,675	-	-
	Tokio Marine Nawa Insurance	Taipei, Taiwan	Property insurance	58,070	58,070	5,807	1.94	185,430	860,719	-	-
	Empower	Taichung, Taiwan	Retail of cars and related parts	48,843	48,843	8,100	27.00	104,402	10,648	-	-
	Yu Rich	Taipei, Taiwan	Installment loans of consumer goods and wholesale of cars and parts	1,160,662	1,160,662	138,209	100.00	2,155,384	481,496	-	-
	Yulon Finance Philippines Investment (Samoa) Co., Ltd.	Samoa	Shareholding company	437,490	437,490	15,000	100.00	264,695	(147,846)	-	-
	Sin Gan	Taipei, Taiwan	Wholesale and retail of information software	315,157	315,157	21,004	73.26	341,489	116,541	-	-
	Shinshin	Shinshin Samoa	Samoa	Shareholding company	389,077	389,077	12,000	100.00	(32,547)	(226,022)	-
YES Energy Service		New Taipei City, Taiwan	Energy Technical Services	246,407	131,407	29,000	100.00	215,314	(8,407)	-	-
YES Energy Service	Power Engineering	New Taipei City, Taiwan	Wholesale and retail sale of batteries	2,000	2,000	200	100.00	(10,714)	2,621	-	-
Car-plus Corporation	Diamond Leasing	Taipei, Taiwan	Car lease and trade	85,000	85,000	8,500	100.00	110,727	15,927	-	-
	Car-Plus Samoa	Samoa	Shareholding company	941,992	563,071	31,200	100.00	790,208	(243,120)	-	-
	Da-Wei	Taipei, Taiwan	brokerage of electric vehicles	40,000	20,000	4,000	100.00	43,418	(2,100)	-	-
	Hong Shou Culture	Taipei, Taiwan	Publication	11,881	11,881	4,050	100.00	15,361	4,865	-	-
Da-Wei	Da Teng	Taipei, Taiwan	Taxi service	7,028	7,028	600	100.00	7,587	(2,645)	-	-
	Da-Chuan	Taipei, Taiwan	Taxi service	1,125	1,125	300	100.00	2,112	(244)	-	-
	Da-Mu	Taipei, Taiwan	Taxi service	1,575	1,575	600	100.00	2,286	219	-	-
	Da-Chung	Taipei, Taiwan	Taxi service	900	900	300	100.00	1,766	158	-	-
	Yong-Xiang	Taipei, Taiwan	Taxi service	3,810	-	300	100.00	3,868	58	-	-
	Guo-Ma	Taipei, Taiwan	Taxi service	2,286	-	400	100.00	2,318	32	-	-
	Jin-Yu	Taipei, Taiwan	Taxi service	3,048	-	300	100.00	3,181	133	-	-
	Zhong-Xing	Taipei, Taiwan	Taxi service	3,810	-	350	100.00	3,910	100	-	-
	Li-Yang	Taipei, Taiwan	Taxi service	5,381	-	900	100.00	5,454	73	-	-
	He-Yang	Taipei, Taiwan	Taxi service	2,032	-	600	100.00	2,050	18	-	-
	Jia-Yu	Taipei, Taiwan	Taxi service	1,778	-	300	100.00	1,805	27	-	-
Tian-Yang	Taipei, Taiwan	Taxi service	2,159	-	600	100.00	2,213	54	-	-	
Diamond Leasing	H. K. Manpower	Taipei, Taiwan	Temporary labor services	10,000	10,000	1,000	100.00	20,371	4,594	-	-
Sin Jang	Sinjang International Investment (Samoa) Co., Ltd.	Samoa	Shareholding company	42,790	42,790	1,337	71.34	22,734	546	-	-
Car-Plus Samoa	Car-Plus China	Samoa	Shareholding company	193,004	193,004	6,000	60.00	363,135	(13,467)	-	-
	Car-Plus Shanghai	Samoa	Shareholding company	185,183	185,183	6,000	60.00	246,871	32,464	-	-
	Car-Plus Hangzhou Investment (Samoa) Co., Ltd.	Samoa	Shareholding company	563,805	184,884	19,200	60.00	180,060	(424,217)	-	-
TAC Global	Car-Plus China	Samoa	Shareholding company	128,647	128,647	4,000	40.00	242,090	(13,467)	-	-
	Car-Plus Shanghai	Samoa	Shareholding company	123,455	123,455	4,000	40.00	164,581	32,464	-	-
	Car-Plus Hangzhou Investment (Samoa) Co., Ltd.	Samoa	Shareholding company	375,906	123,160	12,800	40.00	120,040	(424,217)	-	-
	Yu Rong International	Samoa	Shareholding company	2,698,460	2,698,460	87,496	100.00	3,841,319	250,607	-	-
	Sinjang International Investment (Samoa) Co., Ltd.	Samoa	Shareholding company	16,220	16,220	537	28.66	9,133	546	-	-

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2020			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2020	December 31, 2019	Shares	Percentage of Ownership	Carrying Value			
Yulon Finance Philippines Investment (Samoa) Co., Ltd.	Yulon Finance Philippines Corporation	Samoa	Shareholding company	\$ 437,490	\$ 437,490	15,000	100.00	\$ 264,695	\$ (147,846)	\$ -	-
Yulon Finance Philippines Corporation	Yulon Finance Philippines Corporation	Philippine	Financing and leasing of cars and commercial vehicles, and car purchases and loans to car dealers for car purchases	437,490	437,490	7,500	100.00	264,695	(147,846)	-	-
Singan	Hsiang Shuo Singgual	New Taipei City, Taiwan	Towing	128,400	128,400	10,000	100.00	236,438	71,546	-	-
	Sin Jang	New Taipei City, Taiwan	Sale of cars and parts	130,591	130,591	13,000	100.00	174,788	5,036	-	-
	Ching-Tong	Taipei, Taiwan	Sale and brokerage of secondhand vehicles	518,754	518,754	42,824	100.00	539,926	77,964	-	-
	Hong Shou Culture	Tainan, Taiwan	Sales maintenance and repair of cars and parts	75,578	75,578	6,746	100.00	33,525	(19,964)	-	-
		Taipei, Taiwan	Publication	-	-	-	-	-	-	-	-
Yu Pong	China Motor Yu Ching	Taoyuan, Taiwan	Manufacturing and sales of cars	35,269	35,269	454	0.08	22,975	3,277,320	-	-
		Taipei, Taiwan	Import and export and sale of cars and parts	682,685	682,685	48,461	40.00	584,238	88,545	-	-
Yue Sheng	Y-Teks	Taoyuan, Taiwan	Manufacturing and furnishing, cars and the import and export of, and serving as sales agent for, car parts	25,510	25,510	212	11.99	112,403	83,931	-	-
Yung Hong	China Motor	Taoyuan, Taiwan	Manufacturing and sales of cars	193,869	193,869	3,998	0.72	29,730	3,277,320	-	-
Yu Ching	Tokio Marine Newa Insurance	Taipei, Taiwan	Property insurance	55,467	55,467	3,500	1.17	112,161	860,719	-	-
	Yulon Nissan	Miaoli, Taiwan	Sales of cars	336,923	336,923	3,500	1.17	248,679	6,540,938	-	-
	Chinh-Ling	Taipei, Taiwan	Product design	36,098	36,098	5,000	100.00	-	13	-	-
	Yulon Management	New Taipei City, Taiwan	Investment advisor and temporary labor services	9	9	1	0.01	9	5,176	-	-
Yueki	China Motor	Taoyuan, Taiwan	Manufacturing and sales of cars	243	243	11	-	583	3,277,320	-	-
	Uni-calsonic	Miaoli, Taiwan	Production and sales of various kinds of radiators, heat transfer apparatus, geysers, water tank and car parts	17,328	17,328	800	4.10	17,328	(6,256)	-	-
	Yue Ki Samoa	Samoa	Investment	123,058	123,058	4,126	100.00	448,493	(2,108)	-	-
	Yue Ki HK	Hong Kong	Investment	330,094	330,094	10,600	100.00	37,179	(10,237)	-	-
Yu Chang	Tian Wang	Kaohsiung, Taiwan	Secondhand cars and car related products	17,000	17,000	1,700	100.00	28,715	7,442	-	-
Yushin	Yu Pool	Miaoli, Taiwan	Supply of and providing services on information software and retail trade of spare parts of vehicles	7,000	7,000	1,000	100.00	51,352	6,727	-	-
	Luxgen Taoyuan	Taoyuan, Taiwan	Sales, maintenance and repair of cars and related products	12,250	12,250	2,100	20.00	18,028	15,425	-	-
	Yu Shin Investment	Samoa	Investment	98,111	46,331	350	100.00	58,505	(17,005)	-	-
Empower	Chunmin	Taichung, Taiwan	Comprehensive retail of car parts	8,000	8,000	800	100.00	11,367	190	-	-
	Hong Yen	Samoa	Investment	47,082	47,082	4,576	100.00	41,830	(11,646)	-	-
	Yu Ming Insurance	Taichung, Taiwan	Property insurance	5,000	5,000	500	100.00	4,590	(339)	-	-
	Minxiang Leasing Company	Taichung, Taiwan	Lease of cars and related services	30,000	-	3,000	100.00	30,004	-	-	-
Sin Chi	Yulon Nissan	Miaoli, Taiwan	Sales of cars	311,853	311,853	3,050	1.02	216,528	6,540,938	-	-
	Yu Chia	Taipei, Taiwan	Sales, maintenance and repair of heavy vehicles and related products	84,000	84,000	50,000	100.00	29,146	154	-	-
	Yulon TOBE	New Taipei City, Taiwan	Sale, maintenance and repair of cars and parts	27,996	27,996	28,080	100.00	220,235	(420)	-	-
Yu Sing	Ding Long	Taipei, Taiwan	Sales, maintenance and repair of cars and parts	37,790	37,790	3,779	37.79	27,944	(12,878)	-	-
	Kuen You Trading	New Taipei City, Taiwan	Sale, maintenance and repair of cars and parts	10,000	10,000	1,000	100.00	13,811	1,603	-	-

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2020			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2020	December 31, 2019	Shares	Percentage of Ownership	Carrying Value			
Y-Teks	Yu-Hsin Intl China Motor	B.V.I. Taoyuan, Taiwan	Investments	\$ 65,854	\$ 65,854	3,347	66.67	\$ 928,291	\$ 90,054	\$ -	-
			Manufacturing and sales of cars	265	265	11	-	572	3,277,320	-	-
Yu-Hsin Intl	Yu-Hsin Intl HK	Hong Kong	Investments	311,194	311,194	12,391	100.00	320,473	(24,806)	-	-
Union & NKH Auto Parts	China Motor Uni Investment	Taoyuan, Taiwan B.V.I.	Manufacturing and sales of cars	256	256	26	-	1,295	3,277,320	-	-
			Investments	289,287	289,287	8,403	100.00	1,895,272	4,245	-	-
Luxgen	Luxgen Taipei	Taipei, Taiwan	Repair, wholesale and retail of cars and parts	184,999	184,999	18,500	99.99	132,047	(49,538)	-	-
	Luxgen Taoyuan	Taoyuan, Taiwan	Repair, wholesale and retail of cars and parts	44,329	44,329	6,299	59.99	53,710	15,425	-	-
	Luxgen Taichung	Taichung, Taiwan	Repair, wholesale and retail of cars and parts	103,599	103,599	10,360	97.73	116,049	13,131	-	-
	Luxgen Tainan	Tainan, Taiwan	Repair, wholesale and retail of cars and parts	98,897	98,897	9,890	94.18	102,498	5,753	-	-
	Luxgen Kaohsiung	Kaohsiung, Taiwan	Repair, wholesale and retail of cars and parts	65,998	65,998	6,600	92.94	50,034	(16,681)	-	-
	Luxgen Overseas Holdings	Singapore	Investments	-	1,300,595	-	-	-	4,388	-	-
	Singan	New Taipei City, Taiwan	Wholesale and retail of information software	81,191	81,191	5,670	19.78	92,182	116,541	-	-
Haitec	Haitec	New Taipei City, Taiwan	Product design	5,227,000	-	522,700	41.15	-	(3,873,434)	-	-
			Yulon Construction	China Motor	Taoyuan, Taiwan	Manufacturing and sales of cars	1,497	1,497	13	-	1,496
Haitec	Yufong Property Management	New Taipei City, Taiwan	Construction greening industry	24,990	24,990	2,499	99.96	49,542	6,090	-	-
			SinYi Co., Ltd. Hua-Chung Overseas Investment Co., Ltd Foxtron Vehicle Technologies Corporation	New Taipei City, Taiwan B.V.I. New Taipei City, Taiwan	Wholesale and retail of cars and parts	500	500	50	100.00	8,896	(785)
Investments	490,393	490,393			5,465	100.00	(398,033)	(108,920)	-	-	
Hua-Chung Overseas Investment Co., Ltd	Haitec China Investment	Hong Kong	Product design	7,542,000	-	754,200	49.00	7,431,785	(223,010)	-	-
			Investments	461,709	461,709	6,328	100.00	(398,320)	(127,818)	-	-
Yulon Overseas	Haitec Japan	Japan	Product design of cars	-	28,608	-	-	-	19,208	-	-
			Yulon Philippine Yulon China	Cayman B.V.I.	Investments	1,017,726	1,071,328	35,741	100.00	97,375	1,617
Investments	30,221,151	23,211,593			1,050,171	100.00	7,961,705	2,620,017	-	-	
Yulon Philippine	UMPI & SCIC NPI	Philippine Philippine	Manufacturing of cars and factory lease	831,445	875,236	10,914	100.00	95,118	2,421	-	-
			Sale, maintenance and repair of cars and parts	66,990	70,518	12	24.50	-	(2,433)	-	-
Yulon China	Qing Yi	Samoa	Investments	436,427	919,606	-	100.00	78,097	(17,266)	-	-
	Wen Yang	Samoa	Investments	844,432	482,678	31,450	100.00	784,834	(20,158)	-	-
	Tai Xin	Samoa	Investments	-	726,152	-	-	-	1,271	-	-
	Yulon China (Hong Kong) Investment Limited	Hong Kong	Investments	7,754,130	8,162,529	-	100.00	14,926	14,298	-	-
	Yulon China Holding	Cayman	Investments	20,439,529	12,844,035	702,043	100.00	6,284,898	2,582,206	-	-
Feng Hua	Feng Hua	Hong Kong	Investments	79,744	83,944	-	40.00	142,037	27,953	-	-
			Yulon China Holding	Yulon China (HK) Holding	Hong Kong	Investments	20,439,529	12,844,035	-	100.00	6,284,893

(Concluded)

TABLE 10

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

INVESTMENT IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	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	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2020	Accumulated Repatriation of Investment Income as of December 31, 2020	Note
					Outward	Inward							
Xiamen Young Chang	Cars, electronics, textiles and related business investment consulting services; advanced technology, products and equipment import consulting	\$ 67,539	b.	\$ 55,763	\$ -	\$ -	\$ 55,763	\$ (50,746)	100.00	\$ (50,746)	\$ 491,891	\$ -	2, b.
Ke Yu	Computer software maintenance and computer system integration	785,798	b.	723,154	-	-	723,154	1,400	100.00	1,400	655,665	-	2, b.
Tai Feng	Computer software maintenance and computer system integration	498,520	b.	445,203	-	-	445,203	(1,186)	100.00	(1,186)	358,953	-	2, b.
Qing Tai	Computer software maintenance and computer system integration	524,934	b.	460,193	-	-	460,193	(20,330)	100.00	(20,330)	369,058	-	2, b.
Dongfeng Yulon	Manufacturing of key car components, electric cars and related parts	15,466,923	b.	7,969,003	-	-	7,969,003	(6,818,549)	50.00	-	-	-	2, c.
Su Zhou Chen Long	Sale, maintenance and repair of cars and parts	192,743	b.	83,944	-	-	83,944	27,954	40.00	11,181	355,094	-	2, b.
Yulon Motor Investment	Investment, shareholding and related business	8,247,492	b.	1,745,943	-	-	1,745,943	3,218,531	100.00	3,218,531	5,552,817	-	2, b.
Luxgen (Hangzhou) Motor Sales	Sales of cars and car parts	12,862,466	b.	7,031,809	5,897,000	-	12,928,809	(594,813)	100.00	(470,669)	227,205	-	2, a.
Yulon Motor Finance (China)	Car purchases and loans to car dealers for car purchases	4,364,800	a.	2,191,725	-	-	2,191,725	(89,115)	73.42	(339,976)	3,205,745	-	2, b.
Hang Zhou Jian Tai	Tailpipe, catalyzer assembling, chassises, connection arms, crossrails of engines and other stamping and welding parts	139,641	b.	2,998	-	-	2,998	-	-	-	-	-	-
Hang Zhou Chun Yu	Tire monitors, blue tooth communication device, keyless entry system	59,650	b.	2,998	-	-	2,998	-	-	-	-	-	-
Hang Zhou Xian Bo	Manufacturing and design of fixtures and jigs of vehicles, mechanical and electrical products; inner and external fittings and furnishing	75,016	b.	2,998	-	-	2,998	-	-	-	-	-	-
Hang Zhou Yong Ren	Manufacturing of machinery, car accessory and seat parts	109,068	b.	2,249	-	-	2,249	2,003	2.59	-	2,136	-	-
Hang Zhou Yo Zhan	Manufacturing of car models and related parts, fixtures and jigs, stamping, and related metal products	346,126	b.	2,998	-	-	2,998	-	2.10	-	-	-	-
Hang Zhou Haitec Company	Product design	449,428	b.	-	-	-	-	(132,085)	100.00	(132,085)	(411,813)	-	2, a.

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	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	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2020	Accumulated Repatriation of Investment Income as of December 31, 2020	Note
					Outward	Inward							
Fujian Spicer	Production of car key parts, drive axle assemblies and parts	\$ 893,937	a.	\$ 228,152	\$ -	\$ -	\$ 228,152	\$ 255,856	20.50	\$ 52,451	\$ 274,846	\$ -	2, c.
Shenyang Spicer	Manufacturing and sales of automotive drive shafts, mechanical drive shafts and parts	375,053	a.	55,124	-	-	55,124	(12,413)	14.30	(1,775)	342,301	-	2, c.
Hui Zhou Deng Feng Yi Jing	Manufacturing of car parts	654,720	b.	-	-	-	-	(3,962)	22.30	(884)	434,008	-	2, c.
Hangchow Yue Wan	Manufacturing of car parts	591,789	b.	267,362	-	-	267,362	(18,317)	80.75	(14,791)	41,053	-	2, c.
Hangchow Y-Teks	Manufacturing and sales of car interior furnishing and related business	305,061	b.	44,327	-	-	44,327	(21,935)	33.39	(7,324)	26,956	-	2, c.
Changzhou Y-TEKS	Manufacturing and sales of car interior furnishing and related business	50,825	b.	-	-	-	-	(7,344)	14.82	(1,088)	65,541	-	2, c.
Liu Zhou Yu Xin Fang Sheng	Manufacturing and sales of car interior furnishing and related business	142,400	b.	-	-	-	-	34,713	5.00	1,736	132,606	-	2, c.
Guang Zhou He Xi	Manufacturing and sales of car interior furnishing and related business	400,738	b.	-	-	-	-	593,722	6.00	35,623	917,456	-	2, c.
Fuzhou Lianghong	Manufacturing of car seats	453,783	b.	-	-	-	-	38,451	16.67	6,410	509,240	-	2, c.
Hangchow Liangrun	Manufacturing of car seats	647,067	b.	142,431	-	-	142,431	(29,524)	40.38	(11,922)	8,322	-	2, c.
Guang Zhou Ri Zheng Spring	Manufacturing of vibration damper springs	761,840	b.	-	-	-	-	24,099	10.00	2,410	1,248,236	-	2, c.
Yu-Jie	Construction industry	2,182,400	a.	-	-	-	-	1,800	100.00	1,800	2,015,423	-	2, b.
Car-Plus (Suzhou)	Lease of cars and related services	284,800	b.	-	-	-	-	(13,454)	39.20	(5,274)	604,141	-	2, b.
Car-Plus Leasing (Shanghai)	Lease of cars and related services	284,800	b.	-	-	-	-	32,480	39.20	12,731	411,448	-	2, b.
Car-Plus Go Co., Ltd.	Lease of cars and related services	911,360	b.	-	-	-	-	(424,218)	37.12	(157,476)	300,100	-	2, b.
TAC Leasing (Suzhou)	Equipment and cars leasing business	2,150,126	b.	-	-	-	-	476,627	45.75	218,057	3,912,432	-	2, a.
TAC Finance Company	Equipment and cars leasing business	854,400	b.	-	-	-	-	(563,770)	56.60	(319,094)	(117,506)	-	2, b.
Zhe Jiang Cheng Yi Company	Equipment and cars leasing business	87,296	b.	-	-	-	-	(31,955)	56.60	(18,087)	18,182	-	2, c.
Hangzhou Cheng-Yi-Jun	Secondhand vehicle consulting service and vehicle agent	6,547	b.	-	-	-	-	(3,138)	56.60	(1,776)	2,538	-	2, c.
Zhejiang Cheng-Yi Auction	Secondhand vehicle authenticate and evaluation service	8,730	b.	-	-	-	-	(873)	56.60	(494)	3,277	-	2, c.
Su Zhou Yu Guo	Car purchases and loans to car dealers for car purchases	-	b.	-	-	-	-	(1,276)	-	-	-	-	2, c.
Shanghai Yu Guo	Sales of cars	8,730	b.	-	-	-	-	(261)	56.60	(148)	4,944	-	2, c.
Hefei YuGuo	Sales of cars	-	b.	-	-	-	-	(119)	-	(24)	-	-	2, c.
Qingdao YuGuo	Sales of cars	-	b.	-	-	-	-	(253)	-	(51)	-	-	2, c.

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	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	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2020	Accumulated Repatriation of Investment Income as of December 31, 2020	Note
					Outward	Inward							
Master Good Car (Wuhan)	Sales of cars	\$ 8,730	b.	\$ -	\$ -	\$ -	\$ -	\$ (11,631)	56.60	\$ (6,583)	\$ (12,028)	\$ -	2, c.
Shang Hai Jing-Huei	Sales of car parts	49,231	b.	-	-	-	-	(15,464)	53.30	(8,242)	25,824	-	2, c.
Dong Yu Tech. Company	Sales of car parts	65,472	b.	-	-	-	-	-	42.99	-	18,112	-	2, c.
Fu Jian Yu Xin	Sales of cars	229,483	b.	-	-	-	-	(15,897)	100.00	(15,897)	24,411	-	2, b.
Ning Bo Yu Cheng	Sales of cars	197,620	b.	-	-	-	-	(15,238)	100.00	(15,238)	14,954	-	2, b.
Shanghai Yuming	Sales of cars	325,177	b.	-	-	-	-	(60,253)	66.99	(40,361)	(31,097)	-	2, b.
Ka Shing Yu Da	Sales of cars	81,164	b.	-	-	-	-	(31,731)	66.99	(21,255)	(20,266)	-	2, b.
Dong Feng Yulon Sales Company	Sales of cars and car parts	-	b.	-	-	-	-	(1,298)	50.00	(649)	-	-	2, b.
Chuang Jie New Energy Vehicle	Manufacturing of key car components, electric cars and related parts	3,448,192	b.	3,432,301	-	-	3,432,301	(573,192)	100.00	(573,192)	2,842,148	-	2, b.
Sheng Qing	Investments	5,410,916	b.	469,733	2,610,874	-	3,080,606	(231,634)	100.00	(231,634)	4,043,078	-	2, b.
Mei De	Computer software maintenance and computer system integration	356,991	b.	-	-	-	-	1,726	100.00	1,726	321,782	-	2, b.
Shi Cheng	Computer software maintenance and computer system integration	325,229	b.	-	-	-	-	(19,850)	100.00	(19,850)	152,111	-	2, b.
Jin Ce	Computer software maintenance and computer system integration	88,328	b.	-	-	-	-	(1,537)	100.00	(1,537)	70,570	-	2, b.
Yi Ding	Computer software maintenance and computer system integration	247,874	b.	-	-	-	-	(2,326)	100.00	(2,326)	183,540	-	2, b.
Dong Tai	Investments	331,381	b.	-	-	-	-	(22,060)	100.00	(22,060)	154,811	-	2, b.
Gao Te	Investments	260,447	b.	-	-	-	-	(2,639)	100.00	(2,639)	207,816	-	2, b.
Shen Jun Yu Peng	Sales of cars	-	b.	-	-	-	-	111	65.00	72	-	-	2, b.
Su Zhou Feng Shen	Sales of cars	215,542	b.	-	-	-	-	150,845	40.00	60,338	330,097	-	2, b.
Guang Zhou Yuan Du	Sales of cars	157,166	b.	-	-	-	-	(35,259)	51.00	(17,982)	63,252	-	2, b.
Zhu Hai Fu Te En	Sales of cars	154,269	b.	-	-	-	-	848	100.00	848	242,534	-	2, b.
Nanjing Hanhong	Sales of cars	581,720	b.	-	-	-	-	(93,050)	100.00	(93,050)	285,894	-	2, b.
Wuhan Yu Hsin	Sales of cars	439,999	b.	-	-	-	-	34,441	100.00	34,441	393,718	-	2, b.
HangZhou Yu Zhong	Trading	44,904	b.	-	-	-	-	728	100.00	728	67,899	-	2, b.
Jiangmen Junxing	Sales of cars	90,717	b.	-	-	-	-	(21,739)	60.00	(13,043)	12,610	-	2, b.
Jiangmen Yuli	Sales of cars	45,813	b.	-	-	-	-	(12,424)	60.00	(7,454)	11,706	-	2, b.
He-Shan Li-Sheng	Sales of cars	-	b.	-	-	-	-	(51)	60.00	(31)	-	-	2, b.

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	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	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2020	Accumulated Repatriation of Investment Income as of December 31, 2020	Note
					Outward	Inward							
Guang Zhou Yuan Zhi	Sales of cars	\$ -	b.	\$ -	\$ -	\$ -	\$ -	\$ (8,317)	51.00	\$ (4,242)	\$ -	\$ -	2, b.
Qingdao Yuanhuang	Sales of cars	222,010	b.	-	-	-	-	(23,157)	51.00	(11,810)	(28,518)	-	2, b.
Hang Zhou Hua Zhi	Sales of cars	89,809	b.	-	-	-	-	(107,286)	80.00	(85,829)	(213,378)	-	2, b.
Chang Sha Yu Lu	Sales of cars	141,314	b.	-	-	-	-	(47,487)	100.00	(47,487)	4,697	-	2, b.
Hang Zhou Tang Yu	Investments	44,904	b.	-	-	-	-	(46)	100.00	(46)	42,845	-	2, b.
Hang Zhou Chien Yu	Investments	44,904	b.	-	-	-	-	(69)	100.00	(69)	39,178	-	2, b.
Zhuhai Yuhsin	Sales of cars	22,452	b.	-	-	-	-	(14,912)	100.00	(14,912)	12,431	-	2, b.
Shenzhen Yu Zhi	Sales of cars	88,552	b.	-	-	-	-	(10,120)	100.00	(10,120)	11,073	-	2, b.
Xiao Gan Yu Feng	Sales of cars	141,684	b.	-	-	-	-	28,137	100.00	28,137	224,831	-	2, b.
Su Zhou Feng Shun	Sales of cars	112,898	b.	-	-	-	-	71,898	40.00	28,759	241,909	-	2, b.
Suzhou Yueshun	Sales of cars	44,904	b.	-	-	-	-	(4,921)	40.00	(1,968)	34,159	-	2, b.
Su Chou Cheng Pin	Sales of cars	181,435	b.	-	-	-	-	5,816	40.00	2,326	192,951	-	2, b.
Wu Jiang Lian Cheng	Sales of cars	44,904	b.	-	-	-	-	23,872	40.00	9,549	85,016	-	2, b.
Su Zhou Cheng Li	Sales of cars	67,811	b.	-	-	-	-	6,698	40.00	2,679	53,517	-	2, b.
Hang Zhou hsiao Yu	Investments	44,904	b.	-	-	-	-	(39)	99.00	(38)	39,116	-	2, b.
Nan Jing Yu Shang	Sales of cars	35,924	b.	-	-	-	-	(48,656)	100.00	(48,656)	5,718	-	2, b.
Hang Zhou Hua You	Sales of cars	35,924	b.	-	-	-	-	(43,517)	80.00	(34,813)	(219,641)	-	2, b.
Su Zhou Cheng Pang	Sales of cars	44,904	b.	-	-	-	-	10,056	40.00	4,022	58,236	-	2, b.
Nan Jing Yu Hua	Sales of cars	134,714	b.	-	-	-	-	(29,683)	100.00	(29,683)	130,529	-	2, b.
Su Zhou Cheng Guo	Sales of cars	89,461	b.	-	-	-	-	(8,861)	40.00	(3,544)	37,917	-	2, b.
Su Zhou Cheng Hung	Sales of cars	45,813	b.	-	-	-	-	844	40.00	337	42,941	-	2, b.
Tai Chang Cheng Mau	Sales of cars	45,813	b.	-	-	-	-	12,321	40.00	4,929	73,975	-	2, b.
An Hui Min Tung	Sales of cars	45,813	b.	-	-	-	-	(28,454)	100.00	(28,454)	23,557	-	2, b.
An Ching Tsai Tung	Sales of cars	120,752	b.	-	-	-	-	(6,565)	100.00	(6,565)	(150)	-	2, b.
An Ching Ling Tung	Sales of cars	-	b.	-	-	-	-	6,034	100.00	6,034	-	-	2, b.
Tung Ling Kuo Tung	Sales of cars	74,904	b.	-	-	-	-	(7,880)	100.00	(7,880)	38,694	-	2, b.
Ho Fei Chun Hui	Sales of cars	-	b.	-	-	-	-	(1,546)	100.00	(1,546)	-	-	2, b.
Zi Bo Yu An	Sales of cars	68,475	b.	-	-	-	-	(7,174)	100.00	(7,174)	(2,113)	-	2, b.
Fu Zhou Yu Xin	Sales of cars	51,912	b.	-	-	-	-	(9,189)	100.00	(9,189)	42,825	-	2, b.

(Continued)

Accumulated Investment in Mainland China as of December 31, 2020	Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2020	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Yulon Motor Company Ltd.	\$33,868,281	\$35,674,593	\$38,925,192

Note 1: Method of investment have following type:

- a. Direct investment in Mainland China.
- b. Indirect investment in the Company of Mainland China through a third place.
- c. Other

Note 2: a. If it is in preparation, there is no investment gains and losses, should be noted.

- b. The amounts of investment gain (loss) was recognized on following bases:
 - 1) Based on the financial statements audited by a ROC CPA firm cooperating with an international CPA firm
 - 2) Based on the financial statements audited by the auditor of parent company.
 - 3) Other

Note 3: The upper limit on investment was calculated in accordance with the regulations of the Investment Commission of the Ministry of Economic Affairs for 60% of the net equity or consolidated net equity.

(Concluded)

TABLE 11

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

**BUSINESS RELATIONSHIP AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
 FOR THE YEAR ENDED DECEMBER 31, 2020
 (In Thousands of New Taiwan Dollars)**

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
0	The Company	Luxgen	1	Notes and trade receivables, net	\$ 59,931	Based on regular terms	-
		Luxgen	1	Other receivables from related parties	87,522	Based on regular terms	-
		YFC	1	Operating revenue, net	14,836	Based on regular terms	-
		Yu Ching	1	Operating revenue, net	13,389	Based on regular terms	-
		Yulon Construction	1	Operating revenue, net	65,404	Based on regular terms	-
		Yu Sing	1	Operating revenue, net	17,302	Based on regular terms	-
		Haitec	1	Operating revenue, net	71,195	Based on regular terms	-
		Luxgen	1	Operating revenue, net	3,785,338	Based on regular terms	5
		Luxgen Taipei	1	Operating revenue, net	16,098	Based on regular terms	-
		Luxgen	1	Nonoperating revenue and expense	19,224	Based on regular terms	-
		Yushin	1	Operating revenue, net	1,940,921	Based on regular terms	2
		Yu Sing	1	Operating revenue, net	2,919,978	Based on regular terms	4
		Yu Chang	1	Operating revenue, net	3,251,083	Based on regular terms	4
		Empower	1	Operating revenue, net	2,321,610	Based on regular terms	3
		Yushin	1	Operating revenue, net	25,729	Based on regular terms	-
		Yu Sing	1	Operating revenue, net	56,862	Based on regular terms	-
		Yu Chang	1	Operating revenue, net	86,821	Based on regular terms	-
		Empower	1	Operating revenue, net	28,504	Based on regular terms	-
		YFC	1	Operating revenue, net	66,739	Based on regular terms	-
		The Company	1	Unrealized gain on transactions with associates	40,617	Based on regular terms	-
		Yushin	1	Operating revenue, net	205,468	Based on regular terms	-
		Yu Sing	1	Operating revenue, net	260,152	Based on regular terms	-
		Yu Chang	1	Operating revenue, net	295,364	Based on regular terms	-
		Empower	1	Operating revenue, net	261,040	Based on regular terms	-
		Singan	1	Operating revenue, net	55,524	Based on regular terms	-
		Yushin	1	Operating revenue, net	13,389	Based on regular terms	-
		Yu Sing	1	Operating revenue, net	18,061	Based on regular terms	-
		Yu Chang	1	Operating revenue, net	33,971	Based on regular terms	-
		Empower	1	Operating revenue, net	17,565	Based on regular terms	-
		The Company	1	Long term investment	15,381	Based on regular terms	-
The Company	1	Unrealized gain on transactions with associates	15,381	Based on regular terms	-		
The Company	1	Unrealized gain on transactions with associates	13,610	Based on regular terms	-		
1	YFC	Yu Chang	3	Notes and trade receivables, net	11,203	Based on regular terms	-
		Yu Sing	3	Notes and trade receivables, net	13,448	Based on regular terms	-
		Luxgen Taipei	3	Notes and trade receivables, net	29,652	Based on regular terms	-
		Shinshin	3	Other receivables from related parties	23,276	Based on regular terms	-
		Yu Rich	3	Other receivables from related parties	16,975	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
1	YFC	Yu Chang	3	Operating revenue, net	\$ 14,927	Based on regular terms	-
		Empower	3	Operating revenue, net	11,182	Based on regular terms	-
		Yu Rich	3	Operating revenue, net	14,970	Based on regular terms	-
		Hsiang Shuo	3	Operating revenue, net	16,438	Based on regular terms	-
		Luxgen	3	Operating revenue, net	12,233	Based on regular terms	-
		Sin Jang	3	Operating revenue, net	56,968	Based on regular terms	-
2	Yue Sheng	The Company	2	Notes and trade receivables, net	37,916	Based on regular terms	-
		The Company	2	Operating revenue, net	185,464	Based on regular terms	-
		Singual	3	Operating revenue, net	10,728	Based on regular terms	-
3	Yueki	The Company	2	Notes and trade receivables, net	86,182	Based on regular terms	-
		Hangchow Yue Wan	3	Notes and trade receivables, net	131,616	Based on regular terms	-
		Hangchow Yue Wan	3	Other receivables from related parties	58,162	Based on regular terms	-
		The Company	2	Operating revenue, net	414,402	Based on regular terms	1
		Shinshin	3	Operating revenue, net	22,588	Based on regular terms	-
		Luxgen	3	Operating revenue, net	49,841	Based on regular terms	-
4	Yu Chang	YFC	3	Notes and trade receivables, net	29,383	Based on regular terms	-
		Tian Wang	3	Operating revenue, net	32,982	Based on regular terms	-
		Car-plus Corporation	3	Operating revenue, net	43,108	Based on regular terms	-
5	Singan	The Company	2	Notes and trade receivables, net	39,541	Based on regular terms	-
		The Company	2	Operating revenue, net	104,528	Based on regular terms	-
		YFC	3	Operating revenue, net	12,804	Based on regular terms	-
		Hsiang Shuo	3	Nonoperating revenue and expense	13,508	Based on regular terms	-
		Sin Jang	3	Nonoperating revenue and expense	13,913	Based on regular terms	-
6	Singual	The Company	2	Notes and trade receivables, net	22,460	Based on regular terms	-
		Luxgen	3	Notes and trade receivables, net	17,743	Based on regular terms	-
		Singan	3	Other receivables from related parties	20,135	Based on regular terms	-
		Ching-Tong	3	Other receivables from related parties	10,057	Based on regular terms	-
		The Company	2	Operating revenue, net	114,982	Based on regular terms	-
		Luxgen	3	Operating revenue, net	16,461	Based on regular terms	-
		Luxgen Taipei	3	Operating revenue, net	18,108	Based on regular terms	-
		Luxgen Taoyuan	3	Operating revenue, net	10,954	Based on regular terms	-
		Luxgen Taichung	3	Operating revenue, net	12,947	Based on regular terms	-
		7	Yu Pool	Yushin	3	Notes and trade receivables, net	18,571
Yushin	3			Operating revenue, net	91,453	Based on regular terms	-
8	Yu Sing	Kuen You Trading	3	Notes and trade receivables, net	15,458	Based on regular terms	-
		Car-plus Corporation	3	Operating revenue, net	252,352	Based on regular terms	-
		Kuen You Trading	3	Operating revenue, net	18,553	Based on regular terms	-
		Luxgen Taipei	3	Nonoperating revenue and expense	12,446	Based on regular terms	-
		Kuen You Trading	3	Nonoperating revenue and expense	29,052	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
9	Y-Teks	The Company	2	Notes and trade receivables, net	\$ 49,366	Based on regular terms	-
		The Company	2	Operating revenue, net	229,361	Based on regular terms	-
		Yueki	3	Operating revenue, net	10,129	Based on regular terms	-
10	Union & NKH Auto Parts	The Company	2	Notes and trade receivables, net	181,595	Based on regular terms	-
		Diamond Leasing	3	Other receivables from related parties	21,804	Based on regular terms	-
		Uni Investment	3	Other receivables from related parties	21,603	Based on regular terms	-
		Fuzhou Lianghong	3	Other receivables from related parties	17,350	Based on regular terms	-
		Hangchow Liangrun	3	Other receivables from related parties	201,389	Based on regular terms	-
		The Company	2	Operating revenue, net	782,241	Based on regular terms	1
11	Car-plus Corporation	Diamond Leasing	3	Notes and trade receivables, net	81,341	Based on regular terms	-
		Yu Sing	3	Operating revenue, net	16,098	Based on regular terms	-
		Hsiang Shuo	3	Operating revenue, net	27,380	Based on regular terms	-
12	Nanjing Hanhong	Nan Jing Yu Shang	3	Operating revenue, net	12,824	Based on regular terms	-
13	Luxgen	YFC	3	Notes and trade receivables, net	40,472	Based on regular terms	-
		The Company	2	Other receivables from related parties	21,655	Based on regular terms	-
		YFC	3	Operating revenue, net	3,437,799	Based on regular terms	4
		Luxgen Taipei	3	Operating revenue, net	213,020	Based on regular terms	-
		Luxgen Taoyuan	3	Operating revenue, net	143,207	Based on regular terms	-
		Luxgen Taichung	3	Operating revenue, net	130,642	Based on regular terms	-
		Luxgen Kaohsiung	3	Operating revenue, net	77,992	Based on regular terms	-
		The Company	2	Nonoperating revenue and expense	32,855	Based on regular terms	-
		YFC	3	Nonoperating revenue and expense	16,000	Based on regular terms	-
14	Luxgen Taipei	Luxgen	3	Notes and trade receivables, net	19,927	Based on regular terms	-
		Car-plus Corporation	3	Operating revenue, net	98,035	Based on regular terms	-
		Luxgen	3	Operating revenue, net	41,310	Based on regular terms	-
15	Luxgen Taoyuan	Car-plus Corporation	3	Operating revenue, net	19,506	Based on regular terms	-
		Luxgen	3	Operating revenue, net	19,535	Based on regular terms	-
18	Yulon Motor Investment	Hang Zhou Hua You	3	Other receivables from related parties	97,612	Based on regular terms	-
		Hang Zhou Haitec Company	3	Other receivables from related parties	236,916	Based on regular terms	-
		Sheng Qing	3	Nonoperating revenue and expense	48,853	Based on regular terms	-
20	TAC Finance Company	Master Good Car (Wuhan) Automobile Sales Co., Ltd.	3	Notes and trade receivables, net	28,063	Based on regular terms	-
22	Luxgen (Hangzhou) Motor Sales	Car-Plus Go Co., Ltd.	3	Notes and trade receivables, net	31,045	Based on regular terms	-
		Luxgen	3	Other receivables from related parties	34,078	Based on regular terms	-
23	Kuen You Trading	Yu Sing	3	Notes and trade receivables, net	13,469	Based on regular terms	-
		Yu Sing	3	Operating revenue, net	145,586	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
24	Chuang Jie	The Company	2	Notes and trade receivables, net	\$ 21,194	Based on regular terms	-
		Hang Zhou Haitec Company	3	Notes and trade receivables, net	100,908	Based on regular terms	-
		The Company	2	Operating revenue, net	37,765	Based on regular terms	-
		Hang Zhou Haitec Company	3	Operating revenue, net	189,751	Based on regular terms	-
25	Yu-Hsin Intl	Yu-Hsin Intl HK	3	Other receivables from related parties	113,920	Based on regular terms	-
26	Yulon China	Wen Yang	3	Other receivables from related parties	603,075	Based on regular terms	-
		Sheng Qing	3	Nonoperating revenue and expense	20,061	Based on regular terms	-
27	Yue Ki Samoa	Yue Ki HK	3	Other receivables from related parties	14,241	Based on regular terms	-
29	Ke Yu	Tai Feng	3	Other receivables from related parties	207,206	Based on regular terms	-
		Yi Ding	3	Other receivables from related parties	21,824	Based on regular terms	-
		Sheng Qing	3	Other receivables from related parties	213,002	Based on regular terms	-
30	Tai Feng	Yi Ding	3	Other receivables from related parties	13,094	Based on regular terms	-
		Dong Tai	3	Other receivables from related parties	21,824	Based on regular terms	-
31	Qing Tai	Shi Cheng	3	Other receivables from related parties	17,459	Based on regular terms	-
		Dong Tai	3	Other receivables from related parties	109,120	Based on regular terms	-
32	Mei De	Shi Cheng	3	Other receivables from related parties	130,944	Based on regular terms	-
33	Jin Ce	Yi Ding	3	Other receivables from related parties	17,459	Based on regular terms	-
34	Sheng Qing	Xiamen Young Chang	3	Other receivables from related parties	167,789	Based on regular terms	-
		Su Zhou Feng Shen	3	Other receivables from related parties	52,378	Based on regular terms	-
		Guang Zhou Yuan Du	3	Other receivables from related parties	26,618	Based on regular terms	-
		Zhu Hai Fu Te En	3	Other receivables from related parties	69,837	Based on regular terms	-
		Nanjing Hanhong	3	Other receivables from related parties	142,710	Based on regular terms	-
		Wuhan Yu Hsin	3	Other receivables from related parties	73,329	Based on regular terms	-
		Jiangmen Junxing	3	Other receivables from related parties	43,873	Based on regular terms	-
		Qingdao Yuanhuang	3	Other receivables from related parties	90,774	Based on regular terms	-
		Hang Zhou Hua Zhi	3	Other receivables from related parties	47,821	Based on regular terms	-
		Xiao Gan Yu Feng	3	Other receivables from related parties	52,146	Based on regular terms	-
		Yulon Motor Investment	3	Other receivables from related parties	893,731	Based on regular terms	-
		Nan Jing Yu Hua	3	Other receivables from related parties	53,797	Based on regular terms	-
		Ka Shing Yu Da	3	Other receivables from related parties	15,755	Based on regular terms	-
		Yu-Jie	3	Other receivables from related parties	174,742	Based on regular terms	-
		Hang Zhou Haitec Company	3	Other receivables from related parties	100,880	Based on regular terms	-
Yulon China	3	Nonoperating revenue and expense	24,183	Based on regular terms	-		
Yulon Motor Investment	3	Nonoperating revenue and expense	45,555	Based on regular terms	-		

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
35	Su Zhou Feng Shen	Su Zhou Feng Shun	3	Other receivables from related parties	\$ 39,283	Based on regular terms	-
		Su Chou Cheng Pin	3	Other receivables from related parties	24,006	Based on regular terms	-
		Su Zhou Cheng Hung	3	Other receivables from related parties	17,459	Based on regular terms	-
		Su Zhou Cheng Guo	3	Other receivables from related parties	21,824	Based on regular terms	-
		Tai Chang Cheng Mau	3	Other receivables from related parties	39,283	Based on regular terms	-
		Su Zhou Cheng Pang	3	Other receivables from related parties	15,277	Based on regular terms	-
36	Guang Zhou Yuan Du	Qingdao Yuanhuang	3	Other receivables from related parties	59,798	Based on regular terms	-
		Guang Zhou Yuan Zhi	3	Other receivables from related parties	12,951	Based on regular terms	-
38	HangZhou Yu Zhong	Hang Zhou hsiao Yu	3	Other receivables from related parties	17,459	Based on regular terms	-
		Hang Zhou Hua You	3	Other receivables from related parties	17,896	Based on regular terms	-
		Yulon Motor Investment	3	Other receivables from related parties	11,785	Based on regular terms	-
39	Hang Zhou Tang Yu	Yulon Motor Investment	3	Other receivables from related parties	38,410	Based on regular terms	-
40	Wu Jiang Lian Cheng	Su Zhou Feng Shen	3	Operating revenue, net	40,117	Based on regular terms	-
		Su Zhou Feng Shun	3	Operating revenue, net	24,613	Based on regular terms	-
		Su Zhou Chen Long	3	Operating revenue, net	24,155	Based on regular terms	-
		Su Chou Cheng Pin	3	Operating revenue, net	11,048	Based on regular terms	-
		Su Zhou Cheng Pang	3	Operating revenue, net	48,250	Based on regular terms	-
		Su Zhou Cheng Guo	3	Operating revenue, net	27,210	Based on regular terms	-
		Tai Chang Cheng Mau	3	Operating revenue, net	10,946	Based on regular terms	-
41	Hsiang Shuo	Singan	3	Other receivables from related parties	90,604	Based on regular terms	-
		YFC	3	Operating revenue, net	15,752	Based on regular terms	-
		Car-plus Corporation	3	Operating revenue, net	17,672	Based on regular terms	-
		Luxgen	3	Operating revenue, net	15,505	Based on regular terms	-
42	Yu-Hsin Intl HK	Hangchow Y-Teks	3	Other receivables from related parties	113,920	Based on regular terms	-
43	Sin Jang	Singan	3	Other receivables from related parties	211,405	Based on regular terms	-
		YFC	3	Operating revenue, net	66,633	Based on regular terms	-
46	Su Zhou Chen Long	Su Zhou Cheng Guo	3	Other receivables from related parties	21,824	Based on regular terms	-
		Tai Chang Cheng Mau	3	Other receivables from related parties	24,006	Based on regular terms	-
		Suzhou Yueshun	3	Operating revenue, net	11,731	Based on regular terms	-
48	Nan Jing Yu Hua	Nanjing Hanhong	3	Other receivables from related parties	118,382	Based on regular terms	-
49	Yulon Construction	The Company	2	Guarantee deposits	40,180	Based on regular terms	-
		The Company	2	Operating revenue, net	32,037	Based on regular terms	-
		Yufong Property Management	3	Operating revenue, net	11,153	Based on regular terms	-
		The Company	2	Nonoperating revenue and expense	12,783	Based on regular terms	-
50	Luxgen Taichung	YFC	3	Other current assets	15,590	Based on regular terms	-
		Car-plus Corporation	3	Operating revenue, net	24,660	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
52	Yu Pong	The Company	2	Operating revenue, net	\$ 20,571	Based on regular terms	-
53	Yushin	Car-plus Corporation Yu Pool	3 3	Operating revenue, net	18,187	Based on regular terms	-
				Nonoperating revenue and expense	14,908	Based on regular terms	-
54	Empower	Yu Chang Car-plus Corporation Luxgen Taichung Minxiang Leasing Company	3 3 3 3	Operating revenue, net	16,250	Based on regular terms	-
				Operating revenue, net	17,126	Based on regular terms	-
				Operating revenue, net	10,338	Based on regular terms	-
				Operating revenue, net	20,190	Based on regular terms	-
55	Tian Wang	Yu Chang	3	Operating revenue, net	107,008	Based on regular terms	-
57	H. K. Manpower	Car-plus Corporation	3	Operating revenue, net	22,351	Based on regular terms	-
59	Luxgen Kaohsiung	Car-plus Corporation Luxgen	3 3	Operating revenue, net	19,300	Based on regular terms	-
				Operating revenue, net	12,879	Based on regular terms	-
60	Hangchow Liangrun	Fuzhou Lianghong Fuzhou Lianghong Union & NKH Auto Parts Fuzhou Lianghong	3 3 3 3	Notes and trade receivables, net	31,576	Based on regular terms	-
				Other receivables from related parties	22,138	Based on regular terms	-
				Operating revenue, net	14,315	Based on regular terms	-
				Operating revenue, net	17,026	Based on regular terms	-
61	Yufong Property Management	The Company	2	Operating revenue, net	15,800	Based on regular terms	-
62	Hangchow Y-Teks	Y-Teks Hang Zhou Haitec Company	3 3	Operating revenue, net	15,941	Based on regular terms	-
				Operating revenue, net	16,046	Based on regular terms	-
63	Car-Plus (Suzhou)	Car-Plus Go Co., Ltd. TAC Leasing (Suzhou)	3 3	Notes and trade receivables, net	10,144	Based on regular terms	-
				Operating revenue, net	12,208	Based on regular terms	-
65	Suzhou Yueshun	Su Chou Cheng Pin	3	Other receivables from related parties	24,006	Based on regular terms	-
66	Hong Yen	Empower Shanghai Yuming	3 3	Other receivables from related parties	23,716	Based on regular terms	-
				Other current assets	11,130	Based on regular terms	-
67	Shinshin	Yulon Energy Yulon Energy Yulon Energy	3 3 3	Notes and trade receivables, net	264,219	Based on regular terms	-
				Other receivables from related parties	206,915	Based on regular terms	-
				Operating revenue, net	16,172	Based on regular terms	-
68	Fuzhou Lianghong	Hangchow Liangrun Hangchow Liangrun	3 3	Notes and trade receivables, net	18,983	Based on regular terms	-
				Operating revenue, net	12,344	Based on regular terms	-
69	Su Zhou Feng Shun	Su Zhou Cheng Li	3	Operating revenue, net	19,102	Based on regular terms	-
75	Yu Rich	YFC	3	Operating revenue, net	14,970	Based on regular terms	-
77	Yulon Energy	Shinshin Shinshin	3 3	Notes and trade receivables, net	31,744	Based on regular terms	-
				Operating revenue, net	46,501	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
79	Haitec	Luxgen Luxgen	3 3	Notes and trade receivables, net	\$ 59,642	Based on regular terms	-
				Operating revenue, net	567,134	Based on regular terms	1%
80	Hang Zhou Haitec Company	The Company Haitec The Company Haitec Luxgen Chuang Jie	2 3 2 3 3 3	Notes and trade receivables, net	47,628	Based on regular terms	-
				Notes and trade receivables, net	30,470	Based on regular terms	-
				Operating revenue, net	396,994	Based on regular terms	-
				Operating revenue, net	113,816	Based on regular terms	-
				Operating revenue, net	315,493	Based on regular terms	-
				Operating revenue, net	27,547	Based on regular terms	-
82	Hang Zhou hsiao Yu	Hang Zhou Haitec Company	3	Other receivables from related parties	56,602	Based on regular terms	-
83	Jiangmen Junxing	Jiangmen Yuli	3	Other receivables from related parties	39,432	Based on regular terms	-
85	Fu Jian Yu Xin	Fu Zhou Yu Xin	3	Other receivables from related parties	21,875	Based on regular terms	-
91	Yulon China (HK) Investment	Haitec	3	Nonoperating revenue and expense	13,945	Based on regular terms	-
92	Advance Power Machinery	The Company The Company	2 2	Notes and trade receivables, net	11,317	Based on regular terms	-
				Operating revenue, net	31,369	Based on regular terms	-
93	Zhe Jiang Cheng Yi Company	Yulon Motor Finance (China)	3	Operating revenue, net	13,598	Based on regular terms	-

Note 1: From the parent company to a subsidiary.

Note 2: From a subsidiary to the parent company.

Note 3: Between subsidiaries.

(Concluded)

TABLE 12**YULON MOTOR COMPANY LTD. AND SUBSIDIARIES****INFORMATION OF MAJOR SHAREHOLDERS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Tai-Yuen Textiles	181,128,973	18.11
China Motor	166,714,441	16.67
Yen Kai-Tai	101,801,954	10.18

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2020 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we have not prepared a separate set of consolidated financial statements of affiliates.

Very truly yours,

YULON MOTOR COMPANY LTD.



By:



YEN CHEN LI-LIEN
Chairman

March 25, 2021

INDEPENDENT AUDITORS' REPORT

Yulon Motor Company Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Yulon Motor Company Ltd. (the "Company") 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.

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 audit of the consolidated financial statements for the year ended December 31, 2020 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. We conducted our audit of the consolidated financial statements for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission of the Republic of China on February 25, 2020, 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 of the Group's consolidated financial statements for the year ended December 31, 2020 are stated as follows:

Impairment Assessment of Luxgen's Vehicle Model Development Cost and Molds

(Please refer to Notes 4, 5, 12, 14, 21 and 30.)

Luxgen Co., Ltd., a subsidiary, identifies different models of vehicles as separate cash-generating units, and tests them for impairment if there are indicators of impairment annually. Because impairment assessment is an area of professional judgment, we determined that impairment assessment of the vehicle model development cost and molds equipment is a key audit matter.

The main audit procedures we have performed in respect of the key audit matter stated above about impairment assessment of the vehicle model development cost and molds equipment are as follows:

1. We understood the process and basis for the estimated growth rate and profitability of the sales forecast of the Group.
2. We reviewed whether the estimated operating cash flow considered the latest operating performance and industry overview.
3. We assessed the evaluation model used by the management.
4. We assessed the weighted average cost of capital (WACC) used by the management in calculating the recoverable amount in accordance with the valuation model, including risk-free rate, volatility and risk premium. We verified that the WACC was consistent with the Group status and the industry.

Estimated Impairment of Trade Receivable

As described in Note 5, the determination of estimated impairment of trade receivable of the Group's horizontal segments subsidiary - Yulon Finance Co., Ltd. - takes into consideration the present value of estimated future cash flows based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Group's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. When the actual future cash inflows are less than expected, a material impairment loss may arise. The key assumptions and inputs used involved significant management judgment and estimation uncertainty; thus, this is determined as a key audit matter.

Our audit procedures included the following:

1. We understood the policies on impairment of trade receivable and assessed the reasonableness of impairment of receivables by performing inquiry, inspection and reperformance of related internal controls.
2. We involved our internal IT specialists in testing Yulon Finance Co., Ltd.'s system that generated related documents used by management in the evaluation and determination of default rate and expected loss rate; the tests verified the correctness of the assumptions used in the determination of default rate and expected loss rate.
3. We recalculated the impairment based on the impairment policy of the Group.

Other Matter

As described in Note 32, Dongfeng Yulon Motor Sales Co., Ltd., a subsidiary, was adjudged by a court as bankrupt on November 9, 2020 and the court appointed a trustee on November 16, 2020. The Company has lost control over the subsidiary since then. Therefore, the assets and liabilities of Dongfeng Yulon Motor Sales Co., Ltd. were not included in the consolidated financial statements for the year ended December 31, 2020.

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 Li-Wen Kuo and Yu-Wei Fan.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 30, 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.

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

ASSETS	2020		2019	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 20,036,878	7	\$ 26,147,935	8
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	4,315,296	1	3,122,549	1
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	113,077	-	123,754	-
Derivative financial assets for hedging - current (Note 11)	1,594	-	232	-
Financial assets at amortized cost - current (Notes 4, 9 and 10)	4,386,706	1	9,863,773	3
Notes and trade receivable (Notes 4 and 12)	141,722,783	47	134,239,270	43
Notes and trade receivable from related parties (Notes 4, 12 and 35)	457,018	-	2,624,469	1
Finance lease receivables (Notes 4 and 13)	22,838,380	7	27,576,053	9
Other receivables (Notes 4 and 14)	1,818,711	1	3,094,985	1
Inventories (Notes 4, 15, 29 and 36)	11,997,687	4	16,573,045	5
Other current assets (Note 35)	4,876,780	2	6,015,310	2
Incremental costs of obtaining a contract - current (Notes 28 and 35)	<u>2,621,758</u>	<u>1</u>	<u>2,562,866</u>	<u>1</u>
Total current assets	<u>215,186,668</u>	<u>71</u>	<u>231,944,241</u>	<u>74</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	2,136	-	2,249	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	438,922	-	486,268	-
Financial assets at amortized cost - non-current (Notes 4, 9 and 10)	624,140	-	464,750	-
Investments accounted for using the equity method (Notes 4 and 17)	28,968,473	10	21,095,613	7
Property, plant and equipment (Notes 4, 18, 29 and 36)	35,542,275	12	36,381,174	12
Right-of-use assets (Note 20)	3,190,202	1	3,629,258	1
Investment properties (Notes 4, 19 and 29)	11,832,290	4	8,324,573	3
Goodwill (Note 4)	882	-	882	-
Vehicle model development cost (Notes 4 and 21)	328,319	-	6,309,074	2
Other intangible assets (Notes 4 and 21)	475,147	-	460,577	-
Deferred tax assets (Notes 4 and 30)	2,471,273	1	1,855,003	1
Long-term finance lease receivables (Notes 4 and 13)	1,074,998	1	1,330,231	-
Refundable deposits	311,288	-	380,281	-
Other non-current assets	<u>875,733</u>	<u>-</u>	<u>1,227,369</u>	<u>-</u>
Total non-current assets	<u>86,136,078</u>	<u>29</u>	<u>81,947,302</u>	<u>26</u>
TOTAL	<u>\$ 301,322,746</u>	<u>100</u>	<u>\$ 313,891,543</u>	<u>100</u>

(Continued)

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)

ASSETS	2020		2019	
	Amount	%	Amount	%
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term bills payable (Note 22)	\$ 106,544,979	35	\$ 98,483,301	32
Short-term borrowings (Note 22)	45,307,626	15	78,122,271	25
Financial liabilities for hedging - current (Notes 4 and 11)	1,541	-	241	-
Financial liabilities at amortized cost - current (Notes 4 and 9)	-	-	1,834,953	1
Notes and trade payables	4,655,668	2	4,966,357	2
Notes and trade payable to related parties (Note 35)	1,817,464	1	8,649,402	3
Other payables (Notes 21, 23 and 35)	12,327,544	4	10,005,161	3
Current tax liabilities (Notes 4 and 30)	948,109	-	677,559	-
Provisions - current (Notes 4 and 25)	159,271	-	223,494	-
Lease liabilities - current (Notes 4 and 20)	604,309	-	788,127	-
Current portion of bonds payable (Notes 4 and 23)	14,121,823	5	10,340,447	3
Current portion of long-term borrowings (Note 22)	1,480,632	-	3,549,488	1
Other current liabilities (Note 24)	13,040,517	4	12,962,448	4
Total current liabilities	201,009,483	66	230,603,249	74
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4 and 23)	15,300,000	5	15,300,000	5
Long-term borrowings (Note 22)	12,337,066	4	2,780,352	1
Provisions - non-current (Notes 4 and 25)	641,441	-	724,016	-
Deferred tax liabilities (Notes 4 and 30)	3,942,336	2	4,045,315	1
Lease liabilities - non-current (Notes 4 and 20)	1,742,404	1	1,951,982	1
Net defined benefit liabilities - non-current (Notes 4 and 26)	725,107	-	1,001,238	-
Other non-current liabilities (Note 24)	749,589	-	404,240	-
Total non-current liabilities	35,437,943	12	26,207,143	8
Total liabilities	236,447,426	78	256,810,392	82
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 27)				
Share capital				
Ordinary shares	10,000,000	3	15,729,199	5
Capital surplus	6,563,888	2	6,566,495	2
Retained earnings				
Legal reserve	8,281,822	3	8,281,822	3
Special reserve	24,228,565	8	39,373,565	13
Unappropriated earnings	(363,310)	-	(23,880,202)	(8)
Total retained earnings	32,147,077	11	23,775,185	8
Other equity				
Exchange differences on translation of foreign operations	(1,118,814)	-	(1,255,680)	-
Unrealized gain on financial assets at fair value through other comprehensive income	1,522,597	-	1,397,517	-
Gain (loss) on hedging instrument	24	-	(4)	-
Total other equity	403,807	-	141,833	-
Treasury shares	(376,304)	-	(376,304)	-
Total equity attributable to owners of the Company	48,738,468	16	45,836,408	15
NON-CONTROLLING INTERESTS (Note 27)	16,136,852	6	11,244,743	3
Total equity	64,875,320	22	57,081,151	18
TOTAL	\$ 301,322,746	100	\$ 313,891,543	100

The accompanying notes are an integral part of the consolidated financial statements.
 (With Deloitte & Touche auditors' report dated March 30, 2021)

(Concluded)

YULON MOTOR COMPANY 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 (Notes 4, 28, 29 and 35)				
Sales	\$ 53,786,768	65	\$ 58,150,540	68
Investment income	103,725	-	19,741	-
Rental revenue	8,177,344	10	8,219,150	10
Service revenue	3,311,791	4	3,573,043	4
Other operating revenue	<u>17,217,886</u>	<u>21</u>	<u>15,616,436</u>	<u>18</u>
Total operating revenue	<u>82,597,514</u>	<u>100</u>	<u>85,578,910</u>	<u>100</u>
OPERATING COSTS (Notes 4, 15, 18, 21, 26, 29 and 35)				
Cost of goods sold	48,541,228	59	49,412,806	57
Investment cost	-	-	316	-
Rental cost	6,541,523	8	6,708,816	8
Service cost	2,161,336	2	2,399,963	3
Other operating cost	<u>6,735,840</u>	<u>8</u>	<u>21,336,100</u>	<u>25</u>
Total operating costs	<u>63,979,927</u>	<u>77</u>	<u>79,858,001</u>	<u>93</u>
GROSS PROFIT	18,617,587	23	5,720,909	7
REALIZED (UNREALIZED) GAIN ON TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES				
	<u>12,018</u>	<u>-</u>	<u>4,364</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>18,629,605</u>	<u>23</u>	<u>5,725,273</u>	<u>7</u>
OPERATING EXPENSES (Notes 4, 12, 14, 26, 29 and 35)				
Selling and marketing expenses	7,681,741	9	8,018,465	9
General and administrative expenses	5,738,720	7	6,465,023	8
Research and development expenses	1,364,120	2	803,572	1
Expected credit loss	<u>5,063,486</u>	<u>6</u>	<u>21,185,752</u>	<u>25</u>
Total operating expenses	<u>19,848,067</u>	<u>24</u>	<u>36,472,812</u>	<u>43</u>
PROFIT (LOSS) FROM OPERATIONS	<u>(1,218,462)</u>	<u>(1)</u>	<u>(30,747,539)</u>	<u>(36)</u>
NON-OPERATING INCOME				
Other income (Notes 4 and 29)	1,010,417	1	1,267,328	1
Other gains and losses (Notes 4 and 29)	2,423,204	3	266,775	-

(Continued)

YULON MOTOR COMPANY 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	%
Finance costs (Notes 4 and 29)	\$ (821,441)	(1)	\$ (1,122,664)	(1)
Share of profit of associates and joint ventures accounted for by the equity method (Notes 4 and 17)	4,031,743	5	6,300,049	7
Interest income (Notes 4 and 29)	<u>298,087</u>	-	<u>598,903</u>	<u>1</u>
Total non-operating income	<u>6,942,010</u>	<u>8</u>	<u>7,310,391</u>	<u>8</u>
PROFIT (LOSS) BEFORE INCOME TAX	5,723,548	7	(23,437,148)	(28)
INCOME TAX EXPENSE (Notes 4 and 30)	<u>883,986</u>	<u>1</u>	<u>1,096,329</u>	<u>1</u>
NET PROFIT (LOSS) FOR THE YEAR	<u>4,839,562</u>	<u>6</u>	<u>(24,533,477)</u>	<u>(29)</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	(7,250)	-	(98,701)	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	7,373	-	197,175	-
Share of the other comprehensive income of associates and joint ventures accounted for by the equity method	<u>70,111</u>	-	<u>106,811</u>	-
	<u>70,234</u>	-	<u>205,285</u>	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	163,749	-	(242,559)	-
Loss on hedging instruments not subject to basis adjustment	61	-	(451)	-
Share of the other comprehensive income (loss) of associates and joint ventures accounted for by the equity method	<u>6,945</u>	-	<u>(267,007)</u>	-
	<u>170,755</u>	-	<u>(510,017)</u>	-
Other comprehensive income (loss) for the year, net of income tax	<u>240,989</u>	-	<u>(304,732)</u>	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 5,080,551</u>	<u>6</u>	<u>\$ (24,838,209)</u>	<u>(29)</u>

(Continued)

YULON MOTOR COMPANY 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	%
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ 2,739,210	3	\$ (24,465,408)	(29)
Common control of predecessor rights	-	-	(564,712)	(1)
Non-controlling interests	<u>2,100,352</u>	<u>3</u>	<u>496,643</u>	<u>1</u>
	<u>\$ 4,839,562</u>	<u>6</u>	<u>\$ (24,533,477)</u>	<u>(29)</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ 2,949,501	3	\$ (24,603,974)	(29)
Common control of predecessor rights	-	-	(564,712)	(1)
Non-controlling interests	<u>2,131,050</u>	<u>3</u>	<u>330,477</u>	<u>1</u>
	<u>\$ 5,080,551</u>	<u>6</u>	<u>\$ (24,838,209)</u>	<u>(29)</u>
EARNINGS (LOSS) PER SHARE (Note 31)				
Basic	<u>\$2.80</u>		<u>\$(26.13)</u>	
Diluted	<u>\$2.80</u>		<u>\$(26.13)</u>	

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

(With Deloitte & Touche auditors' report dated March 30, 2021)

(Concluded)

YULON MOTOR COMPANY 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												Total Equity
	Share Capital	Capital Surplus	Retained Earnings			Exchange Differences on Translation of Foreign Operations	Other Equity		Treasury Shares	Total	Common Control of Predecessor Rights	Non-controlling Interests	
			Legal Reserve	Special Reserve	Unappropriated Earnings		Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments					
BALANCE, JANUARY 1, 2019	\$ 15,729,199	\$ 6,597,972	\$ 8,078,119	\$ 38,373,565	\$ 2,787,202	\$ (919,398)	\$ 1,466,521	\$ 252	\$ (376,304)	\$ 71,737,128	\$ 564,712	\$ 12,122,134	\$ 84,423,974
Appropriation of the 2018 earnings													
Legal reserve	-	-	203,703	-	(203,703)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	1,000,000	(1,000,000)	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company (NT\$0.67 per share)	-	-	-	-	(1,053,856)	-	-	-	-	(1,053,856)	-	-	(1,053,856)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,106,576)	(1,106,576)
Change in equity from investments in associates and joint ventures accounted for by using equity method	-	(31,477)	-	-	(99,130)	-	-	-	-	(130,607)	-	-	(130,607)
Change in equity from the differences between the consideration received or paid and the carrying amount of the subsidiaries' net assets during disposal or acquisition	-	-	-	-	(112,283)	-	-	-	-	(112,283)	-	196,389	84,106
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(297,681)	(297,681)
Net profit for the year ended December 31, 2019	-	-	-	-	(24,465,408)	-	-	-	-	(24,465,408)	(564,712)	496,643	(24,533,477)
Other comprehensive income for the year ended December 31, 2019, net of income tax	-	-	-	-	(87,425)	(336,282)	285,397	(256)	-	(138,566)	-	(166,166)	(304,732)
Total comprehensive income for the year ended December 31, 2019	-	-	-	-	(24,552,833)	(336,282)	285,397	(256)	-	(24,603,974)	(564,712)	330,477	(24,838,209)
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	354,401	-	(354,401)	-	-	-	-	-	-
BALANCE AT JANUARY 1, 2020	15,729,199	6,566,495	8,281,822	39,373,565	(23,880,202)	(1,255,680)	1,397,517	(4)	(376,304)	45,836,408	-	11,244,743	57,081,151
Capital reduction for covering accumulated deficit	(5,729,199)	-	-	-	5,729,199	-	-	-	-	-	-	-	-
Appropriation of the 2019 earnings													
Special reserve	-	-	-	(15,145,000)	15,145,000	-	-	-	-	-	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,293,234)	(1,293,234)
Change in equity from investments in associates and joint ventures accounted for by using equity method	-	(2,607)	-	-	(4,527)	-	-	-	-	(7,134)	-	-	(7,134)
Change in equity from the differences between the consideration received or paid and the carrying amount of the subsidiaries' net assets during disposal or acquisition	-	-	-	-	(40,307)	-	-	-	-	(40,307)	-	-	(40,307)
Net profit for the year ended December 31, 2020	-	-	-	-	2,739,210	-	-	-	-	2,739,210	-	2,100,352	4,839,562
Other comprehensive income for the year ended December 31, 2020, net of income tax	-	-	-	-	(9,363)	136,866	82,760	28	-	210,291	-	30,698	240,989
Total comprehensive income for the year ended December 31, 2020	-	-	-	-	2,729,847	136,866	82,760	28	-	2,949,501	-	2,131,050	5,080,551
Disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	(42,851)	-	42,851	-	-	-	-	-	-
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	531	-	(531)	-	-	-	-	-	-
Effect of deconsolidation of subsidiary	-	-	-	-	-	-	-	-	-	-	-	4,054,293	4,054,293
BALANCE, DECEMBER 31, 2020	\$ 10,000,000	\$ 6,563,888	\$ 8,281,822	\$ 24,228,565	\$ (363,310)	\$ (1,118,814)	\$ 1,522,597	\$ 24	\$ (376,304)	\$ 48,738,468	\$ -	\$ 16,136,852	\$ 64,875,320

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

(With Deloitte & Touche auditors' report dated March 30, 2021)

YULON MOTOR COMPANY 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		
Income before income tax	\$ 5,723,548	\$ (23,437,148)
Adjustments for:		
Interest income	(15,923,588)	(14,833,597)
Depreciation expense	8,091,102	7,829,520
Expected credit loss	5,063,486	21,185,752
Gain on deconsolidation of subsidiary	(4,040,489)	-
Share of profit of associates and joint ventures accounted for by the equity method	(4,031,743)	(6,300,049)
Finance costs	3,797,371	4,259,798
Impairment loss recognized on non-financial assets	2,790,669	15,906,408
Amortization expense	2,677,899	2,440,283
Loss (gain) on disposal of property, plant and equipment	(681,587)	26,171
Net gain on fair value change of financial assets and liabilities designated as at fair value through profit or loss	(38,706)	(42,819)
Net loss (gain) on foreign currency exchange	(34,609)	392,212
Recognition (reversal) of provisions	28,542	(18,131)
Loss on disposal of intangible assets	28,111	5,765
Dividend income	(26,680)	(40,366)
Loss (gain) on modification of lease	18,964	(43,745)
Loss on disposal of investment properties	14,143	-
Realized gain on the transactions with associates and joint ventures accounted for by the equity method	(2,568)	(4,364)
Impairment loss recognized on financial assets	738	-
Gain on investments accounted for using the equity method	(422)	(3,150,981)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(1,270,134)	(2,444,466)
Notes and trade receivable	(10,988,873)	(20,969,812)
Other receivables	138,074	(2,986,874)
Inventories	1,149,905	1,435,159
Other current assets	771,276	238,090
Finance lease receivables	4,283,112	(4,849,395)
Available-for-operating-lease assets	(5,316,321)	(5,902,672)
Incremental cost of obtaining a contract	(2,436,781)	(2,641,734)
Other operating assets	325,259	(863,775)
Notes and trade payable	379,548	(162,611)
Other payables	4,091,532	169,807
Provisions	(175,341)	(191,926)
Guarantee deposits received	(463,295)	1,140,787
Other current liabilities	432,232	(745,673)
Accrued pension liabilities	(283,381)	(104,668)
Other operating liabilities	(183,250)	50,183
Cash used in operations	(6,092,257)	(34,654,871)
Interest received	15,748,753	15,059,719

(Continued)

YULON MOTOR COMPANY 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
Interest paid	\$ (4,184,571)	\$ (3,815,630)
Income tax paid	<u>(1,306,714)</u>	<u>(1,488,363)</u>
Net cash generated from (used in) operating activities	<u>4,165,211</u>	<u>(24,899,145)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of financial assets at amortized cost	9,536,783	3,229,295
Purchase of financial assets at amortized cost	(4,072,570)	(9,068,553)
Dividends received	3,733,337	3,447,908
Payments for property, plant and equipment	(3,235,982)	(4,851,284)
Payments for investment properties	(1,798,478)	(307,270)
Proceeds from disposal of property, plant and equipment	1,536,937	1,112,448
Payments for intangible assets	(324,791)	(1,711,579)
Proceeds from financial assets at fair value through other comprehensive income	66,551	397,883
Decrease (increase) in refundable deposits	56,943	(74,027)
Proceeds from investment properties	38,598	-
Proceeds from disposal of subsidiaries	21,837	9,147
Purchase of financial assets at fair value through other comprehensive income	(1,642)	(2,539)
Increase in prepayments for leases	262	-
Proceeds from disposal of associates	199	11,159,039
Proceeds from the capital reduction of investments accounted for using the equity method	-	668,883
Payment for right-of-use assets	<u>-</u>	<u>(12,931)</u>
Net cash generated from investing activities	<u>5,557,984</u>	<u>3,996,420</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term bills payable	324,967,931	285,247,376
Repayment of short-term bills payable	(316,838,794)	(268,628,212)
Repayment of short-term borrowings	(139,897,554)	(158,616,675)
Proceeds from short-term borrowings	117,023,460	157,502,187
Repayment of long-term borrowings	(28,495,067)	(22,233,460)
Proceeds from long-term borrowings	25,676,238	22,816,461
Issuance of bonds payable	8,100,976	3,892,150
Repayment of bonds	(4,350,000)	-
Dividends paid	(1,214,015)	(2,152,500)
Proceeds of financial liabilities at amortized cost	-	697,703
Repayment of financial liabilities measured at cost	(753,630)	-
Payment for principal portion of lease liabilities	(653,403)	(818,040)
Increase (decrease) in guarantee deposits received	648,705	(153,522)
Change in non-controlling interests	<u>(40,307)</u>	<u>(303,398)</u>
Net cash generated from (used in) financing activities	<u>(15,825,460)</u>	<u>17,250,070</u>

(Continued)

YULON MOTOR COMPANY 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
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	\$ (8,792)	\$ (100,631)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(6,111,057)	(3,753,286)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>26,147,935</u>	<u>29,901,221</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 20,036,878</u>	<u>\$ 26,147,935</u>

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

(With Deloitte & Touche auditors' report dated March 30, 2021)

(Concluded)

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Yulon Motor Company Ltd. (the “Company”) was incorporated in September 1953. It manufactures and markets automobiles and parts.

The Company’s shares have been listed on the Taiwan Stock Exchange since July 1976.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors on March 30, 2021.

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

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

Except for the following, the initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed and issued into effect by the FSC did not have any material impact on the Group’s accounting policies:

- 1) Amendments to IFRS 9, IAS 39 and IFRS 7 “Interest Rate Benchmark Reform”

Upon retrospective application of the amendments, the Group complied with the hedge accounting requirements under the assumption that the interest rate benchmark (such as the London Interbank Offered Rate or LIBOR) on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered as a result of interest rate benchmark reform. Refer to Note 11 for the affected hedge relationship.

- 2) 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 Financial Supervisory Commission (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.

Hedging accounting

The amendments provide the following temporary exceptions to hedging relationships that are subject to the reform:

- 1) The changes to the hedging relationship that are needed to reflect changes required by the reform are treated as a continuation of the existing hedging relationship, and do not result in the discontinuation of hedge accounting or the designation of a new hedging relationship.
- 2) After a cash flow hedging relationship is amended, the amount accumulated in the gain/(loss) on hedging instruments of cash flow hedge is deemed to be based on the alternative benchmark rate on which the hedged future cash flows are determined.
- 3) An entity should allocate the hedged items of a group hedge that is subject to the reform to subgroups based on whether the hedged items have been changed to reference an alternative benchmark rate, and should designate the hedged benchmark rate separately.

As of the date the consolidated financial statements were authorized for issue, the Group continues in evaluating the impact on its financial position and financial performance as a

result of the initial adoption of the aforementioned standards or interpretations. The related impact will be disclosed when the Group completes the evaluation.

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 continues in evaluating the impact on its financial position and financial performance as a result of the initial adoption of the aforementioned standards or interpretations. The related impact will be disclosed when the Group completes the evaluation.

d. Reclassification

The management of the Group considered the presentation within impairment of lease assets (included in administrative expenses) and reversal of expected credit loss (included in other operating revenue) classifying as rental cost and expected credit loss to be more appropriate; therefore, the management of the Group changed the presentation of the consolidated statements of comprehensive income and cash flows in 2020. Comparative information of 2019 were reclassified to conform to the current period's presentation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These 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.

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 measurement at the present value of the defined benefit obligations less the fair value of the 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:

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

Classification of Current and Non-current Assets and Liabilities

Current assets include:

- a. Assets held primarily for the purpose of trading;
- b. Assets expected to be realized within an operating cycle after the reporting period; and
- c. Cash and cash equivalents.

Current liabilities include:

- a. Liabilities held primarily for the purpose of trading;
- b. Liabilities due to be settled within an operating cycle after the reporting period; and
- c. Liabilities for which the Group does not have an unconditional right to defer settlement for at least an operating cycle after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets and liabilities are classified as noncurrent.

Since the operating cycles of YFC Co., Ltd., Shinshin Credit Co., Ltd., TAC Leasing Co., Ltd., TAC Financial Leasing Co., Ltd., Yu Rich Financial Services Co., Ltd., Yulon Finance Philippines Corporation, Yulon Motor Finance (China) Co., Ltd., Yulon Construction Co., Ltd., Yu Sing Co., Ltd., and Yushin Co., Ltd. are more than one year, the classification of balance sheet accounts depends on whether their realization or settlement will be within or beyond one year from the balance sheet date.

Basis of Consolidation

- Principles for preparing consolidated financial statements

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

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

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

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this attribution 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's losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their respective 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.

Please refer to Note 16 and Table 10 for the subsidiaries' name, percentage of shares owned by the Company and main businesses.

Business Combinations

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

Goodwill is measured as 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 interest in the acquiree in excess of the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds 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 interest in the acquiree, the excess is recognized immediately in profit or loss as a bargain purchase gain.

If the initial accounting for a business combination is not completed by the end of the reporting period in which the combination occurs, the Group, as the acquiring entity, reports in its financial statements provisional amounts for the items for which the accounting is incomplete. These provisional amounts recognized at the acquisition date are adjusted retrospectively during the measurement period when new information is obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts initially recognized or would have resulted in the recognition of other assets and liabilities.

Foreign Currencies

In preparing the financial statements of each group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income. Non-monetary items that are measured at historical cost in a foreign currency are recognized at the rates of exchange prevailing on the dates of the transactions and are not retranslated.

Exchange differences resulting from the settlement or translation of monetary items are recognized in profit or loss in the period when these differences arise.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into New Taiwan dollars at exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences are recognized in other comprehensive income and are attributed to owners' equity or non-controlling interests.

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 non-controlling interests of the subsidiary and included in the calculation of equity transactions and not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Inventories

Inventories consist of raw materials, supplies, finished goods and work-in-process, which 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. 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 standard cost and adjusted to approximate weighted-average cost on the balance sheet date.

Yulon Finance Corporation (YFC) provides retailers with cars for the purpose of displays and sales, and charges display fees till the cars are sold. Before the ownership of cars is transferred to retailers, the cars are treated as YFC's inventories.

Construction Industry Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The inventory of construction business are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in bringing them to their existing location and condition and capitalized borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realizable value is estimated as follows:

Land held for development

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses, or estimated by recent market value (development analytical method or comparison method).

Construction-in-progress

Net realizable value is the estimated selling price (current market condition) in the ordinary course of business, less the estimated costs of completion and selling expenses.

Properties and land held for sale

Net realizable value is the estimated selling price (refer to the market condition estimated by authority) in the ordinary course of business, less the estimated costs of completion and selling expenses, or estimated by recent market value or estimated by recent market value.

Investments in Associates and Jointly Controlled Entities

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Joint venture is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group uses the equity method to account for its investments in associates and joint ventures.

Under the equity method, investments in an associate and a joint venture are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group's share of equity of associates and joint venture.

When the Group subscribes for additional new shares of the associate and joint venture 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 the associate and joint venture. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus. If the Group's ownership interest is reduced due to the additional subscription of the new shares of associate and joint venture, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate and joint venture 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 by the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate and joint venture equals or exceeds its interest in that associate and joint venture, 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 and joint venture.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate and joint venture recognized 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 the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

The entire carrying amount of the 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 deducted from 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 increased.

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

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

Property, Plant and Equipment

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

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

Freehold land is not depreciated.

Depreciation is recognized using the straight-line method and units of production method. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. For leased asset, if the lease term is shorter than the useful life of the asset, the asset is depreciated over the lease term. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes 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.

An entity that, in the course of its ordinary activities, routinely sells items of property, plant and equipment that it has held for rental to others shall transfer such assets to inventories at their carrying amount when they cease to be rented and become held for sale. The proceeds from the sale of such assets are recognized as revenue in accordance with IFRS 15 “Revenue from Contracts with Customers”. IFRS 15 does not apply when assets held for sale in the ordinary course of business are transferred to inventories.

Assets held for rental that are transferred to inventories at their carrying amount are classified under operating activities.

Investment Properties

Investment properties are properties held for earning rentals and/or for capital appreciation, including property under construction for these purposes. Investment properties also include land held for a currently undetermined future use.

Own investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

For a transfer from the investment properties classification to inventories, the deemed cost of the property for subsequent accounting is its carrying amount at the commencement of development with a view to future sale.

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

Investment properties under construction are stated at cost less impairment, if any. Cost includes professional fees and borrowing costs eligible for capitalization. Depreciation of these assets commences when the construction is completed and the assets are ready for their intended use.

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.

Goodwill

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

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

A CGU 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 attributable goodwill, with its recoverable amount. However, if the goodwill allocated to a CGU is acquired in a business combination during the current annual period, that unit should 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 to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. An impairment loss recognized on goodwill is not reversed in subsequent periods.

Intangible Assets

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 life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for prospectively. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

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.

Assets Related to Contract Costs

When a sales contract is obtained, commissions of accounts receivable purchasing and the equipment leasing business are recognized as incremental costs of obtaining a contract to the extent the costs are expected to be recovered, and are recognized as commission expenses using interest method through the contract period. However, the Group elects not to capitalize the incremental costs of obtaining a contract if the amortization period of the asset that the Group otherwise would have recognized is expected to be one year or less.

Impairment of Tangible and Intangible Assets Other Than Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets, excluding goodwill, for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of a corporate asset, the asset is tested for impairment in the context of the cash-generating unit (CGU) to which the asset belongs. If a portion of the carrying amount of the asset can be allocated on a reasonable and consistent basis to the CGU, the Group compares the carrying amount of the CGU, including the

portion of the asset's carrying amount allocated to the CGU, with the recoverable amount of the CGU to which the asset belongs. If this reasonable and consistent basis of allocation cannot be applied to the CGU to which the asset belongs and can be applied instead to the smallest group of CGUs to which the CGU belongs, this smallest group is used for impairment testing.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication of asset impairment.

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

Before the Group recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit

When the carrying amount of the asset or CGU is increased to a revised estimate of its recoverable amount, the impairment loss is reversed, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or CGU in prior years. A reversal of an impairment loss is recognized in profit or loss.

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 directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to 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 fair value through profit or loss are recognized immediately in profit or loss.

a. Financial assets

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

1) Measurement category

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

a) Financial asset at FVTPL

Financial asset is classified as at FVTPL when the financial asset is mandatorily

classified 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, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 34.

b) 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, notes receivable at amortized cost, trade receivables, finance lease receivables, treasury bills and other receivables and government bonds, are measured at amortized cost, which equals to gross carrying amount determined by 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 a financial asset, except for:

- i. Purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset; and
- ii. Financial asset that has subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset from the second reporting period after the impairment.

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.

c) 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.

2) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including notes receivables, trade receivables, and other receivables), finance lease receivables, as well as contract assets.

The Group always recognizes lifetime Expected Credit Loss (ECL) for notes receivables, trade receivables and finance lease receivables. For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the 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 ECL.

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

The Group recognizes an impairment loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount 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 does not reduce the carrying amount of the financial asset.

3) Derecognition of financial assets

The Group derecognizes financial assets only when the contractual rights to the cash flows from the assets expire or when it transfers the financial assets and substantially all the risks and rewards of ownership of the assets 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 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 that had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

b. Equity instruments

Debt and equity instruments issued by a Group entity are classified either as 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.

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, issue or cancellation of the Company's own equity instruments.

c. Financial liabilities

1) Subsequent measurement

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

a) Financial liability at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is 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 34.

b) Financial liability at amortized cost

The group's financial liability measured at amortized cost transfers financial assets and related right to trust institutions, which issue beneficiary certificates, and all proceeds raised go to consolidated entities. Under this transaction architecture, the Group does not lose the right of controlling financial assets, and nor derecognize them.

2) Derecognition of financial liabilities

The Group only derecognizes the financial liabilities when the obligation is lifted, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in profit or loss.

d. Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risks and foreign exchange rate risks, including interest rate swaps and cross-currency swaps.

Derivatives are initially recognized at fair value at the date 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 unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. When the fair value of derivative financial instruments is positive, the derivative is recognized as a financial asset;

when the fair value of derivative financial instruments is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts 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 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.

Hedge Accounting

The Group designates certain hedging instruments as cash flow hedges.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

The associated gains or losses that were recognized in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment in the line item relating to the hedged item in the same period when the hedged item affects profit or loss. If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains and losses that were recognized in other comprehensive income are removed from equity and included in the initial cost of the non-financial asset or non-financial liability.

The group discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised. The cumulative gain or loss on the hedging instrument that has been previously recognized in other comprehensive income from the period when the hedge was effective remains separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

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.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The Group's provision is for contracts with guarantees. For car loan contracts signed by the Group's customers with financial institutions, the Group provides payment guarantees as well as account management services. Under the contracts, the Group is responsible for the collection of loan repayments or will assume the risk of loss on uncollectable loans in the event of default. The provision is subsequently measured under IAS 37 "Provision, Contingent Liabilities and Contingent Assets".

Provisions for the expected cost of warranty obligations are recognized at the date of sale of the relevant products and at the Group management's best estimate of the expenditure required to settle the Group's obligations.

Revenue Recognition

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

a. Revenue from sale of goods

Revenue from the sale of goods comes from sales of cars and materials.

The Group recognize revenue on goods delivered to subcontractors because this delivery involve a transfer of control.

Revenue from sale of goods comes from sales of operating assets held for rental to others. Sales of operating assets held for rental to others are recognized as revenue when ownership of the goods are transferred to the buyers.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and similar allowances. Sales returns are recognized at the time of sale if the Group can reliably estimate future returns and a liability for returns is recognized on the basis of previous experience and relevant factors.

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

Income from properties developed for sale is recognized when construction is complete, rewards of ownership of the properties are transferred to buyers, and collectability of the related receivables is reasonably assured. Deposits received on the sale of properties and installment payments are presented in the consolidated balance sheets under current liabilities.

Under the Group's award scheme, the sale of goods that results in award credits for customers is accounted for as a multiple element revenue transaction, and award credits are accounted for as a separately identifiable component of a sales transaction in which these credits are granted ("initial sale"). The fair value of the consideration received or receivable is allocated between the award credits granted and other components of the sale. The consideration allocated to the award credits is measured at their fair value, i.e., the amount for which the award credits could be sold separately. Such consideration is not recognized as revenue at the time of the initial sale but is deferred and recognized as revenue when the award credits are redeemed and the Group's obligations to supply the award have been fulfilled.

b. Rental revenue

A lease is classified as a finance lease if it transfers substantially all the risks, and rewards upon transfer of property or asset. Otherwise, it is classified as an operating lease.

Under finance leases, the lease payments comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives payable. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any

unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Group's net investment outstanding in respect of leases.

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. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

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

When the lease contains both land and building, the Company is based on whether almost all the risks and compensation attached to the ownership of the elements have been transferred to the lessee to assess whether the elements are classified as financial or business leases. The lease payment shall be distributed to the land and buildings in proportion to the fair value of the lease rights of the land and buildings at the date of the establishment of the contract. If lease payments can be reliably allocated to these two elements, each element is treated according to the applicable lease classification. If the lease payment cannot be reliably apportioned to these two elements, then the overall lease is classified as a financial lease, but if both elements clearly meet the operating lease criteria, the overall lease is classified as an operating lease.

c. Investment income

For security transactions by Yung Hong Investment Company, the difference between the carrying amount of security and the actual selling price is recognized in profit or loss when these Group entities transfer substantially all the risks and rewards of security ownership to another party.

d. Rendering of services

Revenue from a contract to provide services is recognized by reference to the stage of completion of the contract.

e. Dividend and interest income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established and if it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Leasing

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

The Group as lessee

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

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

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

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

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, or a change in the amounts expected to be payable under a residual value guarantee, 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 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 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 a deduction of expenses of variable lease payments in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

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

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the costs of these assets, until the time 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 those stated above, borrowing costs are recognized in profit or loss in the period in which they are incurred.

Government Grants

Government grants are recognized when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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.

Employee Benefits

a. 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 service.

b. Retirement benefits

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

Defined benefit costs (including service cost, net interest and rereasurement) under the 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 liability (asset) are recognized as employee benefits expense in the period they occur. Rereasurement, comprising actuarial gains and losses, and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Rereasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability (asset) represents the actual deficit (surplus) in the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

c. Termination benefits

A liability for a termination benefit is recognized at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognizes any related restructuring costs.

Share-based Payment Arrangements

Equity-settled share-based payment arrangements granted to employees

The fair value at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's best estimates 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.

Taxation

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

a. Current tax

According to the Income Tax Law, an additional tax at 10% of unappropriated earnings is provided for as income tax in the year the shareholders approve to retain the earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

b. 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 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, and interests in joint arrangements, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference 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 asset 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 liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c. 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 or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

Where current tax 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, estimates 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 estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

a. Estimated impairment of financial assets

The provision for impairment of trade receivables, investments in debt instruments, and financial guarantee contracts is based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Group's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. For details of the key assumptions and inputs used, see Note 9, 12 and 13. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

b. Impairment of property, plant and equipment

The impairment of property, plant and equipment was based on the recoverable amount of those assets, which is the higher of fair value less costs to sell or value-in-use of those assets. Any changes in the market price or future cash flows will affect the recoverable amount of those assets and may lead to recognition of additional or reversal of impairment losses.

c. Impairment of intangible assets (vehicle model development cost)

The impairment of intangible asset (vehicle model development cost) was based on the recoverable amount of those assets, which is the higher of fair value less costs to sell or value-in-use of those assets. Any changes in the market price or future cash flows will affect the recoverable amount of those assets and may lead to recognition of additional or reversal of impairment losses.

6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	2020	2019
Cash on hand	\$ 20,171	\$ 105,792
Checking accounts and demand deposits	16,564,754	20,954,693
Cash equivalent		
Time deposits with original maturities within 3 months	3,451,322	4,586,468
Short-term notes and bills	-	1,181
Third-party payment service deposits	631	350
Repurchase agreements collateralized by bonds	<u>-</u>	<u>499,451</u>
	<u>\$ 20,036,878</u>	<u>\$ 26,147,935</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	2020	2019
<u>Financial assets at FVTPL - current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic quoted shares	\$ 9,619	\$ 22,942
Domestic unlisted shares	-	652
Mutual funds	3,789,176	1,621,794
Hybrid financial assets		
Structured deposits	301,971	628,620
Principal guaranteed financial assets	<u>214,530</u>	<u>848,541</u>
	<u>\$ 4,315,296</u>	<u>\$ 3,122,549</u>
<u>Financial assets at FVTPL - non-current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic unlisted shares	<u>\$ 2,136</u>	<u>\$ 2,249</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>December 31</u>	
	2020	2019
<u>Current</u>		
Quoted stocks	<u>\$ 113,077</u>	<u>\$ 123,754</u>

(Continued)

	December 31	
	2020	2019
<u>Non-current</u>		
Domestic investments		
Quoted stocks	\$ 31,303	\$ 82,255
Domestic unlisted shares	406,095	402,492
Others	<u>1,524</u>	<u>1,521</u>
	<u>\$ 438,922</u>	<u>\$ 486,268</u>
		(Concluded)

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

In May 2019, the Group dispose of financial assets at fair value through other comprehensive income - ordinary shares of Taiwin Company to Xiang Wei Co., Ltd., the disposal price was 396,000 thousand, and related other equity - the unrealized gains and losses of financial assets at fair value through other comprehensive income of financial assets of 369,760 thousand are transferred to retained earnings.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2020	2019
<u>Current</u>		
Time deposits with original maturity more than 3 months	\$ 3,557,812	\$ 9,469,602
Reserve account	218,324	231,577
Restricted Bank deposit	52,504	8,599
Pledged time deposits	19,457	111,607
Bank deposit for specified purpose	54,116	42,388
Debt instruments investment	<u>484,493</u>	<u>-</u>
	<u>\$ 4,386,706</u>	<u>\$ 9,863,773</u>
<u>Non-current</u>		
Central Government Development Bonds (a)	\$ 15,245	\$ 15,708
Pledged time deposits	44,630	44,629
Restricted Bank deposit	314,263	397,730
Time deposits with original maturity more than 3 months	244,057	-
Debt instruments investment	<u>5,945</u>	<u>6,683</u>
	<u>\$ 624,140</u>	<u>\$ 464,750</u>
Securitization beneficiary securities loan (b)	<u>\$ -</u>	<u>\$ 1,834,953</u>

- a. Yulon Finance Co, Ltd. and Yustar invested in Central Government Development Bonds with yearly payment coupon rates of 3.75% and 1.42% and with maturity dates of August 16, 2022 and February 13, 2021, respectively. As of December 31, 2020 and 2019, the Central Government Development Bonds with face value of \$4,700 thousand and \$9,300 thousand, respectively, were pledged as guarantee deposits for evidence of claims in the courthouse.
- b. Yulon Motor Finance (China) Co., Ltd. holds the creditor's right to the beneficiary securities issued by trust institutions through accounts receivable securitization in March and September 2019. The value of the first time issue of priority trust beneficiary rights is RMB530 million, which accounts for 85.13% of total beneficiary rights. Among the priority trust beneficiary rights, the value of the A1-category is RMB310 million, and the annual beneficiary rate is 4.6%, which has expired in September 2019. The value of the A2-category is RMB150 million, and the annual beneficiary rate is 4.8%, which has expired in February 2020. The value of the B-category is RMB70 million, and the annual beneficiary rate is 6.5%, which has expired in May 2020. The interest is paid monthly for such beneficiary certificates. The value of the secondary beneficiary right is RMB93 million, and there is no annual beneficiary rate, which has expired in July 2020. The value of the second time issue of priority trust beneficiary rights is RMB251 million, which accounts for 81.07% of total beneficiary rights. Among the priority trust beneficiary rights, the value of the A1-category is RMB74 million, and the annual beneficiary rate is 4.2%, which has expired in December 2019. The value of the A2-category is RMB151 million, and the annual beneficiary rate is 5.2%, which has expired in October 2020. The value of the B-category is RMB26 million, and the annual beneficiary rate is 6.5%, which has expired in November 2020. The interest is paid monthly for such beneficiary certificates. The value of the secondary beneficiary rights is RMB59 million, and there is no annual beneficiary rate, which has expired in November 2020.
- c. Refer to Note 10 for information relating to credit risk management and impairment of financial assets at amortized cost.
- d. Refer to Note 36 for information relating to financial assets at amortized cost pledged as security.

10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments were classified as at amortized cost.

	<u>December 31</u>	
	<u>2020</u>	<u>2019</u>
Gross carrying amount	\$ 5,014,801	\$ 10,331,739
Less: Allowance for impairment loss	<u>(3,955)</u>	<u>(3,216)</u>
Amortized cost	<u>\$ 5,010,846</u>	<u>\$ 10,328,523</u>

The Group only invests in government bonds and deposits that are assessed with no impairment loss, rated the equivalent of investment grade or higher and have low credit risk for the purpose of impairment assessment. The credit rating information of government bonds is supplied by independent rating agencies. The Group's exposure and the external credit ratings are continuously monitored. The Group reviews changes in bond yields and other public information and makes an assessment whether there has been a significant increase in credit risk since the last period to the reporting date.

11. FINANCIAL INSTRUMENTS FOR HEDGING - CURRENT

	December 31	
	2020	2019
<u>Financial assets under hedge accounting</u>		
Cash flow hedges - interest rate swaps (a)	\$ 1,594	\$ 232
<u>Financial liabilities under hedge accounting</u>		
Cash flow hedges - interest rate swaps (a)	\$ 1,541	\$ 241

- a. The Group entered into interest rate swap (IRS) contracts to mitigate the risk of adverse changes in interest rates on the cash flow exposure related to outstanding floating-rate debts. The terms of the IRS contracts are identical to those for debts under hedging; thus, the management considered these contracts as highly effective tool for hedging. The outstanding IRS contracts at the end of the reporting period were as follows:

December 31, 2020 and December 31, 2019

Notional Amounts (In Thousands)	Maturity Date	Interest Rates - Receipt	Interest Rates - Payment
\$ 500,000	2022.04.29	Note	0.715%
500,000	2022.05.23	Note	0.708%

Note: Based on the three months TAIBOR - Reuters interest rate prevailing on two operating days before the IRS contract issue date.

12. NOTES RECEIVABLE AND TRADE RECEIVABLES

	December 31	
	2020	2019
Notes and trade receivables	\$ 177,304,626	\$ 169,215,481
Less: Allowance for impairment loss	(12,790,762)	(12,803,452)
Unrealized interest income	<u>(22,334,063)</u>	<u>(19,548,290)</u>
	<u>\$ 142,179,801</u>	<u>\$ 136,863,739</u>

Trade and notes receivable

The average credit period for the sale of goods for “Brand Segments” was 45 to 180 days. In assessing recoverability of its trade and notes receivables, the Group’s management considers any changes in the counterparties’ credit quality as of the balance sheet dates, including the financial and economic status of the counterparties, since the major counterparties were related parties.

Principal and interests for Horizontal Segments within the Group are collected monthly. For delayed payments, interests are accrued on the basis of the number of days that payments are outstanding. For the assessment of expected credit losses, in addition to considering the impairment losses recognized by individual customers, the Group assessed expected credit losses

of different business on a collective basis based on macroeconomic factors, past experience and forward-looking indicators.

The average credit period for the sale of goods by other “Supporting Segments” is 45 to 65 days. In assessing recoverability of its trade and notes receivables, the Group’s management considers any changes in the counterparties’ credit quality as of the balance sheet dates, including the financial and economic status of the counterparties, since the major counterparties were related parties.

For Taiwan and China-based retailers, overdue payments are reported to the Group’s internal legal department for confirmation and collection.

The clients of the Group are widely spread and unrelated; thus, credit risk is limited.

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

	Not Past Due	1-180 Days	More Than 180 Days	Total
<u>December 31, 2020</u>				
Gross carrying amount	\$ 143,587,444	\$ 2,142,719	\$ 9,240,400	\$ 154,970,563
Loss allowance (Lifetime ECL)	<u>(3,141,537)</u>	<u>(463,176)</u>	<u>(9,186,049)</u>	<u>(12,790,762)</u>
Amortized cost	<u>\$ 140,445,907</u>	<u>\$ 1,679,543</u>	<u>\$ 54,351</u>	<u>\$ 142,179,801</u>
<u>December 31, 2019</u>				
Gross carrying amount	\$ 136,431,439	\$ 2,427,962	\$ 10,807,790	\$ 149,667,191
Loss allowance (Lifetime ECL)	<u>(3,673,256)</u>	<u>(226,759)</u>	<u>(8,903,437)</u>	<u>(12,803,452)</u>
Amortized cost	<u>\$ 132,758,183</u>	<u>\$ 2,201,203</u>	<u>\$ 1,904,353</u>	<u>\$ 136,863,739</u>

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

	<u>For the Year Ended December 31</u>	
	2020	2019
Balance at January 1	\$ 12,803,452	\$ 3,281,081
Add: Net remeasurement of loss allowance	3,267,672	11,113,188
Add: Amounts recovered	328,157	212,825
Less: Reclassification	(617)	-
Less: Amounts written off	(3,484,481)	(1,792,232)
Less: Amounts related to loss of control	(129,990)	-
Foreign exchange gains and losses	<u>6,569</u>	<u>(11,410)</u>
Balance at December 31 (Note)	<u>\$ 12,790,762</u>	<u>\$ 12,803,452</u>

Note: Included the receivable from related parties of the Group - Dongfeng Yulon Motor Co., Ltd. was assessed according to the expected credit loss model, and the expected credit loss mentioned in the current period was \$8,227,027 thousand.

13. FINANCE LEASE RECEIVABLES

	December 31	
	2020	2019
<u>Undiscounted lease payments</u>		
Year 1	\$ 18,977,361	\$ 22,919,330
Year 2	7,316,573	8,180,354
Year 3	2,631,490	2,584,438
Year 4	1,241,016	1,173,354
Year 5	285,761	403,103
Year 6 onwards	<u>169,773</u>	<u>183,395</u>
	30,621,974	35,443,974
Less: Unearned finance income	(3,499,449)	(4,279,479)
Less: Allowance for impairment loss	<u>(3,209,147)</u>	<u>(2,258,211)</u>
Discounted unguaranteed residual value	<u>\$ 23,913,378</u>	<u>\$ 28,906,284</u>
Net investment in leases presented as finance lease receivables	<u>\$ 23,913,378</u>	<u>\$ 28,906,284</u>

The Group signed finance lease agreements for cars and equipment having an average lease term of 2.43 years.

The interest rates inherent in leases are fixed at the contract dates for the entire term of the lease. The ranges of interest rates inherent in the finance leases were approximately 2.47%-13.98% and 3.66%-13.81% per annum as of December 31, 2020 and 2019, respectively.

Finance lease receivables are secured by holding leased equipment as collaterals. The expected credit losses on trade receivables are recognized as loss allowance by reference to past default experience of the debtor and an analysis of the debtor's current financial position, general economic conditions of the industry in which the debtors operate and expected credit loss rates of forward-looking indicators.

The Group writes off a finance lease 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, or when the finance lease receivables are over 180 days past due, whichever occurs earlier. For finance lease 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 Group assesses the loss allowance of finance lease receivables individually and collectively. The movements were as follows:

December 31, 2020

	Not Past Due	1-180 Days	More Than 180 Days	Total
Gross carrying amount	\$ 22,386,761	\$ 2,037,023	\$ 2,698,741	\$ 27,122,525
Loss allowance (Lifetime ECL)	<u>(266,551)</u>	<u>(243,855)</u>	<u>(2,698,741)</u>	<u>(3,209,147)</u>
Amortized cost	<u>\$ 22,120,210</u>	<u>\$ 1,793,168</u>	<u>\$ -</u>	<u>\$ 23,913,378</u>

December 31, 2019

	Not Past Due	1-180 Days	More Than 180 Days	Total
Gross carrying amount	\$ 28,648,436	\$ 1,097,457	\$ 1,418,601	\$ 31,164,494
Loss allowance (Lifetime ECL)	<u>(361,570)</u>	<u>(478,040)</u>	<u>(1,418,601)</u>	<u>(2,258,211)</u>
Amortized cost	<u>\$ 28,286,866</u>	<u>\$ 619,417</u>	<u>\$ -</u>	<u>\$ 28,906,283</u>

The movements of the loss allowance of finance lease receivables were as follows:

	<u>For the Year Ended December 31</u>	
	2020	2019
Balance at January 1	\$ 2,258,211	\$ 1,411,594
Add: Net remeasurement of loss allowance	1,081,013	1,188,040
Add: Amounts recovered	13,909	-
Less: Amounts written off	(195,721)	(247,722)
Foreign exchange gains and losses	<u>51,735</u>	<u>(93,701)</u>
Balance at December 31	<u>\$ 3,209,147</u>	<u>\$ 2,258,211</u>

14. OTHER RECEIVABLES

	<u>December 31</u>	
	2020	2019
Other receivable - at amortized cost	\$ 10,952,089	\$ 12,005,943
Less: Allowance for impairment loss	<u>(9,133,378)</u>	<u>(8,910,958)</u>
	<u>\$ 1,818,711</u>	<u>\$ 3,094,985</u>

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

	For the Year Ended December 31	
	2020	2019
Balance at January 1	\$ 8,910,958	\$ 388,335
Add: Net remeasurement of loss allowance	714,801	8,884,526
Add: Reclassification	617	-
Less: Amounts related to loss of control	(565,706)	-
Foreign exchange gains and losses	<u>72,708</u>	<u>(361,903)</u>
Balance at December 31 (Note)	<u>\$ 9,133,378</u>	<u>\$ 8,910,958</u>

Note: The balance at December 31 included the loss allowance of the receivables from Dongfeng Yulon Motor Co., Ltd., a related party, in the amount of \$8,408,842 thousand.

15. INVENTORIES

The Group's inventories include finished goods, work in progress, raw materials, properties for sale and construction land.

	December 31	
	2020	2019
Finished goods	\$ 3,675,705	\$ 4,723,321
Work in progress	899,533	921,182
Raw materials	<u>2,899,246</u>	<u>3,609,842</u>
	<u>7,474,484</u>	<u>9,254,345</u>
<u>Properties for sale</u>		
Yu-Wen Garden	2,584	2,584
Hsin-Dian Da Feng section	<u>1,757</u>	<u>1,757</u>
	<u>4,341</u>	<u>4,341</u>
<u>Construction land</u>		
Property under construction	<u>4,518,862</u>	<u>7,314,359</u>
	<u>\$ 11,997,687</u>	<u>\$ 16,573,045</u>

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2020 and 2019 was \$48,541,228 thousand and \$49,412,806 thousand, respectively.

The cost of goods sold for the years ended December 31, 2020 and 2019 included inventory write-downs of \$235,411 thousand and reversal of inventory write-downs \$98,383 thousand, respectively.

The design of the planned development of a commercial district of Yulon Town was modified in October 2019, and only consisted of malls. In addition, the declaration of the commencement of the residential district was temporarily stopped, and will be re-designed depending on the market situation. Therefore, the Group expected a portion of the asset to have no economic benefits and recognized impairment loss on the residential district (included in inventory) \$779,745 thousand in 2019.

The part of Yulon Town's land and building was reclassified to investment property due to the modification of the construction license. Please refer to Note 19.

The amount of inventories pledged as collateral for bank borrowings was disclosed in Note 36.

16. SUBSIDIARIES

a. Subsidiaries included in consolidated financial statements

Entities included in the Group's consolidated financial statements were as follows:

Investor	Investee	Main Businesses	% of Ownership		Remark
			2020	2019	
The Company	Yulon Finance Corporation ("Yulon Finance Corporation")	Sale and lease of cars and parts	45.75	45.75	-
	Yu Sing Motor Co., Ltd. ("Yu Sing")	Sale, maintenance and repair of cars and parts	99.99	99.99	-
	Yushin Motor Co., Ltd. ("Yushin")	Sale, maintenance and repair of cars and parts	99.99	99.99	-
	Yu Chang Motor Co., Ltd. ("Yu Chang")	Sale and maintenance of cars and parts	65.00	65.00	-
	Sin Chi Co., Ltd. ("Sin Chi")	General advertising planning services	100.00	100.00	-
	Yu Ching Business Co., Ltd. ("Yu Ching")	Import and export and sale of cars and parts	60.00	60.00	The Group owned 100% of Yu Ching in the two reporting periods.
	Yung Hong Investment Co., Ltd. ("Yung Hong")	Investments	100.00	100.00	-
	Yu Pong Business Co., Ltd. ("Yu Pong")	Yulon basketball team management and related services	100.00	100.00	-
	Chan Yun Technology Co., Ltd. ("Chan Yun")	Wholesale and retail of information software	87.71	87.71	-
	Yulon Overseas Investment Co., Ltd. ("Yulon Overseas")	Investments	100.00	100.00	-
	Y-Teks Co., Ltd. ("Y-Teks")	Manufacturing and furnishing, cars and the import and export of, and serving as sales agent for, car parts	34.00	34.00	The Group owned 45.99% of Y-Teks in the two reporting periods.
	Union & NKH Auto Parts Co., Ltd. ("Union & NKH")	Manufacturing and sale of springs for various motor vehicles and sale of nonmotorized vehicles	25.01	25.01	-
	Yueki Industrial Co., Ltd. ("Yueki")	Manufacturing and sale of car components	65.58	65.58	-
	Yue Sheng Industrial Co., Ltd. ("Yue Sheng")	Car manufacture and furnishing; manufacture, installation and sale of car parts	80.07	80.07	-
	China Cast Iron Pipe Co., Ltd. ("China Cast Iron")	Metal casting and related business	77.66	77.66	-
	Car-plus Auto Leasing Corporation ("Car-plus Auto")	Car lease and trade	3.46	3.46	The Group owned 72.03% of Car-plus in the two reporting periods.
	Empower Co., Ltd. ("Empower")	Sale, maintenance and repair of cars and parts	20.00	20.00	The Group owned 47% of Empower in the two reporting periods.
	Luxgen Motor Co., Ltd. ("Luxgen")	Sale of cars and parts	100.00	100.00	-
	Yulon Motor Finance (China) Co., Ltd. ("Yulon Motor Finance")	Car purchases and loans to car dealers for car purchases	51.00	51.00	The Group owned 100% of Yulon Motor Finance in the two reporting periods.
	Yulon Construction Co., Ltd. ("Yulon Construction")	Construction	100.00	100.00	-
	Yulon New Energy Motor (Cayman) Inc.	Investments	-	100.00	Liquidated in 4 th quarter of 2020.
	Haitec Co., Ltd. ("Haitec")	Product design of cars	58.84	35.46	The Group acquired control on December 31, 2019 and retrospectively stated to December 31, 2018. The Group owned 99.99% of Haitec in the 4 th quarter of 2020.
	Advance Power Machinery Co., Ltd. ("Advance Power Machinery")	Manufacturing and furnishing cars and the import and export of, and serving as sales agent for, car parts	100.00	-	The Group owned 100% of Advance Power Machinery since 3rd quarter of 2020.
Yulon New Energy Motor (Cayman) Inc.	Investments	-	100.00	Liquidated in 4 th quarter of 2020.	
Yulon Finance Corporation	Yustar Finance Corporation ("Yustar")	Installment-related financing services for car and truck purchases	100.00	100.00	-
	Car-plus Auto	Car lease and trade	68.57	68.57	The Group owned 73.03% of Car-plus in the two reporting periods.
	TAC Global Investment (Samoa) Co., Ltd. ("TAC Global")	Shareholding company	100.00	100.00	-
	Empower	Sale, maintenance and repair of cars and parts	27.00	27.00	The Group owned 47% of Empower in the two reporting periods.
	Sin Gan Co., Ltd. ("Sin Gan")	Wholesale and retail of information software	73.26	73.26	The Group owned 93.04% of Sin Gan in the two reporting periods.
	Yulon Motor Finance	Car purchases and loans to car dealers for car purchases	49.00	49.00	The Group owned 100% of Yulon Motor Finance in the two reporting periods.
	Yu Rich Financial Services Co., Ltd. ("Yu Rich")	Installment loans of consumer goods and wholesale of cars and parts	100.00	100.00	-
	Yulon Finance Overseas Investment (Samoa) Co., Ltd. ("Yulon Finance Overseas")	Shareholding company	100.00	100.00	-
Yustar	Shinshin Global Investment (Samoa) Co., Ltd. ("Shinshin Samoa")	Shareholding company	100.00	100.00	-
	Yes-Energy Service Co., Ltd. ("YES-Energy")	Wholesale and retail of batteries	100.00	100.00	-
YES-Energy	Power Engineering Co., Ltd.	Wholesale and retail of batteries	100.00	100.00	-
Car-plus Auto	Diamond Leasing Service Corporation ("Diamond Leasing")	Car sale and lease	100.00	100.00	-
	Car-Plus Global Investment (Samoa) Co., Ltd. ("Car-Plus Samoa")	Shareholding company	100.00	100.00	-
	Hong Shou Culture Enterprise Co., Ltd. ("Hong Shou Culture")	Publication	100.00	100.00	-
	Da-Wei Technology Co., Ltd. ("Da-Wei")	Brokerage of electric vehicles	100.00	100.00	-

(Continued)

Investor	Investee	Main Businesses	% of Ownership		Remark
			December 31		
			2020	2019	
Sin Gan	Singual Travel Service Co., Ltd. ("Singual Travel")	Sale of information software, telecommunications equipment and maintenance of cars and parts	100.00	100.00	-
	Hsiang Shou Enterprise Co., Ltd. ("Hsiang Shou")	Towing	100.00	100.00	-
	Sin Jang	Sales and brokerage of secondhand vehicles	100.00	100.00	-
Singual Travel	Qinton Motor Co., Ltd. ("Qinton")	Sale and maintenance of cars and parts	100.00	100.00	-
	Shang Hai Jing-Huei Investment Co., Ltd. ("Shang Hai Jing-Huei")	Sale of car equipment and parts	100.00	100.00	-
Da-Wei	Da Teng Traffic Co., Ltd	Taxi	100.00	100.00	-
	Dachuan Transportation Co., Ltd.	Taxi	100.00	100.00	-
	Damu Transportation Co., Ltd.	Taxi	100.00	100.00	-
	Dajun Transportation Co., Ltd.	Taxi	100.00	100.00	-
	Yong-Xiang Transportation Co., Ltd. ("Yong-Xiang")	Taxi transportation	100.00	-	The Group owned 100% of Yong-Xiang in 1st quarter of 2020.
	Guo-Ma Transportation Co., Ltd. ("Guo-Ma")	Taxi transportation	100.00	-	The Group owned 100% of Guo-Ma in 1st quarter of 2020.
	Jin-Yu Transportation Co., Ltd. ("Jin-Yu")	Taxi transportation	100.00	-	The Group owned 100% of Jin-Yu in 1st quarter of 2020.
	Zhong-Xing Automobile Co., Ltd. ("Zhong-Xing")	Taxi transportation	100.00	-	The Group owned 100% of Zhong-Xing in 1st quarter of 2020.
	Li-Yang Automobile Co., Ltd. ("Li-Yang")	Taxi transportation	100.00	-	The Group owned 100% of Li-Yang in 1st quarter of 2020.
	He-Yang Transportation Co., Ltd. ("He-Yang")	Taxi transportation	100.00	-	The Group owned 100% of He-Yang in 1st quarter of 2020.
	Jia-Yu Transportation Co., Ltd. ("Jia-Yu")	Taxi transportation	100.00	-	The Group owned 100% of Jia-Yu in 1st quarter of 2020.
	Tian-Yang Transportation Co., Ltd. ("Tian-Yang")	Taxi transportation	100.00	-	The Group owned 100% of Tian-Yang in 1st quarter of 2020
	Diamond Leasing	H.K. Manpower Service Co., Ltd. ("H.K. Manpower")	Temporary labor services	100.00	100.00
Sin Jang	Sinjang International Investment (Samoa) Co., Ltd. ("Sinjang Samoa")	Holding company	71.34	71.34	The Group owned 100% of Sinjang (Samoa) in the two reporting periods.
Car-Plus Samoa	Car-Plus China Investment (Samoa) Co., Ltd. ("Car-Plus China")	Holding company	60.00	60.00	The Group owned 100% of Car-Plus China in the two reporting periods.
	Car-Plus Shanghai Investment (Samoa) Co., Ltd. ("Car-Plus Shanghai")	Holding company	60.00	60.00	The Group owned 100% of Car-Plus Shanghai in the two reporting periods.
	Car-Plus Hangzhou Investment (Samoa) Co., Ltd. ("Car-Plus Hangzhou")	Holding company	60.00	60.00	-
TAC Global	Car-Plus China Investment (Samoa) Co., Ltd.	Holding company	40.00	40.00	The Group owned 100% of Car-Plus China in the two reporting periods.
	Car-Plus Shanghai Investment (Samoa) Co., Ltd.	Holding company	40.00	40.00	The Group owned 100% of Car-Plus Shanghai in the two reporting periods.
	Car-Plus Hangzhou Investment (Samoa) Co., Ltd.	Holding company	40.00	40.00	-
	Yu Rong International Investment (Samoa) Co., Ltd.	Holding company	100.00	100.00	-
	Sinjang International Investment (Samoa) Co., Ltd.	Holding company	28.66	28.66	The Group owned 100% of Sinjang (Samoa) in the two reporting periods.
Zhejiang Cheng-Yi	Hangzhou Cheng-Yi-Jun Used-cars Authenticated Evaluation Service Co., Ltd.	Secondhand vehicle authentication and evaluation service	100.00	100.00	-
	Zhejiang ChengYi Auction Co., Ltd.	Car trading	100.00	100.00	-
	Wuhan TAC Auto Trade Co., Ltd.	Secondhand vehicles authentication and evaluation service	100.00	-	Zhejiang Cheng-Yi acquired 100% of shares from TAC Financial Leasing in the 1st quarter of 2020.
Shinshin Samoa	TAC Financial Leasing Co., Ltd. ("TAC Financial")	Financial lease of equipment	40.00	40.00	The Group owned 100% of TAC Financial in the two reporting periods.
Car-Plus China	Car-Plus (Suzhou) Auto Leasing Co., Ltd. ("Car-Plus (Suzhou)")	Lease of cars and related services	100.00	100.00	-
Car-Plus Shanghai	Car-Plus Leasing (Shanghai) Co., Ltd. ("Car-Plus Leasing (Shanghai)")	Car lease and trading	100.00	100.00	-
Car-Plus Hangzhou Yu Rong International	CAR-PLUS GO Co., Ltd.	Lease of cars and related services	100.00	100.00	-
	TAC Leasing Co., Ltd. ("TAC Leasing")	Financial lease of equipment	100.00	100.00	-
	TAC Financial Leasing Co., Ltd.	Financial lease of equipment	40.00	40.00	The Group owned 100% of TAC Financial in the two reporting periods.
TAC Financial	Wuhan TAC Auto Trade Co., Ltd.	Car trade	-	100.00	Zhejiang Cheng-Yi acquired 100% of shares from TAC Financial Leasing in the 1st quarter of 2020.
Yulon Finance Overseas	Zhejiang Cheng-Yi	Sales and brokerage of secondhand vehicles	100.00	100.00	-
	Suzhou TAC Auto Trade Co., Ltd.	Car trade	-	100.00	Liquidated in 2 nd quarter of 2020.
	Shanghai YuGuo Auto Trade Co., Ltd	Car trade	100.00	100.00	-
	Hefei YuGuo Auto Trade Co., Ltd.	Car trade	-	100.00	Liquidated in 4 th quarter of 2020.
	Qingdao YuGuo Auto Trade Co., Ltd.	Car trade	-	100.00	Liquidated in 4 th quarter of 2020.
	Yulon Finance Philippines	Yulon Finance Philippines	Shareholding company	100.00	100.00
Yulon Finance Philippines	Yulon Finance Philippines Corporation	Financial lease of car and loans to car dealers for purpose of purchasing automobiles	99.99	99.99	-
Yu Sing Company	Kuen You Trading Co., Ltd. ("Kuen You")	Sale, maintenance and repair of car and parts	100.00	100.00	-
Yushin Company	Yu Pool Co., Ltd. ("Yu Pool")	Supply of and providing services on information software and retail trade of spare parts of vehicles	100.00	100.00	-
	Luxgen Motor Taoyuan Co., Ltd. ("Luxgen Taoyuan")	Sale, maintenance and repair of cars and related products	20.00	20.00	The Group owned 79.99% of TAC Financial in the three reporting periods.
	Yu Shin Investment ("Yu Shin Investment")	Investments	100.00	100.00	-
Yu Shin Investment Ltd.	Fu Jian Yu Xin Auto Sales & Services Co., Ltd. ("Fu Jian Yu Xin")	Sale and maintenance and repair of cars and parts.	49.00	49.00	The Group owned 100% of Fu Jian Yu Xin in the two reporting periods.
	Fu Zhou Yu Xin Auto Technology Co., Ltd. ("Fu Zhou Yu Xin")	Sale and maintenance and repair of cars and parts.	100.00	-	Established in 1st quarter of 2020.
Sin Chi Company	Yu Chia Motor Co., Ltd. ("Yu Chia")	Sale, maintenance and repair of heavy vehicles and parts	100.00	100.00	-
	Yulon TOBE Motor Co., Ltd. ("Yulon TOBE")	Sale of cars and parts	100.00	100.00	-
Yu Ching	Chinh-Ling RTC Co., Ltd. ("Chinh-Ling")	Product design	-	100.00	Liquidated in 4 th quarter of 2020.
Yu Pong	Yu Ching	Import and export and sale of cars and parts	40.00	40.00	The Group owned 100% of Yu Ching in the three reporting periods.
Yulon Construction	Hangzhou Yu-Jie Real Estate Co., Ltd. ("Yu-Jie")	Construction	100.00	100.00	-
	Yufong Property Management Co., Ltd.	Management consulting and lease of real estate	100.00	100.00	-
Yulon Overseas	Yulon China Investment Co., Ltd. ("Yulon China")	Investments	100.00	100.00	-
	Yulon Philippine Investment Co., Ltd. ("Yulon Philippine")	Investments	100.00	100.00	-

(Continued)

Investor	Investee	Main Businesses	% of Ownership December 31		Remark
			2020	2019	
Yulon China	Qing Yi Investment Co., Ltd. ("Qing Yi")	Investments	100.00	100.00	-
	Wen Yang Investment Co., Ltd. ("Wen Yang")	Investments	100.00	100.00	-
	Tai Xin Investment Co., Ltd. ("Tai Xin")	Investments	-	100.00	Liquidated in 4 th quarter of 2020.
	Yulon China (Hong Kong) Investment Co., Ltd. ("Yulon China HK")	Investments	100.00	100.00	-
	Feng Hua Investment Co., Ltd. ("Feng Hua")	Investments	40.00	40.00	-
	Yulon China Holding Co., Ltd. ("Yulon China Holding")	Investments	100.00	100.00	-
	Yulon China (HK) Holding Limited ("Yulon China (HK) Holding")	Investments	100.00	100.00	-
Yulon China (HK) Holding	Yulon China Motor Investment Limited ("Yulon China Motor Investment")	Investments	100.00	100.00	-
	Xiamen Young Chang Investment Co., Ltd. ("Xiamen Young Chang")	Renders consulting services on cars, electronics, textiles and related products	100.00	100.00	-
Yulon China Motor Investment	Luxgen (Hangzhou) Motor Sales Co., Ltd.	Sale of cars and parts	100.00	100.00	-
	Dong Feng Yulon Motor Sales Co., Ltd. ("Dong Feng Yulon Sales Company")	Sale of cars and parts	-	50.00	Announced bankruptcy and the court assigned bankruptcy trustee in the 4 th quarter of 2020. The Group lost control over Dong Feng Yulon Sales Company.
	TAC Financial Leasing Co., Ltd.	Financial lease of equipment	20.00	20.00	The Group owned 100% of TAC Financial in the two reporting periods.
	Sheng Qing (Bei Jin) Investment Co., Ltd. ("Sheng Qing")	Investments	83.87	69.50	The Group owned 100% of Sheng Qing in the two reporting periods.
	Chuang Jie New Energy Vehicle (HZ) Limited ("Chuang Jie")	Manufacturing of key car components, electric cars and related parts	100.00	100.00	-
	Hang Zhou Haitec Company ("Hang Zhou Haitec")	Product design of cars	3.23	3.23	The Group owned 100% of Hang Zhou Haitec in the two reporting periods.
Xiamen Young Chang	Sheng Qing (Bei Jin) Investment Co., Ltd. ("Sheng Qing")	Investments	16.13	30.50	The Group owned 100% of Sheng Qing in the two reporting periods.
Feng Hua	Su Zhou Chen Long Auto Sale & Service Co., Ltd. ("Su Zhou Cheng Long")	Sale and maintenance of cars and parts	100.00	100.00	-
Qing Yi	Hangzhou Yuwan Auto Motive Parts Limited ("Hangzhou Yuwan")	Manufacturing of key car components, electric cars and related parts	44.11	44.11	The Group owned 100% of Hangzhou Yuwan in the two reporting periods.
	Hangchow Liangrun Motor Parts Co., Ltd. ("Hangchow Liangrun")	Manufacturing of car seats and developing the related market	20.50	20.50	The Group owned 100% of Hangchow Y-Teks in the two reporting periods.
	Hangchow Y-Teks Automotive Trim Parts ("Hangchow Y-Teks")	Manufacturing and sale of car interior furnishing and related business	13.87	13.87	The Group owned 100% of Hangchow Liangrun in the two reporting periods.
Wen Yang	Qing Tai (Nan Jing) Technology Co., Ltd. ("Qing Tai")	Computer software maintenance and computer system integration	100.00	100.00	The Group owned 100% of Qing Tai in the two reporting periods.
	Tai Feng (Nan Jing) Software Technology Co., Ltd. ("Tai Feng")	Computer software maintenance and computer system integration	100.00	100.00	-
	Ke Yu (Nan Jing) Information Technology Co., Ltd. ("Ke Yu")	Computer software maintenance and computer system integration	100.00	-	Wen Yang acquired 100% of Ke Yu from Tai Xin in 3 rd quarter of 2020.
Tai Xin	Ke Yu (Nan Jing) Information Technology Co., Ltd. ("Ke Yu")	Computer software maintenance and computer system integration	-	100.00	Wen Yang acquired 100% of Ke Yu from Tai Xin in 3 rd quarter of 2020.
Qing Tai	Jin Ce (Zhang Zhou) Software Technology Co., Ltd. ("Jin Ce")	Computer software maintenance and computer system integration	70.00	70.00	The Group owned 100% of Jin Ce in the two reporting periods.
	Shi Cheng (Zhang Zhou) Technology Develop Co., Ltd. ("Shi Cheng")	Computer software maintenance and computer system integration	100.00	100.00	-
	Mei De (Zhang Zhou) Software Technology Co., Ltd. ("Mei De")	Computer software maintenance and computer system integration	10.00	10.00	The Group owned 100% of Mei De in the two reporting periods.
Tai Feng	Jin Ce (Zhang Zhou) Software Technology Co., Ltd. ("Jin Ce")	Computer software maintenance and computer system integration	30.00	30.00	The Group owned 100% of Jin Ce in the two reporting periods.
	Mei De (Zhang Zhou) Software Technology Co., Ltd. ("Mei De")	Computer software maintenance and computer system integration	90.00	90.00	The Group owned 100% of Mei De in the two reporting periods.
	Yi Ding (Zhang Zhou) Information Technology Co., Ltd. ("Yi Ding")	Computer software maintenance and computer system integration	100.00	100.00	-
Jin Ce	Dong Tai (Bei Jin) Investment Co., Ltd. ("Dong Tai")	Investments	5.97	5.97	The Group owned 100% of Dong Tai in the two reporting periods.
	Gao Te (Bei Jin) Investment Co., Ltd. ("Gao Te")	Investments	10.00	10.00	The Group owned 100% of Gao Te in the two reporting periods.
Shi Cheng	Dong Tai (Bei Jin) Investment Co., Ltd. ("Dong Tai")	Investments	94.03	94.03	The Group owned 100% of Dong Tai in the two reporting periods.
Yi Ding	Gao Te (Bei Jin) Investment Co., Ltd. ("Gao Te")	Investments	90.00	90.00	The Group owned 100% of Gao Te in the two reporting periods.
Dong Tai	Hang Zhou Tang Yu Investment Co., Ltd. ("Hang Zhou Tang Yu")	Investments	100.00	100.00	-
	An Hui Min Tung Auto Sale & Service Co., Ltd. ("An Hui Min Tung")	Sale and maintenance of cars and parts	35.09	100.00	The Group owned 100% of An Hui Min Tung in the two reporting periods.
	Tong Ling Kuo Tong Auto Sale & Service Co., Ltd. ("Tong Ling Kuo Tong")	Sale and maintenance of cars and parts	29.56	100.00	The Group owned 100% of Tong Ling Kuo Tong in the two reporting periods.
	Zi Bo Yu An Auto Sale & Service Co., Ltd. ("Zi Bo Yu An")	Sale and maintenance of cars and parts	32.38	100.00	The Group owned 100% of Zi Bo Yu An in the two reporting periods.
Sheng Qing	Zhu Hai Fu Te En Industry & Trade Co., Ltd. ("Zhu Hai Fu Te En")	Sale and maintenance of cars and parts	100.00	100.00	-
	Guang Zhou Yuan Du Auto Sale & Service Co., Ltd. ("Guang Zhou Yuan Du")	Sale and maintenance of cars and parts	51.00	51.00	-
	Su Zhou Feng Shen Auto Sale & Service Co., Ltd. ("Su Zhou Feng Shen")	Sale and maintenance of cars and parts	40.00	40.00	The Group owned 100% of Su Zhou Feng She in the two reporting periods.
	Shen Jun Yu Peng Auto Sale & Service Co., Ltd. ("Shen Jun Yu Peng")	Sale and maintenance of cars and parts	-	65.00	Sold in the 3 rd quarter of 2020.
	Nanjing Hanhong Motor Trading Co., Ltd. ("Nanjing Hanhong")	Sale and maintenance of cars and parts	100.00	100.00	-
	Wuhan Yu Hsin Auto Sale & Service Co., Ltd. ("Wuhan Yu Hsin")	Sale and maintenance of cars and parts	100.00	100.00	-
	Jiangmen Junxing Auto Sale & Service Co., Ltd. ("Jiangmen Junxing")	Sale and maintenance of cars and parts	60.00	60.00	The Group owned 100% of Jiangmen Junxing in the two reporting periods.
	Shanghai Yuming Auto Sale & Service Co., Ltd. ("Shanghai Yuming")	Sale and maintenance of cars and parts	51.00	51.00	The Group owned 100% of Shanghai Yuming in the two reporting periods.
	Qingdao Yuanhuang Auto Sale & Service Co., Ltd. ("Qingdao Yuanhuang")	Sale and maintenance of cars and parts	30.60	30.60	The Group owned 70.6% of Qingdao Yuanhuang in the two reporting periods.
	Hang Zhou Yu Zhong Trading Co., Ltd. ("Hang Zhou Yu Zhong")	Trading	100.00	100.00	-
	Ning Bo Yu Cheng Auto Sales & Services Co., Ltd. ("Ning Bo Yu Cheng")	Sale, maintenance and repair of cars and parts	100.00	100.00	-
	Fu Jian Yu Xin	Sale, maintenance and repair of cars and parts	51.00	51.00	The Group owned 100% of Fu Jian Yu Xin in the two reporting periods.
	Hang Zhou Hua Zhi Auto Sales & Services Co., Ltd. ("Huang Zhou Hua Zhi")	Sale, maintenance and repair of cars and parts	60.00	60.00	The Group owned 100% of Huang Zhou Hua Zhi in the two reporting periods.

(Continued)

Investor	Investee	Main Businesses	% of Ownership December 31		Remark
			2020	2019	
	Changsha Yu Lu Auto Sale & Service Co., Ltd. ("Changsha Yu Lu")	Sale and maintenance of cars and parts	100.00	100.00	-
	He-Shan Li-Sheng Auto Sales & Service Co., Ltd. ("He-Shan Li-Sheng")	Sale and maintenance of cars and parts	-	100.00	Liquidated in 3rd quarter of 2020.
	An Ching Tsai Tong Auto Sale & Service Co., Ltd. ("An Ching Tsai Tong")	Sale and maintenance of cars and parts	100.00	100.00	-
	An Ching Ling Tong Auto Sale & Service Co., Ltd. ("An Ching Ling Tong")	Sale and maintenance of cars and parts	-	100.00	Liquidated in 4th quarter of 2020.
	He Fei Chun Hui Auto Sale & Service Co., Ltd. ("He Fei Chun Hui")	Sale and maintenance of cars and parts	-	100.00	Liquidated in 4th quarter of 2020.
	Tong Ling Kuo Tong Auto Sale & Service Co., Ltd. ("Tong Ling Kuo Tong")	Sale and maintenance of cars and parts	70.44	-	The Group owned 100% of Tong Ling Kuo Tong in the two reporting periods.
	Zi Bo Yu An Auto Sale & Service Co., Ltd. ("Zi Bo Yu An")	Sale and maintenance of cars and parts	67.62	-	The Group owned 100% of Zi Bo Yu An in the two reporting periods.
Gao Te	Hang Zhou Qien Yu Investment Co., Ltd. ("Hang Zhou Qien Yu")	Investments	100.00	100.00	-
Su Zhou Cheng Long	Su Zhou Cheng Guo Auto Sale & Service Co., Ltd. ("Su Zhou Cheng Co., Ltd.")	Sale and maintenance of cars and parts	100.00	100.00	-
	Su Zhou Cheng Hang Auto Sale & Service Co., Ltd. ("Su Zhou Cheng Hang")	Sale and maintenance of cars and parts	100.00	100.00	-
Su Zhou Feng Shen	Su Zhou Feng Shun Auto Sale & Service Co., Ltd. ("Su Zhou Feng Shun")	Sale and maintenance of cars and parts	100.00	100.00	-
	Su Zhou Yueshun Auto Sale & Service Co., Ltd. ("Su Zhou Yueshun")	Sale and maintenance of cars and parts	100.00	100.00	-
	Su Zhou Cheng Pin Auto Sale & Service Co., Ltd. ("Su Zhou Cheng Pin")	Sale and maintenance of cars and parts	100.00	100.00	-
	Su Zhou Cheng Pang Auto Sale & Service Co., Ltd. ("Su Zhou Cheng Pang")	Sale and maintenance of cars and parts	100.00	100.00	-
	Tai Chang Cheng Mau Auto Sale & Service Co., Ltd. ("Tai Chang Cheng Mau")	Sale and maintenance of cars and parts	100.00	100.00	-
Su Zhou Feng Shun	Wu Jiang Lian Cheng Auto Sale & Service Co., Ltd. ("Wu Jiang Lian Cheng")	Sale and maintenance of cars and parts	100.00	100.00	-
	Su Zhou Cheng Li Auto Sale & Service Co., Ltd. ("Su Zhou Cheng Li")	Sale and maintenance of cars and parts	100.00	100.00	-
Zhu Hai Fu Te En	Zhuhai Yuhsin Auto Sales & Parts Co., Ltd. ("Zhuhai Yuhsin")	Sale and maintenance of cars and parts	100.00	100.00	-
	Shenzhen Yu Zhi Auto Sales & Services Co., Ltd. ("Shenzhen Yu Zhi")	Sale and maintenance of cars and parts	100.00	100.00	-
Guang Zhou Yuan Du	Guang Zhou Yuan Zhi Auto Sales & Services Co., Ltd. ("Guang Zhou Yuan Zhi")	Sale and maintenance of cars and parts	-	100.00	Sold in 2 nd quarter of 2020.
	Qingdao Yuanhuang Auto Sale & Service Co., Ltd. ("Qingdao Yuanhuang")	Sale and maintenance of cars and parts	40.00	40.00	The Group owned 70.6% of Qingdao Yuanhuang in the two reporting periods.
Jiang Men Junxing Auto Sale & Service Co., Ltd. ("Jiang Men Junxing")	Jiang Men Yuli Auto Sale & Service Co., Ltd. ("Jiang Men Yuli")	Sale and maintenance of cars and parts	100.00	100.00	-
Wuhan Yu Hsin Auto Sale & Service Company	Xiao Gan Yu Feng Auto Sale & Service Co., Ltd. ("Xiao Gan Yu Feng")	Sale and maintenance of cars and parts	100.00	100.00	-
Hang Zhou Hua Zhi	Hang Zhou Hua You Auto Sales & Services Co., Ltd. ("Hang Zhou Hua You")	Sale and maintenance of cars and parts	100.00	100.00	-
Nanjing Hanhong Trading Company	Nan Jing Yu Shang Auto Sale & Service Co., Ltd. ("Nan Jing Yu Shang")	Sale and maintenance of cars and parts	100.00	100.00	-
	Nan Jing Yu Hua Auto Sale & Service Co., Ltd. ("Nan Jing Yu Hua")	Sales and maintenance of cars and parts	100.00	100.00	-
Shang Hai Yuming	ChiaHsing YuTa Automobiles Sales & Service Limited ("ChiaHsing YuTa")	Sale and maintenance of cars and parts	100.00	100.00	-
Hang Zhou Qien Yu	Hang Zhou Hsiao Yu Business Co., Ltd. ("Hang Zhou Hsiao Yu")	Investments	90.00	90.00	The Group owned 99% of Hang Zhou Hsiao Yu in the two reporting periods.
Hang Zhou Tang Yu	Hang Zhou Hsiao Yu Business Co., Ltd. ("Hang Zhou Hsiao Yu")	Investments	9.00	9.00	The Group owned 99% of Hang Zhou Hsiao Yu in the two reporting periods.
Yulon Philippine	Univation Motor Philippines, Inc. (UMPI)	Car manufacturing	100.00	100.00	-
	Sta. Cruz Island Corporation (SCIC)	Plant lease	100.00	100.00	-
Y-Teks	Yu-Hsin Intl Investment Co., Ltd. ("Yu-Hsin Intl")	Investments	66.67	66.67	-
Yu-Hsin Intl	Yu-Hsin Intl (H.K) Investment Co., Ltd. ("Yu-Hsin Intl HK")	Investments	100.00	100.00	-
Yu-Hsin Intl HK	Hangchow Y-Teks Automotive Trim Parts ("Hangchow Y-Teks")	Manufacturing and sale of car interior furnishing and related business	86.13	86.13	The Group owned 100% of Hangzhou Y-Teks in the two reporting periods.
	Changzhou Y-Teks Automotive Trim Parts ("Changzhou Y-Teks")	Manufacturing and sale of car interior furnishing and related business	51.00	51.00	-
Union & NKH Auto Parts Company	Uni Investment Co., Ltd. ("Uni Investment")	Investments	100.00	100.00	-
Uni Investment	Fuzhou Lianghong Motor Parts Co., Ltd. ("Fuzhou Lianghong")	Manufacturing of car seats and developing the related market	66.67	66.67	-
	Hangchow Liangrun Motor Parts Co., Ltd. ("Hangchow Liangrun")	Manufacturing of car seats and developing the related market	79.50	79.50	The Group owned 100% of Hangchow Liangrun in the two reporting periods.
Yueki	Yue Ki Industrial (Samoa) Co., Ltd. ("Yue Ki Samoa")	Investments	100.00	100.00	-
	Yue Ki Investment (HK) Co., Ltd. ("Yue Ki HK")	Investments	100.00	100.00	-
Yue Ki HK	Hangzhou Yuwan Auto Motive Parts Limited ("Hangzhou Yuwan")	Manufacturing of key car components, electric cars and related parts	55.89	55.89	The Group owned 100% of Hangzhou Yuwan in the two reporting periods.
Yue Sheng	Y-Teks Co., Ltd. ("Y-Teks")	Manufacturing and furnishing, cars and the import and export of, and serving as sales agent for, car parts	11.99	11.99	The Group owned 45.99% of Y-Teks in the two reporting periods.
	Yueki Industrial Co., Ltd. ("Yueki")	Manufacturing and sale of car components	0.08	0.08	-
Yu Chang Company	Tian Wang Co., Ltd.	Sale of secondhand cars and related products	100.00	100.00	-
	Luxgen Kaohsiung Co., Ltd. ("Luxgen Kaohsiung")	Sale, maintenance and repair of cars and related products	3.50	3.50	The Group owned 96.5% of Luxgen Kaohsiung in the two reporting periods.
Empower	Chunmin Enterprise Co., Ltd. ("Chunmin")	Comprehensive retail of car parts	100.00	100.00	-
	Luxgen Motor Taichung Co., Ltd. ("Luxgen Taichung")	Sale, maintenance and repair of cars and related products	1.10	1.10	The Group owned 98.9% of Luxgen Taichung in the two reporting periods.
	Hong Yen Motor Ltd. ("Hong Yen")	Investments	100.00	100.00	-
	Yu Ming Insurance Co., Ltd.	Property insurance	100.00	100.00	-

(Continued)

Investor	Investee	Main Businesses	% of Ownership		Remark
			December 31		
			2020	2019	
Hong Yen	Shanghai Yuming	Sale and maintenance of cars and parts	49.00	49.00	The Group owned 100% of Shanghai Yuming in the two reporting periods.
Luxgen	Luxgen Taipei	Sale, maintenance and repair of cars and parts	99.99	99.99	-
	Luxgen Taoyuan	Sale, maintenance and repair of cars and parts	59.99	59.99	The Group owned 79.99% of Luxgen Taoyuan in the two reporting periods.
	Luxgen Taichung	Sale, maintenance and repair of cars and parts	97.73	97.80	The Group owned 98.9% of Luxgen Taichung in the two reporting periods.
	Luxgen Tainan	Sale, maintenance and repair of cars and parts	94.18	94.20	-
	Luxgen Kaohsiung	Sale, maintenance and repair of cars and parts	92.24	93.00	The Group owned 96.5% of Luxgen Kaohsiung in the two reporting periods.
	Sin Gan	Wholesale and retail of information software	19.78	19.78	The Group owned 93.04% of Sin Gan in the two reporting periods.
	Luxgen Overseas Holdings Private Limited ("Luxgen Overseas Holdings")	Investments	-	100.00	Liquidated in 3rd quarter of 2020.
	Haitec Co., Ltd.	Product design of cars	41.15	100.00	The Group owned 99.99% of Haitec in 4th quarter of 2020.
Haitec	SinYi Co., Ltd. ("SinYi")	Wholesale and retail of cars and parts	100.00	100.00	The Group acquiring control at December 31, 2019 and retrospect to December 31, 2018
	Hua-Chung Overseas Investment Co., Ltd. ("Hua-Chung Overseas")	Investments	100.00	100.00	The Group acquiring control at December 31, 2019 and retrospect to December 31, 2018
	Haitec China Investment Company ("Haitec China")	Investments	100.00	100.00	The Group acquiring control at December 31, 2019 and retrospect to December 31, 2018
	Haitec Japan Company ("Haitec Japan")	Product design of cars	-	100.00	The Group acquired control at December 31, 2019 and retrospect to December 31, 2018 and liquidated in 2nd quarter of 2020
	Hang Zhou Haitec Company ("Hang Zhou Haitec")	Product design of cars	96.77	96.77	The Group owned 100% of Hang Zhou Haitec in the two reporting periods.

(Concluded)

- b. Subsidiaries excluded from the consolidated financial statements: None.
- c. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests	
	December 31	
	2020	2019
YFC	54.25%	54.25%

See Table 9 for the information on place of incorporation and principal place of business.

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests For the Year Ended December 31		Accumulated Non-controlling Interests December 31	
	2020	2019	2020	2019
	YFC (excluding its subsidiaries' non-controlling interests)	\$ 1,689,351	\$ 1,621,650	\$ 11,277,818

The summarized financial information below represents amounts before intragroup eliminations.

Yulon Finance Corporation and Yulon Finance Corporation's subsidiaries:

	December 31	
	2020	2019
Current assets	\$ 178,973,088	\$ 177,311,375
Non-current assets	23,619,939	23,148,179
Current liabilities	(176,306,678)	(175,967,279)
Non-current liabilities	<u>(4,198,289)</u>	<u>(3,815,651)</u>
Equity	<u>\$ 22,088,060</u>	<u>\$ 20,676,624</u>
Equity attributable to:		
Owners of Yulon Finance Corporation	\$ 10,200,779	\$ 9,626,782
Non-controlling interests of Yulon Finance Corporation	11,277,818	10,471,827
Non-controlling interests of Yulon Finance Corporation's subsidiaries	<u>609,463</u>	<u>578,015</u>
	<u>\$ 22,088,060</u>	<u>\$ 20,676,624</u>
	For the Year Ended December 31	
	2020	2019
Revenue	<u>\$ 29,632,864</u>	<u>\$ 28,164,620</u>
Net profit from continuing operations	\$ 2,897,250	\$ 3,061,223
Other comprehensive income (loss) for the year	<u>140,710</u>	<u>(402,398)</u>
Total comprehensive income for the year	<u>\$ 3,037,960</u>	<u>\$ 2,658,825</u>
Profit attributable to:		
Owners of YFC	\$ 1,131,259	\$ 1,340,278
Non-controlling interests of YFC	1,689,351	1,621,650
Non-controlling interests of YFC's subsidiaries	<u>76,640</u>	<u>99,295</u>
	<u>\$ 2,897,250</u>	<u>\$ 3,061,223</u>
Total comprehensive income attributable to:		
Owners of YFC	\$ 1,210,490	\$ 1,103,591
Non-controlling interests of YFC	1,746,915	1,466,426
Non-controlling interests of YFC's subsidiaries	<u>80,555</u>	<u>88,808</u>
	<u>\$ 3,037,960</u>	<u>\$ 2,658,825</u>
Net cash inflow (outflow) from:		
Operating activities	\$ 1,102,419	\$ (22,141,402)
Investing activities	51,919	(970,812)
Financing activities	81,509	24,764,734
Net foreign exchange gains/(losses)	<u>66,058</u>	<u>(127,885)</u>
Net cash (outflow) inflow	<u>\$ 1,301,905</u>	<u>\$ 1,524,635</u>

(Continued)

	December 31	
	2020	2019
Dividends paid to non-controlling interest:		
Non-controlling interests of YFC	\$ 940,762	\$ 856,912
Non-controlling interests of YFC's subsidiaries	<u>44,773</u>	<u>48,516</u>
	<u>\$ 985,535</u>	<u>\$ 905,428</u>

(Concluded)

17. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2020	2019
Investment in associates	\$ 28,960,884	\$ 21,077,779
Investment in joint venture	<u>7,589</u>	<u>17,834</u>
	<u>\$ 28,968,473</u>	<u>\$ 21,095,613</u>

a. Investments in associates

	December 31	
	2020	2019
Material associates		
Yulon Nissan Motor Co., Ltd.	\$ 10,770,926	\$ 10,619,377
China Motor Company	4,146,769	3,898,949
Foxtron Vehicle Technologies Co., Ltd.	<u>7,431,785</u>	<u>-</u>
	22,349,480	14,518,326
Non-material associates	<u>6,611,404</u>	<u>6,559,453</u>
	<u>\$ 28,960,884</u>	<u>\$ 21,077,779</u>

1) Material associates

	December 31	
Name	2020	2019
Yulon Nissan Motor Co., Ltd.	50.02%	50.02%
China Motor Company	8.87%	8.87%
Foxtron Vehicle Technologies Co., Ltd.	49.00%	-

For the information of associates' main business, operating location and registered country, please refer to Table 9.

The Group controlled over 50% of the shares of Yulon Nissan Motor Co., Ltd. ("Yulon Nissan"). However, an assessment of core technologies and the supply of major materials showed that the Group did not exercise control over Yulon Nissan. Thus, Yulon Nissan was not considered a Group subsidiary.

The investment in China Motor Company was accounted for by the equity method because despite the individual investment being less than 20%, the Group exercised significant influence on the investee's operating and financial policy decisions.

The Group and China Motor Company and Tai-Yuen Textile Company had cross-shareholdings was accounted by equity method, and their recognition of investment income was accounted by the treasury stock method. In May 2019, in order to eliminate cross-shareholdings, focus on the automotive industry, and reduce the management scale, YuenWen Investment Company, which holds the shares of Taiyuan Textile and Taiwin Company, was merged with Xiang Wei Company. The combined consideration was \$11,555,039 thousand. The Group recognized disposal of the investment accounted for using the equity method of \$3,150,981 thousand, please refer to Note 29. Other gains and losses.

The Company, Haitec Co., Ltd. ("Haitec"), and Hon Hai Precision Ind. Co., Ltd. ("Hon Hai") signed a joint venture agreement on March 6, 2020. Haitec and Hon Hai jointly invested in a new joint venture company- Foxtron Vehicle Technologies Co., Ltd. ("Foxtron Technologies") to develop automobile-related businesses. As of December 31, 2020, Haitec held 49% of the joint venture and invested NT\$7,542,000 thousand in assets.

In accordance with the joint loan contract, Haitec pledged all of its shares in Foxtron Technologies to the joint loan financial institutions. Please refer to Note 36 for further information regarding the amount of pledged investments accounted for using the equity method.

Fair values of investments in associates, based on the Level 1 fair value measurement derived from published quoted prices, are summarized as follows:

Associate	December 31	
	2020	2019
Yulon Nissan Motor Co., Ltd.	\$ 38,862,950	\$ 43,064,350
China Motor Company	2,484,713	1,920,006

Share of profit or loss and other comprehensive income of material associates was calculated based on the financial statements which have been reviewed.

Summarized financial information in respect of each of the Group's material associates is set out below. The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes.

Yulon Nissan Motor Co., Ltd. and subsidiaries

	December 31	
	2020	2019
Current assets	\$ 8,299,093	\$ 14,997,108
Non-current assets	19,465,537	13,574,298
Current liabilities	(2,483,233)	(3,705,175)
Non-current liabilities	<u>(3,606,846)</u>	<u>(3,292,907)</u>
Equity	<u>\$ 21,674,551</u>	<u>\$ 21,573,324</u>
Proportion of the Group's ownership	50.02%	50.02%
Equity attributable to the Group	\$ 10,841,610	\$ 10,790,977
Unrealized gain or loss with associates	<u>(70,684)</u>	<u>(171,600)</u>
Carrying amount	<u>\$ 10,770,926</u>	<u>\$ 10,619,377</u>
	For the Year Ended December 31	
	2020	2019
Revenue	<u>\$ 29,660,638</u>	<u>\$ 32,498,607</u>
Net income	\$ 6,540,938	\$ 7,281,897
Other comprehensive income	<u>(58,711)</u>	<u>(528,208)</u>
Total comprehensive income	<u>\$ 6,482,227</u>	<u>\$ 6,753,689</u>
Dividends received from Yulon Nissan Motor Co., Ltd.	<u>\$ 3,191,564</u>	<u>\$ 2,651,384</u>

China Motor Company and subsidiaries

	December 31	
	2020	2019
Current assets	\$ 20,378,864	\$ 17,362,074
Non-current assets	34,218,829	34,104,394
Current liabilities	(7,272,243)	(7,660,051)
Non-current liabilities	<u>(1,618,806)</u>	<u>(1,641,478)</u>
Equity	45,706,644	42,164,939
Non-controlling interest	<u>(3,583,254)</u>	<u>(3,422,878)</u>
	<u>\$ 42,123,390</u>	<u>\$ 38,742,061</u>

(Continued)

	December 31	
	2020	2019
Proportion of the Group's ownership	8.87%	8.87%
Equity attributable to the Group	\$ 3,736,345	\$ 3,436,421
Unrealized gain or loss in associates	(116)	(135)
Intersect shareholding (accounted for by the treasury stock method)	<u>410,540</u>	<u>462,663</u>
Carrying amount	<u>\$ 4,146,769</u>	<u>\$ 3,898,949</u> (Concluded)

	For the Year Ended December 31	
	2020	2019
Revenue	<u>\$ 30,874,600</u>	<u>\$ 32,067,972</u>
Net income	\$ 3,540,548	\$ (2,308,373)
Other comprehensive income	<u>129,049</u>	<u>(296,174)</u>
Total comprehensive income	<u>\$ 3,669,597</u>	<u>\$ (2,604,547)</u>
Dividends received from China Motor Company	<u>\$ -</u>	<u>\$ 198,501</u>

Foxtron Technologies

	December 31, 2020
Current assets	\$ 7,731,094
Non-current assets	7,849,916
Current liabilities	(411,217)
Non-current liabilities	<u>(2,407)</u>
Equity	15,167,386
Non-controlling interest	<u>-</u>
	<u>\$ 15,167,386</u>
Proportion of the Group's ownership	49.00%
Equity attributable to the Group	<u>\$ 7,431,785</u>
Carrying amount	<u>\$ 7,431,785</u>

	For the Year Ended December 31, 2020
Revenue	\$ <u> -</u>
Net income	\$ (223,010)
Other comprehensive income	<u> (1,925)</u>
Total comprehensive income	<u>\$ (224,935)</u>

2) Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2020	2019
The Group's share of:		
(Loss) profit for the year	\$ 317,591	\$ 2,280,034
Other comprehensive income (loss)	<u> 40,447</u>	<u> 117,416</u>
Total comprehensive (loss) income for the year	<u>\$ 358,038</u>	<u>\$ 2,397,450</u>

To enhance the Group's competitiveness and further promote specialization in manufacture and sales as well increase the integration of sales resources in the Philippine as required by Nissan Motors Company, the Group invested in Nissan Philippines, Inc., the joint venture among Nissan Motor Co., Ltd., the UMC Group and Yulon Philippines.

The net equity of Nissan Philippines, Inc. has become negative. The amount has been reclassified to credit balance of long-term equity investments accounted for by the equity method (Note 27).

Though the Group's percentage of ownership in China Engine Co., Ltd. was less than 20%, the Group exercised significant influence over the invested company and accounted for the investment by using the equity method.

The investments accounted for by the equity method and the share of profit or loss and other comprehensive income of those investments for the years ended December 31, 2020 and 2019 were based on the associates' financial statements audited by auditors for the same years.

The investments accounted for by the equity method and the share of profit or loss and other comprehensive income of those investments for the years ended December 31, 2019 and 2018 were based on the associates' financial statements audited by auditors for the same years. Some of the investments accounted for by the equity method and the share of profit or loss and other comprehensive income of those investments for the years ended December 31, 2020 and 2019 were based on the associates' unaudited financial statements. However, the management of the Group considers the unaudited financial statements mentioned above do not have material impact on the Group's consolidated financial statements.

b. Investment in joint ventures

	December 31	
	2020	2019
Joint ventures that are not individually material	<u>\$ 7,859</u>	<u>\$ 17,834</u>
	For the Year Ended December 31	
	2020	2019
The Group's share of:		
Loss for the year	\$ -	\$ (863)
Total comprehensive income (loss) for the year	<u>\$ -</u>	<u>\$ (863)</u>

The Group exercises joint control over Dong Yu (Hangzhou) Accessory Technology Co., Ltd. ("Dong Yu Tech. Company"), whose 75% investment in this entity and 50% of total number of directors were made through and composed of Yulon China Motor Investment, Dong Feng Yulon Sales Company and Singgual Travel. Dong Yu Tech. Company's main business is car furnishing, installation and sale of car parts.

Dongfeng Yulon Company, the associate of the Group, re-elected directors and amended the agreement of shareholders in July 2017. Therefore, the relationship between Dongfeng Yulon Company and the Group changed from associate to joint venture. The amount of investment is zero as of December 31, 2020.

The investments accounted for by the equity method and the share of profit or loss and other comprehensive income of those investments for the years ended December 31, 2019 and 2018 were based on the associates' financial statements audited by auditors for the same years. Some of the investments accounted for by the equity method and the share of profit or loss and other comprehensive income of those investments for the years ended December 31, 2020 and 2019 were based on the associates' unaudited financial statements. However, the management of the Group considers the unaudited financial statements mentioned above do not have material impact on the Group's consolidated financial statements.

18. PROPERTY, PLANT AND EQUIPMENT

a. Assets used by the Group

	Freehold Land	Buildings	Equipment	Vehicles	Miscellaneous Equipment	Property on Lease	Construction in Progress	Total
Cost								
Balance at January 1, 2019	\$ 6,819,840	\$ 8,404,454	\$ 16,602,691	\$ 1,620,815	\$ 7,645,711	\$ 26,808,061	\$ 496,777	\$ 68,398,349
Effect of acquiring IFRS 16 within entities merged	-	-	-	-	-	(26,808,061)	-	(26,808,061)
Additions	-	65,189	1,254,106	1,378,879	695,755	-	556,881	3,950,810
Disposals	-	(9,665)	(730,166)	(1,027,431)	(558,855)	-	-	(2,326,117)
Effect of foreign currency exchange differences	543	(91,538)	(56,755)	(35,667)	(62,376)	-	(20,145)	(265,938)
Reclassifications	29,341	116,346	3,195,443	(102,630)	81,839	-	(345,033)	2,975,306
Balance at December 31, 2019	<u>\$ 6,849,724</u>	<u>\$ 8,484,786</u>	<u>\$ 20,265,319</u>	<u>\$ 1,833,966</u>	<u>\$ 7,802,074</u>	<u>\$ -</u>	<u>\$ 688,480</u>	<u>\$ 45,924,349</u>

(Continued)

	Freehold Land	Buildings	Equipment	Vehicles	Miscellaneous Equipment	Property on Lease	Construction in Progress	Total
Accumulated depreciation and impairment								
Balance at January 1, 2019	\$ -	\$ (4,152,646)	\$ (10,854,708)	\$ (522,738)	\$ (5,465,544)	\$ (9,418,242)	\$ -	\$ (30,413,878)
Effect of acquiring IFRS 16 within entities merged	-	-	-	-	-	(9,418,242)	-	(9,418,242)
Disposals	-	9,123	460,432	292,868	429,567	-	-	1,191,990
Reclassifications	-	1,278	(13,947)	(10,947)	8,793	-	-	(14,823)
Impairment loss	-	-	(6,225,237)	(14,830)	(44,166)	-	(53,019)	(6,337,252)
Depreciation expense	-	(278,586)	(497,915)	(254,466)	(642,215)	-	-	(1,673,182)
Effect of foreign currency exchange differences	-	21,344	56,655	5,984	47,473	-	-	131,456
Balance at December 31, 2019	\$ -	\$ (4,399,487)	\$ (17,074,720)	\$ (504,129)	\$ (5,666,092)	\$ -	\$ (53,019)	\$ (27,697,447)
Carrying amount at December 31, 2019	\$ 6,849,724	\$ 4,085,299	\$ 3,190,599	\$ 1,379,837	\$ 2,135,982	\$ -	\$ 635,461	\$ 18,226,902
Cost								
Balance at January 1, 2020	\$ 6,849,724	\$ 8,484,786	\$ 20,265,319	\$ 1,833,966	\$ 7,802,074	\$ -	\$ 688,480	\$ 45,924,349
Effect of loss of control	-	(60,352)	(22,604)	(34,352)	(477,261)	-	-	(594,569)
Effect of disposal of consolidated entities	-	-	(1,556)	(4,177)	(32,318)	-	-	(38,051)
Additions	-	78,016	1,120,876	439,827	253,989	-	725,543	2,618,251
Disposals	(253,870)	(165,063)	(766,849)	(617,845)	(583,570)	-	(1,736)	(2,388,933)
Effect of foreign currency exchange differences	(27,621)	27,218	26,613	(911)	(73,691)	-	2,179	(1,474,213)
Reclassifications	311,208	1,132,001	(468,101)	(11,627)	61,301	-	(980,357)	44,425
Balance at December 31, 2020	\$ 6,879,441	\$ 9,496,606	\$ 20,153,698	\$ 1,604,881	\$ 6,950,524	\$ -	\$ 434,109	\$ 45,519,259
Accumulated depreciation and impairment								
Balance at January 1, 2020	\$ -	\$ (4,399,487)	\$ (17,074,720)	\$ (504,129)	\$ (5,666,092)	\$ -	\$ (53,019)	\$ (27,697,447)
Effect of loss of control	-	60,352	52,576	34,352	447,289	-	-	594,569
Effect of disposal of consolidated entities	-	-	1,441	2,314	23,082	-	-	26,837
Disposals	-	84,915	752,948	199,460	485,270	-	-	1,522,593
Reclassifications	-	(53,118)	6,950	(17,773)	98,939	-	-	34,998
Impairment loss	-	(27,526)	(1,093,065)	(178,761)	(7,877)	-	-	(1,307,229)
Depreciation expense	-	(304,004)	(367,362)	(281,838)	(521,441)	-	-	(1,474,645)
Effect of foreign currency exchange differences	-	(13,979)	(23,175)	329	62,485	-	-	25,660
Balance at December 31, 2020	\$ -	\$ (4,652,847)	\$ (17,744,407)	\$ (746,046)	\$ (5,078,345)	\$ -	\$ (53,019)	\$ (28,274,664)
Carrying amount at December 31, 2020	\$ 6,879,441	\$ 4,843,759	\$ 2,409,291	\$ 858,835	\$ 1,872,179	\$ -	\$ 381,090	\$ 17,244,595

(Concluded)

For the years ended December 31, 2020 and 2019, the brand segments evaluated the sales volume of the remaining car models declined; therefore, the recoverable amounts of some equipment were lower than the carrying amounts. As a result, there were impairment losses of \$1,307,229 thousand and \$6,337,252 thousand for 2020 and 2019.

The Brand Segments tested for impairment of motor design and research and development outputs and mold of the model at the end of the financial reporting period, and calculation of recoverable amount is based on the value in use and the net fair value. The calculation of the value in use is based on the cash flows of the Group's future product life cycle financial forecasts to reflect the specific risks of the relevant cash-generating unit. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Both of calculations are calculated using an annual discount rate of 9.25% and 8.23% at December 31, 2020 and 2019.

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

Buildings	3-60 years
Equipment	2-20 years or unit-of-production method
Vehicles	4-5 years
Miscellaneous equipment	1-15 years
Leased assets	3 years or according to terms of lease

b. Assets leased under operating leases

	Leased Assets	Vehicles
<u>Cost</u>		
Balance at January 1, 2019	\$ 26,808,061	\$ -
Effect of acquiring IFRS 16 within entities merged	(26,808,061)	26,808,061
Additions	-	10,183,820
Disposals	-	(9,085,585)
Reclassifications	-	(109,462)
Effect of foreign currency exchange differences	-	(76,972)
Balance at December 31, 2019	<u>\$ -</u>	<u>\$ 27,719,862</u>
<u>Accumulated depreciation and impairment</u>		
Balance at January 1, 2019	\$ (9,418,242)	\$ -
Effect of acquiring IFRS 16 within entities merged	9,418,242	(9,418,242)
Disposals	-	4,781,962
Recognized reversal of impairment losses	-	69,782
Reclassifications	-	47,863
Depreciation	-	(5,078,767)
Effect of foreign currency exchange differences	-	31,812
Balance at December 31, 2019	<u>\$ -</u>	<u>\$ (9,565,590)</u>
Carrying amounts at December 31, 2019	<u>\$ -</u>	<u>\$ 18,154,272</u>
<u>Cost</u>		
Balance at January 1, 2020	\$ -	\$ 27,719,862
Additions	-	9,531,414
Disposals	-	(8,597,408)
Reclassifications	-	(85,116)
Effect of foreign currency exchange differences	-	18,939
Balance at December 31, 2020	<u>\$ -</u>	<u>\$ 28,587,691</u>
<u>Accumulated depreciation and impairment</u>		
Balance at January 1, 2020	\$ -	\$ (9,565,590)
Disposals	-	5,011,038
Recognized reversal of impairment losses	-	1,017
Reclassifications	-	42,934
Depreciation	-	(5,772,410)
Effect of foreign currency exchange differences	-	(7,000)
Balance at December 31, 2020	<u>\$ -</u>	<u>\$ (10,290,011)</u>
Carrying amounts at December 31, 2020	<u>\$ -</u>	<u>\$ 18,297,680</u>

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

Vehicles 3 years or according to terms of lease

For the year ended December 31, 2020 and 2019, the Group recognized reversal of impairment losses due to the sale of second-handed vehicles for \$1,017 thousand and \$69,782 thousand.

Property, plant and equipment pledged as collateral for bank borrowings were disclosed in Note 36.

19. INVESTMENT PROPERTIES

	Freehold Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2019	\$ 5,998,254	\$ 4,748,281	\$ 10,746,535
Reclassifications to property, plant and equipment	(29,341)	102,251	72,910
Reclassifications to property under construction	(1,222,389)	-	(1,222,389)
Additions	-	307,270	307,270
Effect of foreign currency exchange differences	-	(179)	(179)
Balance at December 31, 2019	<u>\$ 4,746,524</u>	<u>\$ 5,157,623</u>	<u>\$ 9,904,147</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2019	\$ -	\$ (990,085)	\$ (990,085)
Reclassifications to property, plant and equipment	-	3,843	3,843
Recognized of impairment losses	-	(533,488)	(533,488)
Depreciation expense	-	(55,935)	(55,935)
Effect of foreign currency exchange differences	-	(3,909)	(3,909)
Balance at December 31, 2019	<u>\$ -</u>	<u>\$ (1,579,574)</u>	<u>\$ (1,579,574)</u>
Carrying amount at December 31, 2019	<u>\$ 4,746,524</u>	<u>\$ 3,578,049</u>	<u>\$ 8,324,573</u>

(Continued)

	Freehold Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2020	\$ 4,746,524	\$ 5,157,623	\$ 9,904,147
Reclassifications to property, plant and equipment	(311,208)	(1,264,155)	(1,575,363)
Reclassifications to property under construction	1,253,791	1,863,414	3,117,205
Additions	-	1,798,478	1,798,478
Disposals	(52,741)	-	(52,741)
Effect of foreign currency exchange differences	<u>22</u>	<u>(372)</u>	<u>(350)</u>
Balance at December 31, 2020	<u>\$ 5,636,388</u>	<u>\$ 7,554,988</u>	<u>\$ 13,191,376</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2020	\$ -	\$ (1,579,574)	\$ (1,579,574)
Reclassifications to property, plant and equipment	-	287,139	287,139
Depreciation expense	-	(66,808)	(66,808)
Effect of foreign currency exchange differences	<u>-</u>	<u>157</u>	<u>157</u>
Balance at December 31, 2020	<u>\$ -</u>	<u>\$ (1,359,086)</u>	<u>\$ (1,359,086)</u>
Carrying amount at December 31, 2020	<u>\$ 5,636,388</u>	<u>\$ 6,195,902</u>	<u>\$ 11,832,290</u> (Concluded)

The investment properties are depreciated on a straight-line basis over their estimated useful lives of 30 to 60 years.

The design of the commercial district of Yulon Town was modified in October 2019 and only consisted of malls. In addition, the declaration of the commencement of the district was temporarily stopped, and will be re-designed depending on the market situation. Therefore, the Group expected a portion of the individual asset had become no economic benefits and recognized impairment loss of commercial district (included in investment properties) \$533,488 in 2019.

The fair values of investment assets as of December 31, 2020 and 2019 based on the valuation by an independent professional appraiser were \$29,197,259 thousand and \$23,519,792 thousand.

20. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2020	2019
<u>Carrying amount</u>		
Land	\$ 1,577,884	\$ 1,614,287
Buildings	1,569,039	1,893,932
Vehicles	18,471	32,894
Others	<u>24,808</u>	<u>88,145</u>
	<u>\$ 3,190,202</u>	<u>\$ 3,629,258</u>

	For the Year Ended December 31	
	2020	2019
Additions of right-of-use assets	<u>\$ 562,958</u>	<u>\$ 387,074</u>
Depreciation charge for right-of-use assets		
Land	\$ 182,242	\$ 277,759
Buildings	557,512	706,291
Vehicles	12,669	22,529
Others	<u>24,636</u>	<u>15,057</u>
	<u>\$ 777,059</u>	<u>\$ 1,021,636</u>

b. Lease liabilities

	December 31	
	2020	2019
<u>Carrying amount</u>		
Current	<u>\$ 604,309</u>	<u>\$ 788,127</u>
Non-current	<u>\$ 1,742,404</u>	<u>\$ 1,951,982</u>

Range of discount rate for lease liabilities was as follows:

	December 31	
	2020	2019
Land	0.9%-6.41%	0.9%-6.41%
Buildings	0.9%-7.08%	0.9%-6.64%
Vehicles	0.9%-5.24%	0.9%-5.24%
Others	0.9%-6.64%	0.9%-6.64%

c. Material leasing activities and terms - as lessee

The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

d. Other lease information

	For the Year Ended December 31	
	2020	2019
Expenses relating to short-term leases	<u>\$ 109,079</u>	<u>\$ 152,354</u>
Expenses relating to low-value asset leases	<u>\$ 12,797</u>	<u>\$ 16,793</u>
Total cash outflow for leases	<u>\$ (780,094)</u>	<u>\$ (965,643)</u>

The Group's leases of certain vehicles and office equipment qualify as short-term leases and leases of certain vehicles and office equipment qualify as low-value asset 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.

21. INTANGIBLE ASSETS

	Motor Design and Research and Development Outputs	Others (Including Software)	Total
<u>Cost</u>			
Balance at January 1, 2019	\$ 18,159,977	\$ 1,556,215	\$ 19,716,192
Additions	1,980,115	154,761	2,134,876
Reclassifications	(317,391)	20	(317,371)
Disposals	-	(3,175)	(3,175)
Effect of foreign currency exchange differences	<u>(7,997)</u>	<u>(80,571)</u>	<u>(88,568)</u>
Balance at December 31, 2019	<u>\$ 19,814,704</u>	<u>\$ 1,627,250</u>	<u>\$ 21,441,954</u>
<u>Accumulated amortization and impairment</u>			
Balance at January 1, 2019	\$ (7,021,126)	\$ (1,118,468)	\$ (8,139,594)
Amortization expense	(237,702)	(112,802)	(350,504)
Impairment loss	(6,246,802)	(4,507)	(6,251,309)
Reclassifications	-	-	-
Disposals	-	1,145	1,145
Effect of foreign currency exchange differences	<u>-</u>	<u>67,959</u>	<u>67,959</u>
Balance at December 31, 2019	<u>\$ (13,505,630)</u>	<u>\$ (1,166,673)</u>	<u>\$ (14,672,303)</u>
Carrying amount at December 31, 2019	<u>\$ 6,309,074</u>	<u>\$ 460,577</u>	<u>\$ 6,769,651</u>

(Continued)

	Motor Design and Research and Development Outputs	Others (Including Software)	Total
<u>Cost</u>			
Balance at January 1, 2020	\$ 19,814,704	\$ 1,627,250	\$ 21,441,954
Additions	326,876	170,732	497,608
Reclassifications	(5,897,888)	13,171	(5,884,717)
Disposals	(389,907)	(53,147)	(443,054)
Effect of foreign currency exchange differences	<u>1,528</u>	<u>4,581</u>	<u>6,109</u>
Balance at December 31, 2020	<u>\$ 13,855,313</u>	<u>\$ 1,762,587</u>	<u>\$ 15,617,900</u>
<u>Accumulated amortization and impairment</u>			
Balance at January 1, 2020	\$ (13,505,630)	\$ (1,166,673)	\$ (14,672,303)
Amortization expense	(173,042)	(120,288)	(293,330)
Impairment loss	(1,224,632)	(24,414)	(1,249,046)
Reclassifications	1,376,310	(360)	1,375,950
Disposals	-	25,047	25,047
Effect of foreign currency exchange differences	<u>-</u>	<u>(752)</u>	<u>(752)</u>
Balance at December 31, 2020	<u>\$ (13,526,994)</u>	<u>\$ (1,287,440)</u>	<u>\$ (14,814,434)</u>
Carrying amount at December 31, 2020	<u>\$ 328,319</u>	<u>\$ 475,147</u>	<u>\$ 803,466</u> (Concluded)

The vehicle model development cost of the Group includes SUV model, MPV model, GPS (S5 Sedan) model, GPK (U6 SUV) model, LCS (S3 Sedan) model, LCH model (U5 SUV), GPM model, MBU model, M platform, ME engine, EF engine, Plug-in hybrid electric vehicle and other related vehicle model development cost.

The Brand Segments test impairment of motor design and research and development outputs and molds of the models on an annual basis and in the event of signs of impairment; the calculation of recoverable amount is based on the value in use and the net fair value. The calculation of the value in use is based on the cash flows of the Group's future product life cycle financial forecasts to reflect the specific risks of the relevant cash-generating unit. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Both calculations use an annual discount rate of 9.25% and 8.23% at December 31, 2020 and 2019.

In 2020 and 2019, the amounts of impairment loss on intangible assets were \$1,224,632 thousand and \$6,246,802 thousand; the estimated future cash flows of the intangible assets were reduced and the estimated recoverable amounts were lower than the carrying amounts.

The ownership of vehicle registration plates, the other intangible assets of the Group, was acquired by Car-Plus (Suzhou) Auto Leasing Co., Ltd. and Car-Plus Leasing (Shanghai) for operating purpose. The ownership can be transacted in the market, and can also be transferred to various vehicles; thus, it was classified as intangible assets with infinite useful life.

The decrease in the recoverable amount of vehicle registration plates led to recognition of impairment loss of \$428 thousand and \$4,507 thousand in 2020 and 2019. As the estimated future cash flows expected to arise from the related plates have decreased, the Group carried out a review of the recoverable amount of that related plates and determined that the carrying amount exceeded the recoverable amount; thus, impairment loss was recognized.

Intangible assets are amortized on a straight-line basis over the following estimated useful lives of the asset:

Computer software	2-3 years
Motor design and research and development outputs	Units-of-production method
Others	1-10 years

22. BORROWINGS

a. Short-term borrowings

	December 31	
	2020	2019
Secured borrowings (Note 36)		
Bank loans	\$ 3,974,704	\$ 9,227,430
Unsecured borrowings		
Line of credit borrowings	<u>41,332,922</u>	<u>68,894,841</u>
	<u>\$ 45,307,626</u>	<u>\$ 78,122,271</u>
Interest rate	0.75%-6.95%	0.8%-8.50%

b. Short-term bills payable

	December 31	
	2020	2019
Commercial paper	\$ 106,747,380	\$ 98,766,249
Less: Unamortized discount on bills payable	<u>202,401</u>	<u>282,948</u>
	<u>\$ 106,544,979</u>	<u>\$ 98,483,301</u>
Interest rate	0.37%-2.05%	0.72%-2.61%

c. Long-term borrowings

	<u>December 31</u>	
	2020	2019
Secured borrowings		
Bank loans	\$ 10,263,184	\$ 199,901
Unsecured borrowings		
Credit borrowings	408,906	3,284,199
Commercial paper (recurring)	3,145,608	2,845,740
Less: Current portion long-term borrowings	<u>1,480,632</u>	<u>3,549,488</u>
	<u>\$ 12,337,066</u>	<u>\$ 2,780,352</u>
Interest rates	0.91%-5.23%	1.01%-5.23%

Note: Haitec Co., Ltd. borrowed a total of NT\$12.199 billion from 17 financial institutions, and as the original loan maturity date expired, Haitec Co., Ltd. consulted with the 17 financial institutions and reached a consensus and adopted a joint loan case model; on July 7, 2020, the board of directors of Haitec Co., Ltd. approved the application for a joint loan line of NT\$12.199 billion from the 17 financial institutions to repay the matured loan, and had paid 15% of the loan on August 31, 2020. The credit term for this joint loan is 5 years, and when it expires in the 5th year, if certain conditions are met, Haitec Co., Ltd. will automatically extend the credit period for 2 years

23. BONDS PAYABLE

	<u>December 31</u>	
	2020	2019
<u>Convertible bonds</u>		
Unsecured domestic bonds	\$ 25,200,000	\$ 25,650,000
Secured domestic bonds	4,288,000	-
Less: Discounts on bonds payable	<u>(66,177)</u>	<u>9,553</u>
	29,421,823	25,640,447
Less: Current portion	<u>(14,121,823)</u>	<u>10,340,447</u>
	<u>\$ 15,300,000</u>	<u>\$ 15,300,000</u>

Unsecured domestic bonds

The Group issued unsecured corporate bonds on December 12, 2017, with each issuance amounting to NT\$7 billion and NT\$3 billion, respectively, and the bonds have five-year maturities and seven-year maturities and simple interest at rates of 1.04% and 1.07%, respectively, payable annually. The principal amounts of both bonds would be repaid on the maturity date. The Group also issued unsecured corporate bonds on December 25, 2018, with each issuance amounting to NT\$3.6 billion and NT\$1.7 billion, respectively, and the bonds have five-year maturities and ten-year maturities and simple interest at rates of 1.18% and 1.80%, respectively, payable annually.

Yulon Finance Corporation issued three-year maturity, unsecured corporate bonds on May 12, 2017, August 11, 2017, January 8, 2018, August 20, 2020, and November 9, 2020 with issuance

amounts of \$2 billion, \$2.35 billion, \$2.1 billion, \$1.7 billion and \$2.2 billion and simple interest rates of 1.07%, 1.02%, 0.85%, 0.85% and 0.85% payable annually, respectively. The principal amounts of the bonds are repayable on the maturity date. The principal amount of the unsecured corporate bond issued on May 12, 2017 and August 11, 2017 had been repaid on May 12, 2020 and August 11, 2020. Yulon Finance Corporation also issued five-year maturity unsecured corporate bonds on July 9, 2019 and August 14, 2019, with issuance amounts of \$2 billion and \$1.9 billion and simple interest rates both of 0.90% payable annually. The principal amounts of the bonds are repayable 50% in the fourth year and 50% in the fifth year. Yulon Finance Corporation issued three-year maturity secured corporate bonds on January 13, 2020, with issuance amount of \$4.288 billion and simple interest rate of 0.69% payable annually. The principal amount of the bonds is repayable on the maturity date.

24. OTHER LIABILITIES

	December 31	
	2020	2019
<u>Current</u>		
Other payables		
Equipment payables	\$ 1,670,165	\$ 2,489,902
Accrued expense payable	7,467,083	4,404,614
Dividends payable	289,948	224,088
Others	<u>2,900,348</u>	<u>2,886,557</u>
	<u>\$ 12,327,544</u>	<u>\$ 10,005,161</u>
Other liabilities		
Guarantee deposits received	\$ 10,487,968	\$ 10,869,711
Others	<u>2,552,549</u>	<u>2,092,737</u>
	<u>\$ 13,040,517</u>	<u>\$ 12,962,448</u>
<u>Non-current</u>		
Other liabilities		
Guarantee deposits received	\$ 698,287	\$ 164,007
Others	<u>51,302</u>	<u>240,233</u>
	<u>\$ 749,589</u>	<u>\$ 404,240</u>

25. PROVISIONS

	<u>December 31</u>	
	<u>2020</u>	<u>2019</u>
<u>Current</u>		
Financial guarantee provisions	\$ 156,060	\$ 221,556
Warranties	<u>3,211</u>	<u>1,938</u>
	<u>\$ 159,271</u>	<u>\$ 223,494</u>
<u>Non-current</u>		
Warranties	<u>\$ 641,441</u>	<u>\$ 724,016</u>

The customers of Yulon Finance Corporation and SCC signed car loan contracts with banks, with Yulon Finance Corporation and SCC acting as car loan agents and providing customers with account management services. Under the contracts, Yulon Finance Corporation and SCC are responsible for repaying any uncollectable loans arising from customer default. Yulon Finance Corporation and SCC have estimated their potential financial guarantee loss on any default on the basis of past experience.

Sin Jang and YES-Energy recognized provision cost based on the estimated amount of service costs during the terms of service warranties of the products.

The validity of warranties for Nissan and Luxgen cars provided by the Group are limited to 3 years of purchase or mileage of under 100,000 kilometers. Provisions have been estimated for possible maintenance costs.

26. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company and subsidiaries of the Group adopted a pension plan under the Labor Pension Act (the “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.

b. Defined benefit plans

The defined benefit plans adopted by the Company and its subsidiaries of the Group are in accordance with the Labor Standards Law. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company and subsidiaries contribute amounts equal to 7% 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 pension fund investment policy and strategy.

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

	December 31	
	2020	2019
Present value of the defined benefit obligation	\$ 2,165,878	\$ 2,422,456
Fair value of plan assets	<u>(1,491,385)</u>	<u>(1,464,590)</u>
Net defined benefit liability	<u>\$ 674,493</u>	<u>\$ 957,866</u>

Movements in net defined benefit liability were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability (Asset)
Balance at January 1, 2019	<u>\$ 2,528,904</u>	<u>\$ (1,554,462)</u>	<u>\$ 974,442</u>
Service cost			
Current service cost	31,218	-	31,218
Past service cost and loss (gain) on settlements	(670)	-	(670)
Net interest expense (income)	<u>28,026</u>	<u>(17,400)</u>	<u>10,626</u>
Recognized in profit or loss	58,574	(17,400)	41,174
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(56,494)	(56,494)
Actuarial loss - changes in demographic assumptions	(1,403)	-	(1,403)
Actuarial loss - changes in financial assumptions	96,344	-	96,344
Actuarial loss - experience adjustments	<u>60,254</u>	<u>-</u>	<u>60,254</u>
Recognized in other comprehensive income	<u>155,195</u>	<u>(56,494)</u>	<u>98,701</u>
Contributions from the employer	-	(72,617)	(72,617)
Benefits paid	<u>(320,217)</u>	<u>236,383</u>	<u>(83,834)</u>
Balance at December 31, 2019	<u>\$ 2,422,456</u>	<u>\$ (1,464,590)</u>	<u>\$ 957,866</u>
Balance at January 1, 2020	<u>\$ 2,422,456</u>	<u>\$ (1,464,590)</u>	<u>\$ 957,866</u>
Service cost			
Current service cost	28,939	-	28,939
Net interest expense (income)	<u>17,911</u>	<u>(11,558)</u>	<u>6,353</u>
Recognized in profit or loss	<u>46,850</u>	<u>(11,558)</u>	<u>35,292</u>

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liability (Asset)
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	\$ -	\$ (50,028)	\$ (50,028)
Actuarial loss - changes in demographic assumptions	9,436	-	9,436
Actuarial loss - changes in financial assumptions	60,209	-	60,209
Actuarial loss - experience adjustments	<u>(12,367)</u>	<u>-</u>	<u>(12,367)</u>
Recognized in other comprehensive income	<u>57,278</u>	<u>(50,028)</u>	<u>7,250</u>
Contributions from the employer	-	(174,782)	(174,782)
Benefits paid	<u>(360,706)</u>	<u>209,573</u>	<u>(151,133)</u>
Balance at December 31, 2020	<u>\$ 2,165,878</u>	<u>\$ (1,491,385)</u>	<u>\$ 674,493</u> (Concluded)

The Group is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in 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. Based on relevant regulations, the return on plan assets should not be below the interest rate for a two-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. Thus, 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 in the actuarial valuations were as follows:

	December 31	
	2020	2019
Discount rate(s)	0.35%-0.75%	0.68%-1.25%
Expected rate(s) of salary increase	1%-2.5%	1%-3%

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

	December 31, 2020	December 31, 2019
Discount rate(s)		
0.25% increase	<u>\$ (59,929)</u>	<u>\$ (67,459)</u>
0.25% decrease	<u>\$ 65,803</u>	<u>\$ 72,385</u>
Expected rate(s) of salary increase		
0.25% increase	<u>\$ 63,918</u>	<u>\$ 72,069</u>
0.25% decrease	<u>\$ (58,512)</u>	<u>\$ (67,589)</u>

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

	December 31	
	2020	2019
The expected contributions to the plan for the next year	<u>\$ 85,147</u>	<u>\$ 168,306</u>
The average duration of the defined benefit obligation	9-16 years	9-17 years

27. EQUITY

a. Share capital

Common shares

	December 31	
	2020	2019
Number of shares authorized (in thousands)	<u>2,000,000</u>	<u>2,000,000</u>
Shares authorized	<u>\$ 20,000,000</u>	<u>\$ 20,000,000</u>
Number of shares issued and fully paid (in thousand)	<u>1,000,000</u>	<u>1,572,920</u>
Shares capital	\$ 10,000,000	\$ 15,729,199
Capital surplus	<u>4,508,131</u>	<u>4,508,131</u>
	<u>\$ 14,508,131</u>	<u>\$ 20,237,330</u>

Fully paid common shares, which have a par value of NT\$10, carry one vote per share and carry a right to dividends.

On June 18, 2020, the Company's shareholders held a meeting and resolved to make up for the loss by reducing capital by NT\$5,729,199 thousand, i.e., eliminating 572,920 thousand shares. The ratio of capital reduced was about 36.4239%, and ended with 1,000,000 shares after the reduction. The resolution was approved by the Financial Supervisory Commission on July 21, 2020, and the board of directors resolved to set August 11, 2020 as the base date for

capital reduction with the authorization of the shareholders in their meeting.

b. Capital surplus

	<u>December 31</u>	
	<u>2020</u>	<u>2019</u>
May be used to offset a deficit, distributed as cash <u>dividends, or transferred to share capital (Note)</u>		
Arising from issuance of common shares	\$ 4,508,131	\$ 4,508,131
Arising from treasury share transactions	2,018,204	2,018,204
<u>Not be used for any purpose</u>		
Arising from share of changes in capital surplus of associates or joint ventures	<u>\$ 37,553</u>	<u>\$ 40,160</u>
	<u>\$ 6,563,888</u>	<u>\$ 6,566,495</u> (Concluded)

Note: Such capital surplus maybe used to offset a deficit, in addition, when the Company have no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company’s capital surplus and once a year).

c. Retained earnings and dividend policy

The Company’s Articles of Incorporation provide that appropriation for legal reserve should be made at 10% of annual net income, less any accumulated deficit. From the remainder of the net income, appropriation for special reserve will be made based on relevant laws and regulations, and then any remaining profit together with any undistributed retained earnings may be appropriated and distributed.

The Company’s operating environment is in a mature industry. The Company shall consider profitability, future operating plans and funding needs, and industry condition, and long-term shareholders’ rights and long-term financial planning in the distribution of earnings. Dividends may be paid in cash or stock; total dividends should not be lower than 10% of distributable net profit, and cash dividends should not be lower than 20% of total dividends. The distribution plan will be proposed by the Company’s board of directors and approved in the shareholders’ meeting.

In accordance with the amendments to the Company Act in May 2015, the recipients of dividends and bonuses are limited to shareholders and do not include employees. The shareholders held their regular meeting on June 21, 2016 and, in that meeting, had resolved amendments to the Company’s Articles of Incorporation (the “Articles”), particularly the amendment to the policy on dividend distribution and the addition of the policy on distribution of employees’ compensation.

For information on accrued compensation of employees and remuneration to directors and supervisors and the actual appropriations, please refer to Note 29-g.

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

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

The appropriations of earnings for 2018 approved in the shareholders meeting on June 21, 2019, respectively, were as follows:

	<u>Appropriation of Earnings</u> 2018	<u>Dividend Per Share</u> (N.T. Dollar) 2018
Legal reserve	\$ 203,703	
Special reserve	1,000,000	
Cash dividend	1,053,856	\$ 0.67

At the shareholders’ meeting on June 18, 2020, the Company approved the reduction of capital to offset deficit and resolved not to distribute dividends.

At the board of directors’ meeting on March 25, 2021, the Company proposed appropriation and distribution of earnings as follows:

	<u>Appropriation of Earnings</u> 2020	<u>Dividend Per Share</u> (N.T. Dollar) 2020
Reversal of special reserve	\$ 2,000,000	
Cash dividends	1,000,000	\$ 1

The appropriations of earnings for 2020 are subject to the resolution in the shareholders’ meeting to be held on June 17, 2021.

d. Special reserve

	<u>For the Year Ended December 31</u>	
	2020	2019
Balance at January 1	\$ 39,373,565	\$ 38,373,565
Appropriation of earnings	-	1,000,000
Offset deficit	<u>(15,145,000)</u>	<u>-</u>
Balance at December 31	<u>\$ 24,228,565</u>	<u>\$ 39,373,565</u>

On first-time adoption of IFRSs, the Group appropriated for special reserve, the amounts that were the same as the unrealized revaluation increment and cumulative translation differences transferred to retained earnings, which were \$8,255,468 thousand and \$655,829 thousand,

respectively.

If the special reserve appropriated on the first-time adoption of IFRSs relates to property, plant and equipment and investment property other than land, the special reserve may be reversed continuously over the period of use. The special reserve relating to land may be reversed on the disposal or reclassification of the related assets. A proportionate share of the special reserve relating to exchange differences arising from the translation of the financial statements of foreign operations (including the subsidiaries of the Company) will be reversed on the Group's disposal of foreign operations; on the Group's loss of significant influence, however, the entire special reserve will be reversed.

Additional special reserve should be appropriated for the amount equal to the difference between net debit balance reserves and the special reserve appropriated on the first-time adoption of IFRSs. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and thereafter distributed.

e. Others equity items

1) Exchange differences on translating foreign operations

	For the Year Ended December 31	
	2020	2019
Balance at January 1	\$ (1,255,680)	\$ (919,398)
Exchange differences arising on translating the financial statements of foreign operations	146,448	(69,275)
Share of exchange difference of subsidiaries, associates and jointly ventures accounted for using the equity method	<u>(9,582)</u>	<u>(267,007)</u>
Balance at December 31	<u>\$ (1,118,814)</u>	<u>\$ (1,255,680)</u>

2) Unrealized gain/(loss) on financial assets at FVTOCI

	For the Year Ended December 31	
	2020	2019
Balance at January 1	\$ 1,397,517	\$ 1,466,521
Unrealized gain/(loss) - equity instruments	7,358	194,934
Share from associates accounted for using the equity method	74,871	90,460
Cumulative unrealized gain/(loss) of equity instruments transferred to retained earnings due to disposal	<u>42,851</u>	<u>(354,401)</u>
Balance at December 31	<u>\$ 1,522,597</u>	<u>\$ 1,397,514</u>

3) Gain (loss) on hedging instruments

	For the Year Ended December 31	
	2020	2019
Balance at January 1	\$ (4)	\$ 252
Interest rate risk - interest rate swaps	<u>28</u>	<u>(256)</u>
Balance at December 31	<u>\$ 24</u>	<u>\$ (4)</u>

f. Non-controlling interests

	For the Year Ended December 31	
	2020	2019
Balance at January 1	\$ 11,244,743	\$ 12,122,134
Attributable to non-controlling interests:		
Share of profit for the year	2,100,352	496,643
Exchange difference arising on translation of foreign entities	15,228	(173,284)
Unrealized gain/(loss) on financial assets at FVTOCI	15	2,238
Gain/(loss) on hedging instruments	33	(195)
Remeasurement on defined benefit plans	(5,062)	586
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	18,411	4,489
Partial disposal of subsidiaries	-	(297,681)
Non-controlling interest relating to differences between acquisition or disposal price and carrying value of subsidiaries	-	196,389
Amount related to disposal of subsidiaries (Note 32)	4,056,366	-
Cash dividends from subsidiaries	<u>(1,293,234)</u>	<u>(1,106,576)</u>
Balance at December 31	<u>\$ 16,136,852</u>	<u>\$ 11,244,743</u>

g. Treasury shares

Reasons for Redemption	Number of Shares, Beginning of Year	Addition During the Year	Reduction During the Year	Number of Shares, End of Year
For the year ended <u>December 31, 2020</u>				
Long-term investment of subsidiary transferred to treasury stock	<u>7,527</u>	<u>-</u>	<u>-</u>	<u>7,527</u>

(Continued)

Reasons for Redemption	Number of Shares, Beginning of Year	Addition During the Year	Reduction During the Year	Number of Shares, End of Year
For the year ended <u>December 31, 2019</u>				
Long-term investment of subsidiary transferred to treasury stock	<u>11,839</u>	<u>-</u>	<u>-</u>	<u>11,839</u> (Concluded)

The Company's shares held by subsidiaries as of December 31, 2020 and 2019 were as follows:

Name of Subsidiaries	Number of Shares Held (In Thousands)	Carrying Amount (In Thousands)	Market Value (In Thousands)
<u>December 31, 2020</u>			
Yu Ching Business Co., Ltd.	7,526	\$ 352,990	\$ 352,990
Yu Pong Business Co., Ltd.	1	<u>4</u>	<u>4</u>
		<u>\$ 352,994</u>	<u>\$ 352,994</u>
<u>December 31, 2019</u>			
Yu Ching Business Co., Ltd.	11,838	\$ 231,442	\$ 231,442
Yu Pong Business Co., Ltd.	1	<u>2</u>	<u>2</u>
		<u>\$ 231,444</u>	<u>\$ 231,444</u>

The subsidiaries holding treasury shares, however, retain shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

28. REVENUE

a. Contract information

1) Revenue from the sale of goods

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 vehicles and parts. The Group recognized revenue when goods are delivered and legal ownership is transferred.

Horizontal Segments property on lease includes property, plant and equipment held for rental to others that are transferred to inventories at their carrying amount when they cease to be rented and become held for sale. The proceeds from the sale of such assets are

recognized as revenue.

The Group does not recognize sales revenue on materials delivered to subcontractors because this delivery does not involve a transfer of risks and rewards of the materials' ownership.

The sale of goods that results in awarded credits for customers under the Group's award scheme is accounted for as a multiple element revenue transaction, and the fair value of the consideration received or receivable is allocated between the goods supplied and the awarded credits granted. The consideration allocated to the awarded credits is measured with reference to their fair value, i.e. the amount for which the awarded credits could be sold separately. Such consideration is not recognized as revenue at the time of the initial sale transactions but is deferred and recognized as revenue when the awarded credits are redeemed and the Group's obligations have been fulfilled.

2) Rental income

Rental income from an operating lease is recognized on a straight-line basis over the term of the lease.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding on the leases.

3) Investment income

For security transactions by Yung Hong Investment Company, the difference between the carrying amount of security and the actual selling price is recognized in profit or loss when these Group entities transfer substantially all the risks and rewards of security ownership to another party.

4) Revenue from the rendering of services

Revenue from a contract to provide services is recognized with reference to the stage of completion of the contract.

5) Interest revenue from acquired accounts receivable

Interest revenues from the accounts receivable of YFC and Yustar and Yu Rich collectively during the years ended December 31, 2020 and 2019 were \$6,991,134 thousand and \$5,974,987 thousand, respectively. As of December 31, 2020 and 2019, the uncollected accounts receivable of YFC and Yustar and Yu Rich collectively were \$103,425,844 thousand and \$90,946,522 thousand, respectively, and recognized as accounts receivable.

6) Interest income on installment sales

Interest revenue on acquired receivables from installment sales of the Company, Shinshin and TAC Leasing (Suzhou) in 2020 and 2019 amounted to \$2,438,933 thousand and \$2,022,352 thousand, respectively. The income from sales and cost of goods sold of the combined company without a dealer's interest were expressed in net amount; the gross amounts were not included in the consolidated statements of comprehensive income.

7) Agency revenue (included in other operating revenue)

Agency revenues of YFC and Yustar recognized for the years ended December 31, 2020 and 2019 were \$348,980 thousand and \$458,322 thousand, respectively. In the event that payments were not made on due dates, the Company and Yustar reimburse the bank for the loan and assumes all collection rights against the debtor. As of December 31, 2020 and 2019, the managerial service account balances of the loans provided by the Company and Yustar collectively were \$4,166,684 thousand and \$5,904,738 thousand, respectively. The reimbursements from the Company and Yustar to banks as of December 31, 2020 and 2019 were \$523,070 thousand and \$750,778 thousand, respectively. The reimbursements to banks were listed as accounts receivable before recognition of interest revenue from acquired accounts receivable using effective interest method.

The amounts of financial guarantee contracts listed above were the maximum total managerial service loans provided by the Group that require full payment by the Group in the event of debtor's default. The Group had estimated the potential financial guarantee loss on any default on the basis of past experience (see Note 25).

b. Disaggregation of revenue

Refer to Note 41 for details of revenue information.

29. NET PROFIT AND OTHER COMPREHENSIVE INCOME

a. Other operating revenue

	For the Year Ended December 31	
	2020	2019
Rental revenue	\$ 128,128	\$ 133,706
Commission revenue	264,397	263,619
Subsidy revenue	186,729	250,702
Others	<u>431,163</u>	<u>619,301</u>
	<u>\$ 1,010,417</u>	<u>\$ 1,267,328</u>

b. Other gains and losses

	For the Year Ended December 31	
	2020	2019
Gains (losses) on disposal of property, plant and equipment, investment property and intangible assets	\$ 681,587	\$ (26,171)
Gain on disposal of associates	(422)	3,150,981
Net foreign exchange loss	60,679	(184,527)
Net gain (loss) on financial assets mandatorily as at FVTPL	39,122	42,819
Impairment loss	-	(2,278,134)
Compensation loss (Note)	(1,948,043)	-

(Continued)

Gain on deconsolidation of subsidiary (refer to Note 32)	4,040,489	-
Others	<u>(450,208)</u>	<u>(438,193)</u>
	<u>\$ 2,423,204</u>	<u>\$ 266,775</u>
		(Concluded)

Note: Foxtron Technologies, the Haitec associate, repositioned original business plans and products, including termination of development of some systems and gasoline power related parts, etc. Since Haitec was first party of the original development contract, Haitec recognized the compensation loss related to the contract.

c. Finance costs

	For the Year Ended December 31	
	2020	2019
Interest on bank overdrafts and loans	\$ 3,341,003	\$ 3,830,126
Interest on corporate bonds	323,332	263,960
Other interest expense	<u>133,036</u>	<u>165,712</u>
	3,797,371	4,259,798
Less: Interest accounted for as operating cost	<u>2,975,930</u>	<u>3,137,134</u>
	<u>\$ 821,441</u>	<u>\$ 1,122,664</u>

d. Interest revenue

	For the Year Ended December 31	
	2020	2019
Interest revenue from acquired accounts receivable	\$ 6,990,956	\$ 5,974,987
Interest revenue from installment sales	2,438,933	2,022,352
Interest revenue from capital leases	3,010,148	3,666,443
Others	<u>3,483,607</u>	<u>3,169,815</u>
	15,923,644	14,833,597
Less: Interest revenue accounted for as operating revenue	<u>15,625,557</u>	<u>14,234,694</u>
	<u>\$ 298,087</u>	<u>\$ 598,903</u>

e. Depreciation and amortization

	For the Year Ended December 31	
	2020	2019
An analysis of depreciation by function		
Operating costs	\$ 6,730,335	\$ 6,163,148
Operating expenses	<u>1,360,767</u>	<u>1,666,372</u>
	<u>\$ 8,091,102</u>	<u>\$ 7,829,520</u>

(Continued)

	For the Year Ended December 31	
	2020	2019
An analysis of amortization by function		
Operating costs	\$ 172,840	\$ 272,458
Operating expenses	<u>2,505,059</u>	<u>2,167,825</u>
	<u>\$ 2,677,899</u>	<u>\$ 2,440,283</u>
		(Concluded)

f. Employee benefit expense

	For the Year Ended December 31	
	2020	2019
Post-employment benefits		
Defined contribution plans	\$ 226,440	\$ 177,564
Defined benefit plans	<u>35,292</u>	<u>41,174</u>
	261,732	218,738
Other employee benefits	<u>8,851,214</u>	<u>10,035,400</u>
Equity-settled share-based payment transaction	<u>\$ 9,112,946</u>	<u>\$ 10,254,138</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 2,729,533	\$ 3,462,816
Operating expenses	<u>6,383,413</u>	<u>6,791,322</u>
	<u>\$ 9,112,946</u>	<u>\$ 10,254,138</u>

g. Compensation of employees and remuneration of directors and supervisors

According to the Articles of Incorporation of the Company, the Company accrued compensation of employees and remuneration of directors and supervisors at the rates no less than 0.1% and no higher than 0.5%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors and supervisors. In 2020, the Company reserved net income to cover accumulated loss. In 2019, the Company proposed not to distribute dividends due to net loss before income tax. In 2020 and 2019, the compensation of employees and the remuneration of directors and supervisors were as follows:

Accrual rate

	For the Year Ended December 31	
	2020	2019
Compensation of employees	0.10%	0.10%
Remuneration of directors and supervisors	0.50%	0.50%

Amount

	For the Year Ended December 31			
	2020		2019	
	Cash	Share	Cash	Share
Compensation of employees	\$ -	-	\$ -	-
Remuneration of directors and supervisors	-	-	-	-

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

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

Information on the compensation of employees and remuneration of directors and supervisors resolved by the Company's board of directors in 2021 and 2020 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

h. Impairment losses on non-financial assets (reversal of impairment loss)

	For the Year Ended December 31	
	2020	2019
Property, plant and equipment (included in other operating cost, Note 18)	\$ 1,306,212	\$ 6,267,470
Inventories (included in operating cost, Note 15)	235,411	(98,383)
Inventories for construction business (included in other gains and losses, Note 15)	-	779,745
Investment properties (included in other gains and losses, Note 19)	-	533,488
Other current asset (included in other gains and losses, Note)	-	964,901
Motor designs and research and development outputs (included in other operating cost, Note 21)	1,224,632	6,246,802
Other asset (included in other operating cost)	-	1,207,878
Other intangible assets (included in other operating cost, Note 21)	<u>24,414</u>	<u>4,507</u>
	<u>\$ 2,790,669</u>	<u>\$ 15,906,408</u>

Note: As of the date December 31, 2019, the Group recognized impairment loss of \$964,901 thousand from prepayment to Dongfeng Yulon.

30. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of tax expense (income) were as follows:

	For the Year Ended December 31	
	2020	2019
Current tax		
In respect of the current year	\$ 1,679,531	\$ 1,252,180
Income tax on unappropriated earnings	26,721	70,030
Adjustments for prior years	<u>(118,889)</u>	<u>(10,392)</u>
	1,587,363	1,311,818
Deferred tax		
In respect of the current year	(703,377)	(215,489)
Effect of change in tax rate	<u>-</u>	<u>-</u>
Income tax expense recognized in profit or loss	<u>\$ 883,986</u>	<u>\$ 1,096,329</u>

A reconciliation of accounting profit and income tax expenses is as follows:

	For the Year Ended December 31	
	2020	2019
Profit before tax from continuing operations	<u>\$ 5,723,548</u>	<u>\$ (23,437,148)</u>
Income tax expense calculated at the statutory rate	\$ 1,337,494	\$ (723,609)
Nondeductible expenses in determining taxable income	8,106	7,582
Tax-exempt income	(315,530)	(221,976)
Income tax on unappropriated earnings	26,721	70,030
Unrecognized deductible temporary differences	(196,253)	2,001,613
Adjustments for prior years' tax	23,448	(10,392)
Temporary difference - share of the profit of associates and joint ventures operating in other jurisdictions	<u>-</u>	<u>(26,919)</u>
Income tax expense recognized in profit or loss	<u>\$ 883,986</u>	<u>\$ 1,096,329</u>

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

b. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2020

	Balance at the Beginning of the Year	Net Profit (Loss) and Other Comprehensive Income (Loss)	Balance at the End of the Year
<u>Deferred tax assets</u>			
Temporary differences			
Share of loss of subsidiaries, associates and joint ventures	\$ 172,639	\$ 150,215	\$ 322,854
Property, plant and equipment	227,498	(62,399)	165,099
Defined benefit obligation	282,388	(13,150)	269,238
Doubtful debts	797,363	469,710	1,267,073
Loss carryforward	125,901	(16,224)	109,677
Others	<u>249,214</u>	<u>88,118</u>	<u>337,332</u>
	<u>\$ 1,855,003</u>	<u>\$ 616,270</u>	<u>\$ 2,471,273</u>

Deferred tax liabilities

Temporary differences			
Property, plant and equipment	\$ 1,033,522	\$ 71,515	\$ 1,105,037
Land value increment tax	2,509,919	(112,101)	2,397,818
Share of profit of subsidiaries, associates and joint ventures	489,300	(95,619)	393,681
Others	<u>12,574</u>	<u>33,226</u>	<u>45,800</u>
	<u>\$ 4,045,315</u>	<u>\$ (102,979)</u>	<u>\$ 3,942,336</u>

For the year ended December 31, 2019

	Balance at the Beginning of the Year	Net Profit (Loss) and Other Comprehensive Income (Loss)	Balance at the End of the Year
<u>Deferred tax assets</u>			
Temporary differences			
Share of loss of subsidiaries, associates and joint ventures	\$ 198,393	\$ (25,754)	\$ 172,639
Property, plant and equipment	184,633	42,865	227,498
Defined benefit obligation	322,694	(40,306)	282,388
Doubtful debts	490,113	307,250	797,363
Loss carryforward	143,335	(17,434)	125,901
Others	<u>211,862</u>	<u>37,352</u>	<u>249,214</u>
	<u>\$ 1,551,030</u>	<u>\$ 303,973</u>	<u>\$ 1,855,003</u>

(Continued)

	Balance at the Beginning of the Year	Net Profit (Loss) and Other Comprehensive Income (Loss)	Balance at the End of the Year
<u>Deferred tax liabilities</u>			
Temporary differences			
Property, plant and equipment	\$ 959,179	\$ 74,343	\$ 1,033,522
Land value increment tax	2,509,919	-	2,509,919
Share of profit of subsidiaries, associates and joint ventures	484,975	4,325	489,300
Others	<u>47,814</u>	<u>(35,240)</u>	<u>12,574</u>
	<u>\$ 4,001,887</u>	<u>\$ 43,428</u>	<u>\$ 4,045,315</u> (Concluded)

- c. Items for which no deferred tax assets have been recognized

As of December 31, 2020 and 2019, deductible temporary differences with unrecognized deferred tax assets were \$4,113,002 thousand and \$3,253,359 thousand, respectively.

- d. Income tax assessed

The tax returns through 2018 have been assessed by the tax authorities.

31. EARNINGS PER SHARE

Unit: NT\$ Per Share

	<u>For the Year Ended December 31</u>	
	2020	2019
Basic earnings (loss) per share	<u>\$ 2.80</u>	<u>\$ (26.13)</u>
Diluted earnings (loss) per share	<u>\$ 2.80</u>	<u>\$ (26.13)</u>

In the calculation of earnings (loss) per share, the number of outstanding shares has been adjusted retrospectively for the impact of the reduction of capital to offset deficit. The base date of the reduction of capital is August 11, 2020. As a result of retrospective adjustment, the loss per share for 2019 before and after adjustment was as follows:

Unit: NT\$ Per Share

	<u>Before Retrospective Adjustment 2019</u>	<u>After Retrospective Adjustment 2019</u>
Basic earnings (loss) per share	<u>\$ (16.61)</u>	<u>\$ (26.13)</u>
Diluted earnings (loss) per share	<u>\$ (16.61)</u>	<u>\$ (26.13)</u>

The weighted average number of shares outstanding used for the earnings per share computation was as follows:

Net Profit for the Year

	For the Year Ended December 31	
	2020	2019
Net profit attributable to owners of the Company	\$ 2,739,210	\$ (24,465,408)
Net profit attributable to common control of predecessor rights	<u>-</u>	<u>(564,712)</u>
Earnings used in the computation of basic earnings per share	<u>\$ 2,739,210</u>	<u>\$ (25,030,120)</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 2,739,210</u>	<u>\$ (25,030,120)</u>

Shares

	For the Year Ended December 31	
	2020	2019
Net profit attributable to owners of the Company		
Weighted average number of ordinary shares in computation of basic earnings per share	<u>977,704</u>	<u>957,815</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>977,704</u>	<u>957,815</u>

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

If the Group offered to settle bonuses paid to employees in cash or shares, the Company assumed the entire amount of the compensation or bonus would be settled in shares and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the 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.

32. DISPOSAL OF SUBSIDIARY

Dongfeng Yulon Motor Sales Co., Ltd. was ruled by the court as bankrupt in November 2020. The Group has lost control on Dongfeng Yulon Motor Sales Co., Ltd. since then. The Group derecognized related assets, liabilities, and non-controlling interests of Dongfeng Yulon Motor Sales Co., Ltd.

a. Analysis of assets and liabilities over which the Group lost control

	November 9, 2020
Current assets	
Cash and cash equivalents	\$ 4,146
Accounts receivable	93,487
Other receivables	54,935
Inventories	48
Non-current assets	
Property, plant and equipment	-
Intangible assets	374
Other non-current assets	278,033
Investments accounted for using the equity method	10,525
Current liabilities	
Accounts payable	7,464,444
Other payable	1,021,035
Other current liabilities	31,897
Non-current liabilities	
Guarantee deposits received	<u>32,758</u>
Net assets deconsolidated	<u>\$ (8,108,586)</u>

b. Gain on deconsolidation of subsidiary

	November 9, 2020
Net assets deconsolidated	\$ 8,108,586
Non-controlling interests	<u>(4,054,293)</u>
Gain on deconsolidation of subsidiary	<u>\$ 4,054,293</u>

c. Net cash outflow arising from deconsolidation of the subsidiary

	November 9, 2020
The balance of cash and cash equivalents deconsolidated	<u>\$ 4,146</u>

d. The Group also disposed of some non-significant subsidiaries in 2020 and lost control over them. Net cash flow arising from deconsolidation of such subsidiaries was \$25,983 thousand.

33. CAPITAL MANAGEMENT

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

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves, retained earnings, and other equity).

According to externally imposed capital requirement of banks, part of the subsidiaries should keep the agreed equity during the borrowing period. As of December 31, 2020, the Company has met the requirements of banks.

The Group's management reviews the capital structure whenever necessary. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on the management's recommendations, the Group expects to balance its capital structure by paying dividends, borrowing new loans or repaying original loans.

34. FINANCIAL INSTRUMENTS

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

- 1) Except as detailed in the following table, management believes the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

	December 31			
	2020		2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<u>Financial assets</u>				
Financial assets at amortized cost	\$ 15,245	\$ 15,722	\$ 15,708	\$ 16,250
<u>Financial liabilities</u>				
Corporate bonds	29,421,823	29,486,557	25,640,447	25,653,487

- 2) Fair value hierarchy

The fair value of financial instruments that are not measured at fair value is belong to Level 1.

b. Fair value financial instruments that are 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				
Domestic quoted shares	\$ 9,619	\$ -	\$ -	\$ 9,619
Domestic unlisted shares	-	-	2,136	2,136
Derivative financial assets	-	1,594	-	1,594
Mutual funds	4,003,706	-	-	4,003,706
Others	-	-	301,971	301,971
	<u>\$ 4,013,325</u>	<u>\$ 1,594</u>	<u>\$ 304,107</u>	<u>\$ 4,319,026</u>
Financial assets at FVTOCI				
Domestic quoted shares	\$ 144,380	\$ -	\$ -	\$ 144,380
Domestic unlisted shares	-	-	406,095	406,095
Others	-	1,524	-	1,524
	<u>\$ 144,380</u>	<u>\$ 1,524</u>	<u>\$ 406,095</u>	<u>\$ 551,999</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	\$ -	\$ 1,541	\$ -	\$ 1,541

December 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic quoted shares	\$ 22,942	\$ -	\$ -	\$ 22,942
Domestic unlisted shares	-	-	2,901	2,901
Derivative financial assets	-	232	-	232
Mutual funds	2,470,335	-	-	2,470,335
Others	-	-	628,620	628,620
	<u>\$ 2,493,277</u>	<u>\$ 232</u>	<u>\$ 631,521</u>	<u>\$ 3,125,030</u>
Financial assets at FVTOCI				
Domestic quoted shares	\$ 206,009	\$ -	\$ -	\$ 206,009
Domestic unlisted shares	-	-	402,492	402,492
Others	-	1,521	-	1,521
	<u>\$ 206,009</u>	<u>\$ 1,521</u>	<u>\$ 402,492</u>	<u>\$ 610,022</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	\$ -	\$ 241	\$ -	\$ 241

There were no transfers between Levels 1 and 2 in the current and prior periods.

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

For the year ended December 31, 2020

	Financial Assets at Fair Value Through Profit or Loss	Available-for- sale Financial Assets Equity Instruments	Total
Balance at January 1, 2020	\$ 631,521	\$ 402,492	\$ 1,034,013
Recognized in profit or loss (included in other gains and losses)	5,465	-	5,465
Recognized in other comprehensive income (included in unrealized gain/(loss) on financial assets at FVTOCI)	-	2,446	2,446
Reclassification	-	-	-
Purchases	1,464,800	1,642	1,466,442
Disposals/settlements	(1,797,566)	(485)	(1,798,051)
Effects of exchange rate changes	(113)	-	(113)
Balance at December 31, 2020	<u>\$ 304,107</u>	<u>\$ 406,095</u>	<u>\$ 710,202</u>

For the year ended December 31, 2019

	Financial Assets at Fair Value Through Profit or Loss	Available-for- sale Financial Assets Equity Instruments	Total
Balance at January 1, 2019	\$ 18,358	\$ 547,279	\$ 565,637
Recognized in profit or loss (included in other gains and losses)	6,308	-	6,308
Recognized in other comprehensive income (included in unrealized gain/(loss) on financial assets at FVTOCI)	-	250,278	250,278
Reclassification	-	-	-
Purchases	4,028,500	2,435	4,030,935
Disposals/settlements	(3,421,590)	(397,500)	(3,819,090)
Effects of exchange rate changes	(55)	-	(55)
Balance at December 31, 2019	<u>\$ 631,521</u>	<u>\$ 402,492</u>	<u>\$ 1,034,013</u>

3) Valuation techniques and inputs to Level 2 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Derivatives - interest rate swap contracts	Discounted cash flow. Future cash flows were estimated based on observable rates at the end of the reporting period, discounted at a rate that reflects the credit risk of various counterparties.
Derivatives - cross currency swap contracts	Discounted cash flow. Future cash flows were estimated based on observable exchange rates and interest rates at the end of the reporting period, discounted at a rate that reflects the credit risk of various counterparties.

The fair values of non-public stocks and funds are mainly determined by using the asset approach, and the market approach.

To determine the fair value for the funds, the Company utilizes the asset approach and takes into account the net asset value measured at the fair value by independent parties. On December 31, 2020, the Company uses unobservable inputs derived from discount for lack of marketability and lack of non-controlling interest.

For the remaining few investments, the market approach is used to arrive at their fair value, for which the recent financing activities of investees, the market transaction prices of the similar companies and market conditions are considered.

c. Categories of financial instruments

	<u>December 31</u>	
	<u>2020</u>	<u>2019</u>
<u>Financial assets</u>		
Fair value through profit or loss (FVTPL)		
Mandatorily at FVTPL	\$ 4,317,432	\$ 3,124,798
Derivative instruments in designated hedge accounting relationships	1,594	232
Financial assets at amortized cost (Note 1)	192,959,614	205,341,466
Fair value through other comprehensive income (FVTOCI)	551,999	610,022
<u>Financial liabilities</u>		
Derivative instruments in designated hedge accounting relationships	1,541	241
Amortized cost (Note 2)	225,079,057	245,065,450
Financial guaranteed contracts	156,060	221,556

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables, finance lease receivables, and other receivables.

Note 2: The balances included financial liabilities measured at amortized cost, which comprise short-term loans and bills payables, notes payable, trade and other payables, corporate bond payables, long-term loans and other payables, guarantee deposits received and current portion of long-term borrowings.

d. Financial risk management objectives and policies

In order to develop a clear direction and system for the Group to analyze, execute and respond to financial risk, it is of great importance to clarify the definition and the purpose of financial risk management prior to the establishment of related critical issues and policies. Through the process of financial risk management, the Group manages the financial risks relevant to the daily operation, including market risk (foreign exchange rate risk, interest rate risk, other price risk), credit risk, and liquidity risk. The Group strives to identify, evaluate and decrease market uncertainty to mitigate influence of the market fluctuation towards its financial performance.

- 1) Financial risk management is defined by the Group as: To achieve various methods to control and handle risks by assessing direct and indirect potential risks affecting Group's financial status. By minimizing "cost of risk", the Group ensures operation security and continue as going concern.
- 2) The critical issues of financial risk management: The Group emphasizes precautions in advance as well as controls during the ongoing process. In the event, with precautions and controls in place, of inevitable loss or discrepancies with Group's operational goal, post-event measures are to be taken to deter or ease the unfavorable factors and retain the Group's ongoing development. The source of financial risk includes external and internal factors. The key points of management, control mechanisms, and management tools of precautions, controls during the ongoing process and post-event measures are as follows:

a) Precautions

Key points of management

- i. Business planning: The goal is for the Group to launch its business basing on key performance indicators that are clearly defined. The future operating guidelines and programs, from short term to long term, are also explicitly stated. In addition, goals and ways of achieving it for financial functions will also be specifically described within business planning.
- ii. Identification of risk and establishment of indicator: This is based on the previous phase of key points of management, to identify potential risks and its monitoring indicators.

Control mechanisms

- i. Business planning and adjustment: This is achieved by mid-term operating prospectus.

- ii. Macro-economic and study of laws and regulation: The Group invites external professional and scholars for workshops regarding current economic status and updates on laws and regulations nonscheduled.

Management tools

- i. Research reports on micro and macro-economics: This includes reports on foreign exchange rates, interest rates and economic growths around the world.
 - ii. Operating prospectus: This is the Group's mid-term operating prospectus.
 - iii. Articles of incorporation: Clearly states in the Group's article of incorporation the management measures and the standard of risk indicator.
- b) Controls during the ongoing process

Key points of management

- i. Assessment and monitor of risk: Carry out instant or periodical monitoring towards defined critical risk indicator and related financial process.
- ii. Risk feedbacks: The information system automatically sends reports regarding financial operation and indicator statistics simultaneously or periodically to the management of the Group. Internal audit teams are assigned, according to yearly or quarterly audit plans, to conduct audits relating to financial risk management of the Group and its subsidiaries. Internal audit teams are also assigned to conduct audits regarding financial risk management indicators and execution results.

Control mechanisms

- i. Internal audit: Each financial sub-unit within the Group manages, controls and conducts independent internal audits after audit plans are proposed to the management.
- ii. Financial management system and procedures: The Group establishes financial management system and monitors daily operations and specifically designated risks.

Management tools

- i. BIS (Business Intelligent System) reports and alerts: The Group utilizes BIS to provide feedbacks for important operation related financial indicators monthly, at least.
- ii. Monthly reports on profits of the Group and its subsidiaries: Operating profit and loss reports are summarized monthly, particularly including analytical summaries and reviews of items not meeting standards set by the management.
- iii. Internal audit report: Internal audit reports are issued by the internal audit team including the execution and result of financial risk management.

- iv. Reports on capital financing and balance of endorsement: The Group issues a summary report of capital financing and balance of endorsement monthly for the prior month.
 - v. ERP, DMS and SAP system verifications: Operating management systems from external parties assist in verification, and strengthens the Group's financial risk management.
- c) Post-event measures

Key points of management

- i. Reasons and strategies for statistical deviations: Internal and external comprehension should be assembled, when abnormal outcomes arise for critical financial management indicators, to determine a corresponding strategy.
- ii. Execution and follow-ups on strategy: The Group keeps track of the execution of the corresponding strategy mentioned in the previous phase, determined for the statistics to improve.

Control mechanisms

- i. Analysis and feedbacks for unattainable indicators: The Group reviews the cause of unattainable financial management indicators in periodical reports and management meetings. In addition, improvement plans and schedules are also considered in management meetings.
- ii. Board and financial meetings: The Group summons board meetings and review of financial management meetings on a timely basis, to ensure that the related financial risk management matters be resolved promptly, if not simultaneously.

Management tools

- i. Reports on unfavorable factors and impacts: The Group lists the impacts of unattainable indicators and its actual status within its internal financial reports.
- ii. Board meeting reports: The execution of financial risk management is summarized in the board meeting reports.
- iii. Endorsement valuation report: Balance of endorsement is assessed and evaluated on a timely basis whether it conforms to local regulations and corporate rules.
- iv. Periodic review meetings according to corporate classifications: The Group holds comprehensive review meetings periodically for different corporate classifications, which is in accordance to their different industry attributes.

3) Market risk

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

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to exchange rate risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities and of the derivatives exposing to exchange rate risk at the end of the reporting period are set out in Note 38.

Sensitivity analysis

The Group was mainly exposed to Currency USD, Currency RMB and Currency JPY.

The following table details the Group's sensitivity to a 1% increase and decrease in New Taiwan dollars (the functional currency) against the relevant foreign currencies 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items and foreign currency forward contracts designated as cash flow hedges, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates.

	<u>USD Impact</u>		<u>RMB Impact</u>		<u>JPY Impact</u>	
	<u>For the Year Ended</u>		<u>For the Year Ended</u>		<u>For the Year Ended</u>	
	<u>December 31</u>		<u>December 31</u>		<u>December 31</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit or loss	\$ (1,065)	\$ (8,261)	\$ (262)	\$ (82)	\$ 744	\$ 1,381

Hedge accounting

The Group entered into cross-currency swap contracts to mitigate the risk of changes in foreign currency exchange rates on cash flow exposure. Interest rate swaps are settled on a quarterly basis.

The following tables summarize the information relating to the hedges for foreign currency exchange rate risk.

b) Interest rate risk

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

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	\$ 158,881,172	\$ 159,556,252
Financial liabilities	135,966,802	124,123,748
Cash flow interest rate risk		
Financial assets	15,776,195	20,581,161
Financial liabilities	59,125,324	79,178,941

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period.

If interest rates had been 1% higher and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2020 and 2019 would decrease by \$433,491 thousand and \$585,978 thousand, respectively.

Hedge accounting

The Group entered into interest rate swap contracts and cross-currency swap contracts to mitigate the risk of changes in interest rates on cash flow exposure related to its outstanding variable rate debt. Interest rate swaps and cross-currency swaps are settled on a quarterly basis. The floating rate on interest rate swaps is the interbank rate.

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

December 31, 2020

Hedging Instruments	Notional Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change in Value Used for Calculating Hedge Ineffectiveness
						Asset	Liability	
Cash flow hedge								
Commercial paper payable-interest	\$500 millions	2019.4.30-2022.4.29	0.715%	TAIBOR 3M	Financial assets for hedging	\$ 1,594	\$ -	\$ -
rate swaps	\$500 millions	2019.5.24-2022.5.23	0.708%	TAIBOR 3M	Financial liabilities for hedging	-	(1,541)	-
Hedged Items	Carrying Amount		Accumulated Amount of Fair Value Hedge Adjustments		Change in Value Used for Calculating Hedge Ineffectiveness	Accumulated Amount of Fair Value Hedge Adjustments for Hedged Items That Have Ceased to Be Adjusted for Hedging Gains and Losses		
	Asset	Liability	Asset	Liability				
Cash flow hedge								
Commercial paper payable	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	

December 31, 2019

Hedging Instruments	Notional Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change in Value Used for Calculating Hedge Ineffectiveness
						Asset	Liability	
Cash flow hedge								
Commercial paper payable-interest rate swaps	\$500 millions	2019.4.30-2022.4.29	0.715%	TAIBOR 3M	Financial assets for hedging	\$ 232	\$ -	\$ -
	\$500 millions	2019.5.24-2022.5.23	0.708%	TAIBOR 3M	Financial liabilities for hedging	-	(241)	-

Hedged Items	Carrying Amount		Accumulated Amount of Fair Value Hedge Adjustments		Change in Value Used for Calculating Hedge Ineffectiveness	Accumulated Amount of Fair Value Hedge Adjustments for Hedged Items That Have Ceased to Be Adjusted for Hedging Gains and Losses
	Asset	Liability	Asset	Liability		
Cash flow hedge						
Commercial paper payable	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities.

Sensitivity analysis

The Group assesses equity price risk using sensitivity analysis.

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period. If equity prices had been 1% lower, as of December 31, 2020, financial assets at FVTPL and FVTOCI would have decreased by \$43,190 thousand and \$5,520 thousand, respectively.

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period. If equity prices had been 1% lower, as of December 31, 2019, financial assets at FVTPL and FVTOCI would have decreased by \$31,248 thousand and \$6,100 thousand, respectively.

4) Credit risk

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

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

It is the Group's policy that transactions only be dealt with credit worthy counter parties. Credit information of transaction parties are gathered by independent rating agencies by conducting credit search and analysis. Credits are then given to parties, according to its nature of transaction, financial status and conditions of collateral, with terms be renewed after careful reexamination to ensure credit risk of counter parties are within scope of the Group.

The clients of the Group are widely spread and the Group analyzes its numerous trade receivable clients' financial status continuously.

5) Liquidity risk

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

Liquidity and interest risk rate table

The following table shows the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed-upon repayment periods. The tables had been drawn up on the basis of undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows.

December 31, 2020

	Less than 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>			
Non-interest bearing	\$ 18,800,676	\$ -	\$ -
Variable interest rate liabilities	31,766,593	11,118,243	-
Fixed interest rate liabilities	97,960,935	51,426,000	1,700,000
Lease liabilities	670,395	1,312,094	362,785
Financial guarantee contracts	<u>4,166,684</u>	<u>-</u>	<u>-</u>
	<u>\$ 153,365,283</u>	<u>\$ 63,856,337</u>	<u>\$ 2,062,785</u>

December 31, 2019

	Less than 1 Year	1-5 Years	5+ Years
<u>Non-derivative financial liabilities</u>			
Non-interest bearing	\$ 23,620,920	\$ -	\$ -
Variable interest rate liabilities	69,457,680	650,000	-
Fixed interest rate liabilities	115,449,592	21,734,199	1,700,000
Lease liabilities	301,066	2,086,556	512,124
Financial guarantee contracts	<u>5,904,738</u>	<u>-</u>	<u>-</u>
	<u>\$ 214,733,996</u>	<u>\$ 24,470,755</u>	<u>\$ 2,212,124</u>

The amount of variable interest rate liabilities included above varies as to the different floating rates estimated at the balance sheet date.

As of Balance Sheets date, the amounts included above for financial guarantee contracts were the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. The Group has estimated the probabilities of default and recognized related provisions (see Note 25).

35. 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. Details of transactions between the Group and its related parties are disclosed below.

a. Related parties

<u>Related Party</u>	<u>Relationship with the Group</u>
Advance Power Machinery Co., Ltd.	From associate's subsidiary to a subsidiary since the third quarter of 2020
Dongfeng Yulon Motor Co., Ltd.	Joint ventures
Dong Yu Tech. Co., Ltd.	Joint ventures
Cheng Long Co., Ltd.	Associates
Yuan Lon Co., Ltd.	Associates
Yu Tang Co., Ltd.	Associates
Yulon-Nissan Motor Co., Ltd.	Associates
Guangzhou He Xi Co., Ltd.	Associates
China Motor Co., Ltd.	Associates
Tokio Marine Newa Insurance Co., Ltd.	Associates
ROC-Spicer Co., Ltd.	Associates
Hong Kong Spicer Co., Ltd.	Associates
Fujian Spicer Co., Ltd.	Associates
Uni-calsonic Co., Ltd.	Associates

(Continued)

Related Party	Relationship with the Group
China Ogihara Co., Ltd.	Associates
China Engine Co., Ltd.	Associates
HuiZhou DongFeng Yi Jing Co., Ltd.	Associates
Hui-Lian Motor Co., Ltd.	Associates
Yulon Management Co., Ltd.	Associates
Ding Long Co., Ltd.	Associate's subsidiary
Tang Li Co., Ltd.	Associate's subsidiary
Yuan Zhi Co., Ltd.	Associate's subsidiary
Lian Cheng Co., Ltd.	Associate's subsidiary
Yuen-Jin Co., Ltd.	Associate's subsidiary
Kian Shen Co., Ltd.	Associate's subsidiary
Hua Ling Co., Ltd.	Associate's subsidiary
Dongguan HuaShun Co., Ltd.	Associate's subsidiary
Tianjin HuaHong Co., Ltd.	Associate's subsidiary
Guangzhou HuaYou Co., Ltd.	Associate's subsidiary
Yizhan Overseas Investment Co., Ltd	Associate's subsidiary
Tai-Yuen Textiles Co., Ltd.	Other related parties
Wen Shen Co., Ltd.	Other related parties
Lowin Industrial Co., Ltd.	Other related parties
Lin Wei Co., Ltd.	Other related parties
Yu Lai Co., Ltd.	Other related parties
Xiang Wei Co., Ltd.	Other related parties
Taiwin Company	Other related parties
Hui-Fong Motor Co., Ltd.	Other related parties
Snappy Machinery Co., Ltd.	Other related parties
Nissan Motor Co., Ltd.	Other related parties
Shug Ye Motor Co., Ltd.	Other related parties
Southeast Motor Co., Ltd.	Other related parties
Jin De Technology Co., Ltd.	Other related parties
Gunze Co., Ltd.	Other related parties
Taiway Co., Ltd.	Other related parties
ROC-Keeper Co., Ltd.	Other related parties
Carnival Industrial Co., Ltd.	Other related parties
Hua-Qun Software Creative Technology Co., Ltd.	Other related parties
Yuan Rui Auto Co., Ltd.	Other related parties
Green Convenient E-Vehicle Co., Ltd.	Other related parties
Chang Yue Plastics Industrial Co., Ltd.	Other related parties
Dongguan HuaShun Co., Ltd.	Other related parties
Shengzhen Henchi Co., Ltd	Other related parties
Brilliant Insight International Consultancy Service Co., Ltd.	Other related parties
Tai Yuan Vietnam Co., Ltd.	Other related parties
Suzhou Huiting Co., Ltd.	Other related parties
North Hebei Tangshan Co., Ltd.	Other related parties
Dx Creative House Co., Ltd.	Other related parties

(Concluded)

b. Operating revenue

1) Sales of goods

Related Party Categories	For the Year Ended December 31	
	2020	2019
Associates		
Yulon Nissan Motor Co., Ltd.	\$ 11,719,035	\$ 12,928,433
Others	<u>12,349,685</u>	<u>13,474,824</u>
	24,068,720	26,403,257
Joint venture	3,750	154,952
Other related parties	<u>1,525,168</u>	<u>1,443,039</u>
	<u>\$ 25,597,638</u>	<u>\$ 28,001,248</u>

2) Other operating revenue

Related Party Categories	For the Year Ended December 31	
	2020	2019
Associates		
Yulon Nissan	\$ 632,385	\$ 603,023
Others	<u>257,835</u>	<u>242,042</u>
	890,220	845,065
Joint venture	7,295	31,109
Other related parties	<u>57,997</u>	<u>78,500</u>
	<u>\$ 955,512</u>	<u>\$ 954,674</u>

3) Installment sales interest subsidies revenue

Related Party Categories	For the Year Ended December 31	
	2020	2019
Associates		
Yulon Nissan	\$ 179,553	\$ 273,446
Others	<u>12,883</u>	<u>12,634</u>
	192,436	286,080
Other related parties	<u>813</u>	<u>1,065</u>
	<u>\$ 193,249</u>	<u>\$ 287,145</u>

c. Purchase of goods

Related Party Categories	For the Year Ended December 31	
	2020	2019
Associates		
Yulon Nissan	\$ 15,693,343	\$ 17,108,780
Others	<u>957,830</u>	<u>1,068,952</u>
	16,651,173	18,177,732
Joint venture		
Dong Feng Yulon	<u>216,848</u>	<u>815,129</u>
Other related parties		
Nissan Motor Co., Ltd.	8,840,735	9,568,706
Others	<u>605,971</u>	<u>496,126</u>
	<u>9,446,706</u>	<u>10,064,832</u>
	<u>\$ 26,314,727</u>	<u>\$ 29,057,693</u>

d. Operating expenses

Related Party Categories	For the Year Ended December 31	
	2020	2019
Associates	\$ 351,230	\$ 421,169
Other related parties	<u>8,107</u>	<u>8,091</u>
	<u>\$ 359,337</u>	<u>\$ 429,260</u>

e. Acquisition of assets for lease

Related Party Categories	For the Year Ended December 31	
	2020	2019
Associates	\$ 178,287	\$ 218,811
Other related parties		
Hui-Fong Motor	368,456	480,714
Shug Ye Motor	147,243	241,396
Others	<u>7,564</u>	<u>3,289</u>
	<u>523,263</u>	<u>725,399</u>
	<u>\$ 701,550</u>	<u>\$ 944,210</u>

f. Acquisition of receivables

Related Party Categories	For the Year Ended December 31	
	2020	2019
Associates		
Yulon Nissan	\$ 2,039,906	\$ 2,000,392
Hui-Lian Motor	1,334,335	1,304,900
		(Continued)

Related Party Categories	For the Year Ended December 31	
	2020	2019
Cheng Long Co., Ltd.	729,781	731,550
Others	<u>1,118,850</u>	<u>1,319,833</u>
	5,222,872	5,356,675
Other related parties	<u>399,452</u>	<u>409,430</u>
	<u>\$ 5,622,324</u>	<u>\$ 5,766,105</u>

(Concluded)

- g. Commissions paid (included in incremental costs of obtaining a contract and amortized over a period of time)

Related Party Categories	For the Year Ended December 31	
	2020	2019
Associates		
Yulon Nissan	\$ 35,637	\$ 103,599
Others	<u>14,194</u>	<u>25,882</u>
	49,831	129,481
Other related parties	<u>2,730</u>	<u>3,106</u>
	<u>\$ 52,561</u>	<u>\$ 132,587</u>

- h. Receivable from related parties

- 1) Notes receivable and trade receivables

Related Party Categories	December 31	
	2020	2019
Associates	\$ 380,567	\$ 633,204
Joint venture (Note 1)		
Dong Feng Yulon	75,726	1,867,000
Others	<u>725</u>	<u>124,265</u>
	<u>\$ 457,018</u>	<u>\$ 2,624,469</u>

- 2) Other financial assets

Related Party Categories	December 31	
	2020	2019
Associates		
Yulon Nissan	\$ 72,267	\$ 70,277
Others	<u>17,460</u>	<u>33,697</u>
	<u>89,727</u>	<u>103,974</u>

(Continued)

Related Party Categories	December 31	
	2020	2019
Joint venture (Note 2)		
Dong Feng Yulon	\$ 10,107	\$ 110,808
Others	-	109,537
	<u>10,107</u>	<u>220,345</u>
Other related parties	<u>121,117</u>	<u>40,503</u>
	<u>\$ 220,951</u>	<u>\$ 364,822</u>

(Concluded)

Note 1: As of December 31, 2020, the receivable from related parties of the Group - Dongfeng Yulon Motor Co., Ltd. was assessed according to the expected credit loss model. At the end of the period, the carrying amount of receivable which deducts allowance loss of 8,227,027 thousand is 75,726 thousand.

Note 2: As of December 31, 2020, the receivable from related parties of the Group - Dongfeng Yulon Motor Co., Ltd. was assessed according to the expected credit loss model. At the end of the period, the carrying amount of receivable which deducts allowance loss of 8,408,842 thousand is 10,107 thousand.

i. Prepayment (included in other current assets)

Related Party Categories	December 31	
	2020	2019
Joint venture		
Dongfeng Yulon Motor Co., Ltd	\$ 1,905	\$ 67,735

Note: As of December 31, 2020, the accumulated impairment loss on the prepayment to Dongfeng Yulon was \$964,901 thousand.

j. Payable to related parties

1) Notes payable and trade payable

Related Party Categories	December 31	
	2020	2019
Associates	\$ 690,497	\$ 687,989
Joint venture		
Dong Feng Yulon	18,813	6,764,620
Other related parties		
Nissan Motor Co., Ltd.	971,470	1,048,104
Others	<u>136,684</u>	<u>148,689</u>
	<u>1,108,154</u>	<u>1,196,793</u>
	<u>\$ 1,817,464</u>	<u>\$ 8,649,402</u>

2) Other payables

Related Party Categories	December 31	
	2020	2019
Associates	\$ 234,123	\$ 120,613
Joint venture	27,326	82,736
Other related parties	<u>42,531</u>	<u>13,225</u>
	<u>\$ 303,980</u>	<u>\$ 216,574</u>

k. Endorsement/guarantees provided

Information about endorsement/guarantee provided, see Table 2.

l. Compensation of key management personnel

	For the Year Ended December 31	
	2020	2019
Short-term employee benefits	\$ 62,266	\$ 58,802
Post-employment benefits	<u>1,565</u>	<u>1,620</u>
	<u>\$ 63,831</u>	<u>\$ 60,422</u>

The compensation of the board members and the Group's management is determined by the remuneration committee based on personal performances and market conditions.

36. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings or the tariff of imported raw materials guarantees:

	December 31	
	2020	2019
Notes and trade receivables	\$ 3,477,051	\$ 1,670,324
Property, plant and equipment	1,027,695	1,223,813
Investment properties	555,842	-
Vehicle certificates (classified as inventories)	376,629	607,024
Reserve account and pledged time deposits	282,412	387,813
Prepayment of long-term investment	7,431,785	-
Others	<u>4,700</u>	<u>49,825</u>
	<u>\$ 13,156,114</u>	<u>\$ 3,938,799</u>

37. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other Notes, information on significant contingent liabilities and unrecognized commitments on the balance sheet date is as follows:

- a. The Company has a manufacturing contract with Yulon Nissan Motor Co., Ltd. (“Yulon Nissan”) with a five-year validity from May 1, 2015 to April 30, 2020. (The contract is automatically renewed unless either party issues a notice of discontinuance within three months before contract expiry). The contract states that Yulon Nissan has authorized the Company to manufacture Nissan automobiles and parts, and Yulon Nissan is responsible for the subsequent development of new automobile parts. The volume of the Company’s manufacturing should be based on Yulon Nissan’s projection of car unit sales for the year. In addition, the Company manufactures other service parts for Yulon Nissan upon the latter’s request.

Yulon Nissan is responsible for developing new car models, refining designs, and providing the Company with sales projections. The Company is responsible for transforming the sales projections into manufacturing plans and making the related materials orders and purchases, providing product quality assurance, delivering cars, and providing warranty-related services.

- b. Luxgen Motor Co., Ltd. (“Luxgen”) entrusted to the Company the assembly of cars, for which the obtaining of the manufacturing and selling license was assigned by Haitec Co., Ltd. (“Haitec”) to Luxgen. This car assembly is based on a five-year contract valid from May 1, 2015 to April 30, 2020. (The contract is automatically renewed unless either party issues a notice of discontinuance within three months before contract expiry.) The contract states that Luxgen authorizes the Company to manufacture Luxgen automobiles and parts. The volume of the Company’s manufacturing should be based on Luxgen’s projection of car unit sales for the year. In addition, the Company manufactures other service parts for Luxgen upon the latter’s request.

Luxgen is responsible for contracting out the manufacture of new-car model parts, refining designs, registering products, and providing the Company with sales projections. The Company is responsible for transforming the sales projections into manufacturing plans and making the related materials orders and purchases, providing product quality assurance, delivering cars, and providing warranty-related services.

38. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group entities' significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies and the related exchange rates between foreign currencies and respective functional currencies were as follows:

December 31, 2020

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 33,281	28.48 (USD:NTD)	\$ 947,851
USD	113	6.5249 (USD:RMB)	3,218
JPY	312,304	0.276 (JPY:NTD)	86,196
RMB	4,276	4.365 (RMB:NTD)	18,664
SGD	19	21.56 (SGD:NTD)	408
EUR	135	35.02 (EUR:NTD)	<u>4,720</u>
			<u>\$ 1,061,057</u>
Non-monetary items			
Associates and joint ventures accounted for by the equity method			
USD	1,775	28.48 (USD:NTD)	\$ 50,557
RMB	349,670	4.365 (RMB:NTD)	1,526,239
RMB	240,575	0.153 (RMB:USD)	<u>1,050,062</u>
			<u>\$ 2,626,858</u>
<u>Financial liabilities</u>			
Monetary items			
USD	29,747	28.48 (USD:NTD)	\$ 847,207
JPY	581,950	0.276 (JPY:NTD)	160,618
RMB	380	4.365 (RMB:NTD)	1,660
EUR	388	35.02 (EUR:NTD)	<u>13,604</u>
			<u>\$ 1,023,089</u>

December 31, 2019

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 56,317	29.98 (USD:NTD)	\$ 1,688,378
USD	113	6.9762 (USD:RMB)	3,388
JPY	676,132	0.276 (JPY:NTD)	186,613
RMB	439,124	4.298 (RMB:NTD)	1,887,354
SGD	18	22.28 (SGD:NTD)	391
EUR	807	33.59 (EUR:NTD)	<u>27,097</u>
			<u>\$ 3,793,221</u>
Non-monetary items			
Associates and joint ventures accounted for by the equity method			
USD	1,726	29.98 (USD:NTD)	\$ 51,743
RMB	346,433	4.298 (RMB:NTD)	1,488,798
RMB	256,292	0.143 (RMB:USD)	<u>1,101,413</u>
			<u>\$ 2,641,954</u>
<u>Financial liabilities</u>			
Monetary items			
USD	27,673	29.98 (USD:NTD)	\$ 829,637
JPY	1,176,415	0.276 (JPY:NTD)	324,691
RMB	2,834	4.298 (RMB:NTD)	12,179
EUR	722	33.59 (EUR:NTD)	<u>24,252</u>
			<u>\$ 1,190,759</u>

For the years ended December 31, 2020 and 2019, realized and unrealized foreign exchange gains (losses) were \$60,679 thousand and \$184,527 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) on each significant foreign currency there were many foreign currency transactions and the Group entities had different functional currencies.

39. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- 1) Financing provided to others. (Table 1)
- 2) Endorsements/guarantees provided. (Table 2)
- 3) Marketable securities held (excluded investment in subsidiaries, associates and joint controlled entities). (Table 3)

- 4) Marketable securities acquired and disposed at costs or prices at least NT\$300 million or 20% of the paid-in capital. (Table 4)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital. (Table 5)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital. (Table 6)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 7)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital. (Table 8)
- 9) Information on investees. (Table 9)
- 10) Trading in derivative instruments. (Notes 7, 11 and 34)
- 11) Others: Intercompany relationships and significant intercompany transactions. (Table 11)

b. Information on investments in mainland China

There was no information on investments in mainland China should be disclosed excluding in Table 10.

40. 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 segments were "brand segments", "supporting segments", "horizontal segments", "Taiwan retail segments", "China retail segments" and "others".

a. Segment revenues and results

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

	Brand Segments	Supporting Segments	Horizontal Segments	Taiwan Retail Segments	China Retail Segments	Others	Adjustment and Eliminations	Total
For the year ended								
<u>December 31, 2020</u>								
Revenues from external customers	\$ 12,726,345	\$ 3,173,620	\$ 29,474,412	\$ 21,389,060	\$ 15,135,062	\$ 699,015	\$ -	\$ 82,597,514
Intersegment revenues	<u>20,161,162</u>	<u>1,841,822</u>	<u>1,202,718</u>	<u>1,116,221</u>	<u>313,728</u>	<u>1,883,368</u>	<u>(26,519,019)</u>	<u>-</u>
Segment revenues	\$ 32,887,507	\$ 5,015,442	\$ 30,677,130	\$ 22,505,281	\$ 15,448,790	\$ 2,582,383	\$ (26,519,019)	\$ 82,597,514
Segment income								\$ 5,723,548
For the year ended								
<u>December 31, 2019</u>								
Revenues from external customers	\$ 14,665,825	\$ 3,738,764	\$ 28,421,384	\$ 21,551,169	\$ 16,895,275	\$ 306,493	\$ -	\$ 85,578,910
Intersegment revenues	<u>20,868,147</u>	<u>1,970,863</u>	<u>1,017,614</u>	<u>2,266,749</u>	<u>2,813,324</u>	<u>2,285,373</u>	<u>(31,222,070)</u>	<u>-</u>
Segment revenues	\$ 35,533,972	\$ 5,709,627	\$ 29,438,998	\$ 23,817,918	\$ 19,708,599	\$ 2,591,866	\$ (31,222,070)	\$ 85,578,910
Segment income								\$ (23,437,148)

This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Segment total assets and liabilities

The segment information on total assets and liabilities were not reported to the chief operating decision maker, therefore was not disclosed.

c. Geographical information

The Group operates in three principal geographical areas - Taiwan, China and Philippines.

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
Taiwan	\$ 58,596,754	\$ 58,777,432	\$ 47,578,054	\$ 51,142,791
China	23,493,164	26,495,960	6,792,783	7,598,030
Others	<u>507,596</u>	<u>305,518</u>	<u>325,495</u>	<u>255,865</u>
	<u>\$ 82,597,514</u>	<u>\$ 85,578,910</u>	<u>\$ 54,696,332</u>	<u>\$ 58,996,686</u>

d. Information about major customers

Single customers contributed 10% or more to the Group's revenue were as follows:

Customer	For the Year Ended December 31			
	2020		2019	
	Amount	% on Sales	Amount	% on Sales
Yulon Nissan Motor Co., Ltd.	<u>\$ 12,530,973</u>	<u>15</u>	<u>\$ 13,804,902</u>	<u>16</u>

TABLE 1

YULON MOTOR COMPANY LTD.

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
0	The Company	Luxgen (hangzhou) Motor Sales	Accounts receivable - related parties	Y	\$ 4,317,000	\$ -	\$ -	-	Repaying loan	\$ -	Repaying loan	\$ -	-	\$ -	\$ 4,873,847	\$ 14,621,541	Note 1
1	Yulon China (HK) Holding	Sheng Qing	Other receivables	Y	758,250	712,700	-	-	Operating capital	-	Operating capital	-	-	-	712,700	712,700	Note 1
2	Yulon China	Sheng Qing	Other receivables	Y	2,123,100	1,995,560	-	-	Operating capital	-	Operating capital	-	-	-	3,420,960	3,420,960	Note 1
3	Singual	Ching-Tong Singan	Other receivables	Y	10,000	10,000	10,000	0.97%	Operating capital	-	Operating capital	-	-	-	69,915	69,915	Note 1
			Other receivables	Y	50,000	50,000	20,000	0.97%	Operating capital	-	Operating capital	-	-	-	69,915	69,915	Note 1
4	Hsiang Shuo	Singan	Other receivables	Y	90,000	90,000	90,000	0.97%	Operating capital	-	Operating capital	-	-	-	94,575	94,575	Note 1
5	Yulon Motor Investment	Wuhan Yu Hsin	Accounts receivable - related parties	Y	65,682	65,388	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Zi Bo Yu An	Accounts receivable - related parties	Y	6,111	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Dong Tai	Accounts receivable - related parties	Y	12,796	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Shi Cheng	Accounts receivable - related parties	Y	17,061	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Yi Ding	Accounts receivable - related parties	Y	25,592	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Mei De	Accounts receivable - related parties	Y	38,388	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Tai Feng	Accounts receivable - related parties	Y	51,184	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Shenzhen Yu Zhi	Accounts receivable - related parties	Y	58,929	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Nan Jing Yu Hua	Accounts receivable - related parties	Y	59,714	-	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Chang Sha Yu Lu	Accounts receivable - related parties	Y	4,379	4,359	-	-	Operating capital	-	Operating capital	-	-	-	5,508,661	16,525,983	Note 1
		Hang Zhou Hua You	Accounts receivable - related parties	Y	81,008	80,645	80,645	4.00%	Operating capital	-	Operating capital	-	-	-	2,203,464	2,203,464	Note 1
		Hang Zhou Haitec Company	Accounts receivable - related parties	Y	240,834	239,756	180,907	-	Operating capital	-	Operating capital	-	-	-	2,203,464	2,203,464	Note 1
		Dongfeng Yulon	Accounts receivable - related parties	Y	459,774	457,716	305,144	6%-6.15%	Operating capital	-	Operating capital	457,716	-	-	2,203,464	2,203,464	Note 1
6	Sheng Qing	Shanghai Yuming	Accounts receivable - related parties	Y	75,652	-	-	-	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
			Accounts receivable - related parties	Y	8,758	8,718	-	-	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
			Accounts receivable - related parties	Y	17,460	-	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
			Accounts receivable - related parties	Y	87,302	-	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
			Accounts receivable - related parties	Y	8,758	8,718	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
			Accounts receivable - related parties	Y	23,571	8,718	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
			Accounts receivable - related parties	Y	30,556	13,078	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
			Accounts receivable - related parties	Y	48,016	41,412	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
			Accounts receivable - related parties	Y	52,381	45,990	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
			Accounts receivable - related parties	Y	113,492	52,310	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
		Tung Ling Kuo Tung	Accounts receivable - related parties	Y	\$ 106,944	\$ 56,016	\$ -	-	Operating capital	\$ -	Operating capital	\$ -	-	\$ -	\$ 2,449,162	\$ 7,347,487	Note 1
		Shenzhen Yu Zhi	Accounts receivable - related parties	Y	58,238	57,977	-	-	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Fu Jian Yu Xin	Accounts receivable - related parties	Y	144,048	39,233	7,847	6.00%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Hang Zhou Hua You	Accounts receivable - related parties	Y	14,757	14,691	7,969	5.75%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Ka Shing Yu Da	Accounts receivable - related parties	Y	15,764	15,693	15,693	3.00%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Guang Zhou Yuan Du	Accounts receivable - related parties	Y	46,232	34,874	26,155	6.00%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Jiangmen Junxing	Accounts receivable - related parties	Y	43,788	43,592	43,592	6.00%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Hang Zhou Hua Zhi	Accounts receivable - related parties	Y	61,303	61,029	47,760	5.75%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Xiao Gan Yu Feng	Accounts receivable - related parties	Y	130,952	52,310	52,079	5.60%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Nan Jing Yu Hua	Accounts receivable - related parties	Y	61,303	61,029	53,503	0%-6%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Zhu Hai Fu Te En	Accounts receivable - related parties	Y	191,190	116,827	69,747	0%-6%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Wuhan Yu Hsin	Accounts receivable - related parties	Y	213,016	82,825	73,235	0%-6%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Qingdao Yuanhuang	Accounts receivable - related parties	Y	87,576	87,184	85,004	6.00%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Hang Zhou Haitec Company	Accounts receivable - related parties	Y	218,940	217,960	100,255	5.75%	Operating capital	-	Operating capital	-	-	-	979,665	979,665	Note 1
		Nanjing Hanhong	Accounts receivable - related parties	Y	237,024	153,880	142,250	0%-6%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Dongfeng Yulon	Accounts receivable - related parties	Y	157,637	156,931	156,931	6.15%	Operating capital	-	Operating capital	156,931	-	-	979,665	979,665	Note 1
		Xiamen Young Chang	Accounts receivable - related parties	Y	182,024	166,521	166,521	0.5%-3%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Yu-Jie	Accounts receivable - related parties	Y	179,531	178,727	174,368	1.00%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
		Yulon Motor Investment	Accounts receivable - related parties	Y	1,604,167	1,220,576	888,810	0.5%-3%	Operating capital	-	Operating capital	-	-	-	2,449,162	7,347,487	Note 1
7	Zhu Hai Fu Te En	Wuhan Yu Hsin	Accounts receivable - related parties	Y	4,365	-	-	-	Operating capital	-	Operating capital	-	-	-	263,512	527,023	Note 1
		Nanjing Hanhong	Accounts receivable - related parties	Y	15,714	6,975	-	-	Operating capital	-	Operating capital	-	-	-	263,512	527,023	Note 1
		Nan Jing Yu Hua	Accounts receivable - related parties	Y	21,825	17,437	-	-	Operating capital	-	Operating capital	-	-	-	263,512	527,023	Note 1
		Zhuhai Yuhsin	Accounts receivable - related parties	Y	56,746	45,772	-	-	Operating capital	-	Operating capital	-	-	-	263,512	527,023	Note 1
8	Nanjing Hanhong	Nan Jing Yu Shang	Accounts receivable - related parties	Y	48,167	47,951	47,951	6.00%	Operating capital	-	Operating capital	-	-	-	286,437	572,874	Note 1
9	Su Zhou Feng Shen	Wu Jiang Lian Cheng	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Su Zhou Chen Long	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Su Zhou Cheng Hung	Accounts receivable - related parties	Y	21,894	21,796	17,437	4.10%	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Su Zhou Cheng Guo	Accounts receivable - related parties	Y	43,788	43,592	21,796	4.10%	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Su Chou Cheng Pin	Accounts receivable - related parties	Y	43,788	43,592	23,976	4.10%	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Tai Chang Cheng Mau	Accounts receivable - related parties	Y	65,682	65,388	39,233	4.10%	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
		Su Zhou Feng Shun	Accounts receivable - related parties	Y	70,061	69,747	39,233	4.10%	Operating capital	-	Operating capital	-	-	-	309,432	309,432	Note 1
10	Wu Jiang Lian Cheng	Tai Chang Cheng Mau	Accounts receivable - related parties	Y	26,190	21,796	-	-	Operating capital	-	Operating capital	-	-	-	25,933	25,933	Note 1

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note	
													Item	Value				
11	HangZhou Yu Zhong	Dongfeng Yulon	Other receivables	Y	\$ 7,444	\$ 7,411	\$ 7,411	6.15%	Operating capital	\$ -	Operating capital	\$ 7,411	-	\$ -	\$ 29,792	\$ 29,792	Note 1	
		Yulon Motor Investment	Other receivables	Y	15,103	11,770	11,770	-	Operating capital	-	Operating capital	-	-	744,791	1,117,186	Note 1		
		Hang Zhou hsiao Yu	Other receivables	Y	17,515	17,437	17,437	-	Operating capital	-	Operating capital	-	-	744,791	1,117,186	Note 1		
		Hang Zhou Hua You	Other receivables	Y	17,953	17,873	17,873	-	Operating capital	-	Operating capital	-	-	29,792	29,792	Note 1		
12	Shinshin	A13	Other receivables	Y	15,000	15,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	Inventory	-	1,512,736	1,512,736	Note 1	
		A2	Other receivables	Y	45,000	-	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1	
		A23	Other receivables	Y	10,000	10,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1	
		A16	Other receivables	Y	20,000	20,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1	
		A27	Other receivables	Y	25,000	25,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1	
		A8	Other receivables	Y	30,000	30,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1	
		A24	Other receivables	Y	40,000	40,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1	
		A17	Other receivables	Y	10,000	10,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1	
		A11	Other receivables	Y	10,000	10,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	1,512,736	1,512,736	Note 1	
		A9	Other receivables	Y	25,000	25,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Property	2,000	1,512,736	1,512,736	Note 1
		A12	Other receivables	Y	20,000	20,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Land	8,600	1,512,736	1,512,736	Note 1
		A1	Other receivables	Y	51,287	-	-	1.5%-19.99%	Operating capital	66,000	Operating capital	-	-	Property	25,000	1,512,736	1,512,736	Note 1
		A28	Other receivables	Y	10,000	10,000	-	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Land	27,540	1,512,736	1,512,736	Note 1
		S1	Other receivables	Y	17,606	3,380	3,380	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Property	945,460	1,512,736	3,781,840	Note 1
		A5	Other receivables	Y	6,000	4,655	4,655	1.5%-19.99%	Operating capital	-	Operating capital	-	-	-	-	1,512,736	1,512,736	Note 1
		A6	Other receivables	Y	30,000	4,900	4,900	1.5%-19.99%	Operating capital	-	Operating capital	-	-	Performance bond	9,000	1,512,736	1,512,736	Note 1
		A21	Other receivables	Y	7,000	7,000	7,000	1.5%-19.99%	Operating capital	-	Operating capital	-	68	Property	2,300	1,512,736	1,512,736	Note 1
		A20	Other receivables	Y	25,000	23,330	8,330	1.5%-19.99%	Operating capital	-	Operating capital	-	93	Inventory	-	1,512,736	1,512,736	Note 1
		A19	Other receivables	Y	20,000	18,333	8,333	1.5%-19.99%	Operating capital	-	Operating capital	-	98	Property	9,788	1,512,736	1,512,736	Note 1
		A22	Other receivables	Y	12,000	10,482	10,482	1.5%-19.99%	Operating capital	-	Operating capital	-	140	Inventory	-	1,512,736	1,512,736	Note 1
		A7	Other receivables	Y	15,000	10,965	10,965	1.5%-19.99%	Operating capital	-	Operating capital	-	167	-	-	1,512,736	1,512,736	Note 1
		A14	Other receivables	Y	15,000	11,580	11,580	1.5%-19.99%	Operating capital	-	Operating capital	-	210	-	-	1,512,736	1,512,736	Note 1
		A26	Other receivables	Y	18,000	17,032	17,032	1.5%-19.99%	Operating capital	-	Operating capital	-	232	-	-	1,512,736	1,512,736	Note 1
		A10	Other receivables	Y	40,000	33,344	33,344	1.5%-19.99%	Operating capital	-	Operating capital	-	341	Stock	57,200	1,512,736	1,512,736	Note 1
		A18	Other receivables	Y	45,000	37,765	37,765	1.5%-19.99%	Operating capital	-	Operating capital	-	667	-	-	1,512,736	1,512,736	Note 1
		A4	Other receivables	Y	69,632	67,773	47,773	1.5%-19.99%	Operating capital	-	Operating capital	-	755	Inventory/performance bond	1,500	1,512,736	1,512,736	Note 1
		A15	Other receivables	Y	60,000	56,394	56,394	1.5%-19.99%	Operating capital	-	Operating capital	-	955	-	-	1,512,736	1,512,736	Note 1
A25	Other receivables	Y	70,000	69,001	69,001	1.5%-19.99%	Operating capital	-	Operating capital	-	1,128	-	-	1,512,736	1,512,736	Note 1		
K1	Other receivables	Y	113,050	109,911	109,911	1.5%-19.99%	Operating capital	-	Operating capital	-	1,380	Property	35,000	1,512,736	1,512,736	Note 1		
13	Guang Zhou Yuan Du	Qingdao Yuanhuang	Accounts receivable - related parties	Y	87,576	87,184	59,721	6.40%	Operating capital	-	Operating capital	1,843	-	-	143,450	143,450	Note 1	
14	Su Zhou Feng Shun	Tai Chang Cheng Mau	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	65,596	65,596	Note 1	
		Su Zhou Cheng Hung	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	65,596	65,596	Note 1	
		Su Chou Cheng Pin	Accounts receivable - related parties	Y	30,556	21,796	-	-	Operating capital	-	Operating capital	-	-	-	65,596	65,596	Note 1	
15	Suzhou Yueshun	Tai Chang Cheng Mau	Accounts receivable - related parties	Y	6,568	6,539	-	-	Operating capital	-	Operating capital	-	-	-	17,499	17,499	Note 1	
		Su Zhou Feng Shun	Accounts receivable - related parties	Y	6,568	6,539	-	-	Operating capital	-	Operating capital	-	-	-	17,499	17,499	Note 1	
16	Nan Jing Yu Hua	Nanjing Hanhong	Accounts receivable - related parties	Y	118,762	118,230	118,230	-	Operating capital	-	Operating capital	-	-	-	144,490	288,980	Note 1	
17	Xiao Gan Yu Feng	Wuhan Yu Hsin	Accounts receivable - related parties	Y	21,825	-	-	-	Operating capital	-	Operating capital	-	-	-	258,170	516,339	Note 1	
		Chang Sha Yu Lu	Accounts receivable - related parties	Y	19,643	10,898	-	-	Operating capital	-	Operating capital	-	-	-	258,170	516,339	Note 1	
18	Yu-Jie	Dongfeng Yulon	Other receivables	Y	218,940	217,960	217,960	6.15%	Operating capital	-	Operating capital	217,960	-	-	891,149	891,149	Note 1	
19	Yu-Hsin Intl	Yu-Hsin Intl HK	Other receivables	Y	151,650	142,540	114,032	2.90%	Operating capital	-	Operating capital	-	-	-	285,005	427,507	Note 1	
20	Su Zhou Chen Long	Su Zhou Feng Shun	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	147,215	147,215	Note 1	
		Su Zhou Cheng Pang	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	147,215	147,215	Note 1	
		Su Chou Cheng Pin	Accounts receivable - related parties	Y	21,894	21,796	-	-	Operating capital	-	Operating capital	-	-	-	147,215	147,215	Note 1	

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
		Tai Chang Cheng Mau	Accounts receivable - related parties	Y	\$ 21,894	\$ 21,796	\$ 21,796	5.00%	Operating capital	\$ -	Operating capital	\$ -	-	\$ -	\$ 147,215	\$ 147,215	Note 1
		Su Zhou Cheng Guo	Accounts receivable - related parties	Y	52,546	52,310	23,976	4.35%	Operating capital	-	Operating capital	-	-	-	147,215	147,215	Note 1
21	Su Zhou Cheng Pang	Su Zhou Cheng Hung	Accounts receivable - related parties	Y	13,136	13,078	-	-	Operating capital	-	Operating capital	-	-	-	19,727	19,727	Note 1
22	Hang Zhou Tang Yu	Dongfeng Yulon Yulon Motor Investment	Other receivables	Y	4,817	4,795	4,795	6.15%	Operating capital	-	Operating capital	-	-	-	19,055	19,055	Note 1
			Other receivables	Y	38,937	38,361	38,361	-	Operating capital	-	Operating capital	-	-	-	476,385	714,578	Note 1
23	Hang Zhou hsiao Yu	Yulon Motor Investment	Other receivables	Y	873	392	-	-	Operating capital	-	Operating capital	-	-	-	435,920	653,880	Note 1
24	Hang Zhou Chien Yu	Yulon Motor Investment	Other receivables	Y	3,929	3,487	3,487	-	Operating capital	-	Operating capital	-	-	-	435,920	653,880	Note 1
25	Ke Yu	Yi Ding	Other receivables	Y	21,894	21,796	21,796	0.50%	Operating capital	-	Operating capital	-	-	-	726,153	1,452,307	Note 1
		Dongfeng Yulon	Other receivables	Y	74,440	74,106	74,106	6.15%	Operating capital	-	Operating capital	74,106	-	-	290,461	290,461	Note 1
		Sheng Qing	Other receivables	Y	436,508	405,406	212,729	0.50%	Operating capital	-	Operating capital	-	-	-	726,153	1,452,307	Note 1
26	Gao Te	Dongfeng Yulon	Other receivables	Y	23,646	23,540	23,540	6.15%	Operating capital	-	Operating capital	23,540	-	-	93,564	93,564	Note 1
27	Mei De	Sheng Qing	Other receivables	Y	135,317	130,776	-	-	Operating capital	-	Operating capital	-	-	-	531,020	1,062,040	Note 1
		Dongfeng Yulon	Other receivables	Y	35,381	35,222	35,222	6.15%	Operating capital	-	Operating capital	35,222	-	-	141,605	141,605	Note 1
		Shi Cheng	Other receivables	Y	209,524	130,776	130,776	0.50%	Operating capital	-	Operating capital	-	-	-	531,020	1,062,040	Note 1
28	Xiamen Young Chang	Dongfeng Yulon	Other receivables	Y	65,682	65,388	65,388	6.15%	Operating capital	-	Operating capital	65,388	-	-	323,660	323,660	Note 1
29	Qing Tai	Shi Cheng	Other receivables	Y	17,515	17,437	17,437	0.50%	Operating capital	-	Operating capital	-	-	-	465,461	930,922	Note 1
		Dongfeng Yulon	Other receivables	Y	30,652	30,514	30,514	6.15%	Operating capital	-	Operating capital	30,514	-	-	124,123	124,123	Note 1
		Dong Tai	Other receivables	Y	109,470	108,980	108,980	0.50%	Operating capital	-	Operating capital	-	-	-	465,461	930,922	Note 1
30	Jin Ce	Dongfeng Yulon	Other receivables	Y	7,006	6,975	6,975	6.15%	Operating capital	-	Operating capital	6,975	-	-	28,066	28,066	Note 1
		Yi Ding	Other receivables	Y	39,286	30,514	30,514	0.50%	Operating capital	-	Operating capital	-	-	-	701,655	1,052,482	Note 1
31	Tai Feng	Yi Ding	Other receivables	Y	13,136	13,078	13,078	0.50%	Operating capital	-	Operating capital	-	-	-	1,106,131	2,212,261	Note 1
		Dong Tai	Other receivables	Y	21,894	21,796	21,796	0.50%	Operating capital	-	Operating capital	-	-	-	1,106,131	2,212,261	Note 1
		Dongfeng Yulon	Other receivables	Y	48,167	47,951	47,951	6.15%	Operating capital	-	Operating capital	47,951	-	-	294,968	294,968	Note 1
32	Dong Tai	Dongfeng Yulon	Other receivables	Y	11,823	11,770	11,770	6.15%	Operating capital	-	Operating capital	11,770	-	-	28,688	28,688	Note 1
33	Shi Cheng	Dongfeng Yulon	Other receivables	Y	13,968	13,731	13,731	6.15%	Operating capital	-	Operating capital	13,731	-	-	36,453	36,453	Note 1
34	Yi Ding	Dongfeng Yulon	Other receivables	Y	23,135	22,973	22,973	6.15%	Operating capital	-	Operating capital	22,973	-	-	91,678	91,678	Note 1
35	Sin Jang	Singan	Other receivables	Y	210,000	210,000	210,000	0.97%	Operating capital	-	Operating capital	-	-	-	210,828	210,828	Note 1
36	Su Zhou Cheng Li	Su Zhou Feng Shun	Accounts receivable - related parties	Y	8,758	8,718	-	-	Operating capital	-	Operating capital	-	-	-	20,151	20,151	Note 1
		Su Chou Cheng Pin	Accounts receivable - related parties	Y	8,758	8,718	-	-	Operating capital	-	Operating capital	-	-	-	20,151	20,151	Note 1
37	Yu Ching	Haitec	Other receivables	Y	339,000	-	-	-	Operating capital	-	Operating capital	-	-	-	539,244	539,244	Note 1
38	Chuang Jie New Energy Vehicle	LUXGEN(hangzhou) Motor Sales	Other receivables	Y	120,876	-	-	-	Operating capital	-	Operating capital	-	-	-	336,274	1,008,822	Note 1
39	Sin Chi	Haitec	Other receivables	Y	269,000	-	-	-	Operating capital	-	Operating capital	-	-	-	501,555	501,555	Note 1
40	Genwise	Zhe Jiang Cheng Yi Company	Other receivables	Y	9,635	9,603	9,603	4.00%	Operating capital	-	Operating capital	-	-	-	10,330	10,330	Note 1
41	Shanghai Yuming	Ka Shing Yu Da	Other receivables	Y	26,273	26,155	8,718	5.00%	Operating capital	-	Operating capital	-	-	-	37,922	37,922	Note 1
42	Tai Chang Cheng Mau	Su Zhou Cheng Guo	Accounts receivable - related parties	Y	8,758	8,718	-	-	Operating capital	-	Operating capital	-	-	-	24,310	24,310	Note 1

(Continued)

28. Xiamen Young Chang: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
29. Qing Tai: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity. While the financing was provided to a foreign subsidiary which was directly or indirectly held by the Company, credit financing limit for each borrower was 150% of the lender's net equity and aggregate financing limits was 300% of the lender's net equity.
30. Jin Ce: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity. While the financing was provided to a foreign subsidiary which was directly or indirectly held by the Company, credit financing limit for each borrower was 1,000% of the lender's net equity and aggregate financing limits was 1,500% of the lender's net equity.
31. Tai Feng: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity. While the financing was provided to a foreign subsidiary which was directly or indirectly held by the Company, credit financing limit for each borrower was 150% of the lender's net equity and aggregate financing limits was 300% of the lender's net equity.
32. Dong Tai: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
33. Shi Cheng: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
34. Yi Ding: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
35. Sin Jiang: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
36. Su Zhou Cheng Li: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
37. Yu Ching: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
38. Chuang Jie: Credit financing limit for each borrower were not exceeding 10% of the lender's net equity and aggregate financing limits were not exceeding 30% of the lender's net equity.
39. Sin Chi: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
40. Genwise: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
41. Shanghai Yuming: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.
42. Tai Chang Cheng Mau: Credit financing limit for each borrower and aggregate financing limits were not exceeding 40% of the lender's net equity.

(Concluded)

TABLE 2

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Each Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	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 (Note 2)												
0	The Company	Luxgen Kaohsiung	b	\$ 13,750,922	\$ 164,250	\$ 50,000	\$ -	\$ -	0.10	\$ 36,553,851	Y	N	N	Note 1	
		Luxgen Taichung	b	13,750,922	165,000	50,000	-	-	0.10	36,553,851	Y	N	N	Note 1	
		Luxgen Tainan	b	13,750,922	200,000	50,000	-	-	0.10	36,553,851	Y	N	N	Note 1	
		Luxgen Taoyuan	b	13,750,922	208,000	50,000	-	-	0.10	36,553,851	Y	N	N	Note 1	
		Luxgen Taipei	b	13,750,922	600,000	50,000	50,000	-	0.10	36,553,851	Y	N	N	Note 1	
		Sin Chi	b	13,750,922	500,000	500,000	-	-	1.03	36,553,851	Y	N	N	Note 1	
		Yu Sing	b	13,750,922	1,440,000	510,000	280,000	-	1.05	36,553,851	Y	N	N	Note 1	
		UMPI	b	13,750,922	758,250	570,160	93,760	-	1.17	36,553,851	Y	N	N	Note 1	
		Yu Ching	b	13,750,922	1,000,000	1,000,000	-	-	2.05	36,553,851	Y	N	N	Note 1	
		Luxgen	b	13,750,922	11,350,000	8,100,000	100,000	-	16.62	36,553,851	Y	N	N	Note 1	
		LUXGEN(hangzhou) Motor Sales	b	13,750,922	9,099,000	-	-	-	-	-	36,553,851	Y	N	Y	Note 1
1	Union & NKH Auto Parts	Hangchow Liangrun	b	327,770	312,000	312,000	-	-	13.33	936,484	N	N	Y	Note 1	
2	YFC	Yulon Finance Philippines Corporation	b	48,158,883	2,408,000	2,344,000	1,029,680	-	12.17	96,317,765	N	N	N	Note 1	
		TAC Leasing (Suzhou)	b	48,158,883	5,961,152	5,936,128	3,317,248	-	30.82	96,317,765	N	N	Y	Note 1	
		Car-Plus Go Co., Ltd.	b	48,158,883	320,000	-	-	-	-	19.73	96,317,765	N	N	Y	Note 1
		TAC Finance Company	b	48,158,883	10,000,000	3,800,000	1,747,325	-	-	-	96,317,765	N	N	Y	Note 1
3	Car-plus Corporation	Car-Plus Go Co., Ltd.	b	5,145,628	480,000	-	-	-	-	10,291,255	N	N	Y	Note 1	
4	Sheng Qing	Tung Ling Kuo Tung	b	12,245,811	17,460	-	-	-	-	61,229,055	N	N	Y	Note 1	
		Shanghai Yuming	b	12,245,811	21,825	-	-	-	-	61,229,055	N	N	Y	Note 1	
		Xiao Gan Yu Feng	b	12,245,811	21,825	-	-	-	-	61,229,055	N	N	Y	Note 1	
		Chang Sha Yu Lu	b	12,245,811	30,556	-	-	-	-	61,229,055	N	N	Y	Note 1	
		Jiangmen Junxing	b	12,245,811	43,651	-	-	-	-	61,229,055	N	N	Y	Note 1	
		Nan Jing Yu Hua	b	12,245,811	65,476	-	-	-	-	61,229,055	N	N	Y	Note 1	
		Nanjing Hanhong	b	12,245,811	211,305	108,980	60,157	-	4.45	61,229,055	N	N	Y	Note 1	
		Qingdao Yuanhuang	b	12,245,811	218,940	217,960	78,577	-	8.90	61,229,055	N	N	Y	Note 1	
		Wuhan Yu Hsin	b	12,245,811	262,728	261,552	254,621	-	10.68	61,229,055	N	N	Y	Note 1	
		Guang Zhou Yuan Du	b	12,245,811	350,304	348,736	83,374	-	14.24	61,229,055	N	N	Y	Note 1	
		Yu-Jie	b	12,245,811	875,760	871,840	-	-	35.60	61,229,055	N	N	Y	Note 1	
5	Nanjing Hanhong	Nan Jing Yu Hua	b	435,920	109,470	108,980	-	-	57.07	588,492	N	N	Y	Note 1	
		Zhu Hai Fu Te En	d	435,920	218,940	217,960	31,168	-	114.14	588,492	N	N	Y	Note 1	
6	Zhu Hai Fu Te En	Nan Jing Yu Hua	d	527,023	109,470	108,980	-	-	41.36	790,535	N	N	Y	Note 1	
		Nanjing Hanhong	d	527,023	175,152	174,368	-	-	66.17	790,535	N	N	Y	Note 1	
7	Su Zhou Feng Shen	Wu Jiang Lian Cheng	b	773,581	43,788	43,592	-	-	5.64	2,320,742	N	N	Y	Note 1	
		Su Zhou Feng Shun	b	773,581	76,366	76,024	-	-	9.83	2,320,742	N	N	Y	Note 1	
		Su Zhou Cheng Pang	b	773,581	131,364	130,776	37,560	-	16.91	2,320,742	N	N	Y	Note 1	
		Tai Chang Cheng Mau	b	773,581	148,879	148,213	43,674	-	19.16	2,320,742	N	N	Y	Note 1	

(Continued)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Each Endorsement/Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collaterals	Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit	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 (Note 2)											
8	Wu Jiang Lian Cheng	Su Zhou Feng Shen Su Zhou Feng Shun	c c	\$ 392,328 392,328	\$ 43,788 229,624	\$ 43,592 228,596	\$ - 75,937	\$ - -	67.24 352.59	\$ 871,840 871,840	N N	N N	Y Y	Note 1 Note 1
9	Su Zhou Feng Shun	Su Zhou Cheng Li Su Zhou Feng Shen Wu Jiang Lian Cheng	b c b	819,944 819,944 819,944	26,273 43,788 153,258	26,155 43,592 152,572	- - 49,856	- - -	15.95 26.58 93.04	1,639,888 1,639,888 1,639,888	N N N	N N N	Y Y Y	Note 1 Note 1 Note 1
10	Su Zhou Cheng Pang	Su Zhou Feng Shen	c	392,328	153,258	152,572	20,996	-	309.36	784,656	N	N	Y	Note 1
11	Tai Chang Cheng Mau	Su Zhou Feng Shen	c	392,328	153,258	152,572	20,996	-	251.05	871,840	N	N	Y	Note 1
12	Su Zhou Cheng Guo	Su Zhou Chen Long	c	392,328	109,470	108,980	48,934	-	999.99	871,840	N	N	Y	Note 1
13	Su Zhou Chen Long	Su Zhou Cheng Hung	b	1,840,191	78,818	78,466	6,362	-	21.32	3,680,382	N	N	Y	Note 1
14	Nan Jing Yu Hua	Nanjing Hanhong Zhu Hai Fu Te En	c d	481,633 481,633	175,152 218,940	174,368 217,960	- -	- -	- -	963,265 963,265	N N	N N	Y Y	Note 1 Note 1

Note 1: The Company: The aggregate endorsement/guarantee limit was calculated for 75% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 40% of the aggregate endorsement/guarantee amounts.

Union & NKH Auto Parts: The aggregate endorsement/guarantee limit was calculated for 40% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 35% of the aggregate endorsement/guarantee amounts.

YFC: The aggregate endorsement/guarantee limit was calculated for 500% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 50% of the aggregate endorsement/guarantee amounts.

Car-plus Corporation: The aggregate endorsement/guarantee limit was calculated for 500% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party was calculated for 250% of the endorser's/guarantor's net equity.

Sheng Qing: The aggregate endorsement/guarantee limit was calculated for 2,500% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party was calculated for 500% of the endorser's/guarantor's net equity.

Nanjing Hanhong: The aggregate endorsement/guarantee limit was RMB135 million. The limits on each endorsement/guarantee given on behalf of each party was RMB100 million.

Zhu Hai Fu Te En: The aggregate endorsement/guarantee limit was calculated for 300% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party was calculated for 200% of the endorser's/guarantor's net equity.

Su Zhou Feng Shen: The aggregate endorsement/guarantee limit was calculated for 300% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party was calculated for 100% of the endorser's/guarantor's net equity.

Wu Jiang Lian Cheng: The aggregate endorsement/guarantee limit was RMB200 million. The limits on each endorsement/guarantee given on behalf of each party was RMB90 million.

Su Zhou Feng Shun: The aggregate endorsement/guarantee limit was calculated for 300% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 100% of the aggregate endorsement/guarantee amounts.

Su Zhou Cheng Pang: The aggregate endorsement/guarantee limit was RMB180 million. The limits on each endorsement/guarantee given on behalf of each party was RMB90 million.

Tai Chang Cheng Mau: The aggregate endorsement/guarantee limit was RMB200 million. The limits on each endorsement/guarantee given on behalf of each party was RMB90 million.

Su Zhou Cheng Guo: The aggregate endorsement/guarantee limit was RMB200 million. The limits on each endorsement/guarantee given on behalf of each party was RMB90 million.

(Continued)

Su Zhou Chen Long: The aggregate endorsement/guarantee limit was calculated for 1,000% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 500% of the aggregate endorsement/guarantee amounts.

Nanjing YuHua: The aggregate endorsement/guarantee limit was calculated for 1,000% of the endorser's/guarantor's net equity. The limits on each endorsement/guarantee given on behalf of each party were not exceeding 500% of the aggregate endorsement/guarantee amounts.

Note 2: The relationship between guarantor and guarantee are as follows:

- a. The Company in relation to business.
- b. Subsidiaries' common stocks which were directly owned by parent company over 50%.
- c. Investees' common stocks which were both owned by parent company and subsidiary over 50%.
- d. Investees' common stocks which were directly or indirectly held by the Company over 90%.
- e. Based on contract projects among their peers in accordance with contract provisions which need mutual insurance company.
- f. Owing to the joint venture funded by the shareholders on its endorsement of its holding company.
- g. Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

(Concluded)

TABLE 3

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

DECEMBER 31, 2020

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note	
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value		
The Company	<u>Structured finance products</u>								
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	125	\$ 12,515	-	\$ 12,515	-	
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	500	50,037	-	50,037	-	
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	290	29,076	-	29,076	-	
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	250	25,073	-	25,073	-	
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	300	30,072	-	30,072	-	
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	300	30,027	-	30,027	-	
	Yuanta Securities CLN - M.J. 1st		Financial assets at fair value through profit or loss - current	17	1,708	-	1,708	-	
	Yuanta Securities CLN - Yeong Guan 3		Financial assets at fair value through profit or loss - current	200	20,052	-	20,052	-	
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	100	10,003	-	10,003	-	
	Yuanta Securities CLN -Singtex 2nd		Financial assets at fair value through profit or loss - current	181	18,162	-	18,162	-	
	Yuanta Securities CLN -Center 5		Financial assets at fair value through profit or loss - current	100	10,026	-	10,026	-	
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	200	20,009	-	20,009	-	
	KGI Securities CLN-structured products		Financial assets at fair value through profit or loss - current	150	15,060	-	15,060	-	
	<u>Beneficiary certificates</u>								
	Fuh Hwa Intelligence Fund		Financial assets at fair value through profit or loss - current	3,000	30,213	-	30,213	-	
	Taishin Dragon Fund		Financial assets at fair value through profit or loss - current	1,819	21,160	-	21,160	-	
	KGI Feng-Li Fund		Financial assets at fair value through profit or loss - current	739	10,890	-	10,890	-	
	KGI Kifly Strategic Fund		Financial assets at fair value through profit or loss - current	2,349	32,584	-	32,584	-	
	The RSIT Enhanced Money Market		Financial assets at fair value through profit or loss - current	830	10,005	-	10,005	-	
	Jih Sun Money Market Fund		Financial assets at fair value through profit or loss - current	1,372	20,518	-	20,518	-	
	Capital Money Market Fund		Financial assets at fair value through profit or loss - current	1,702	27,689	-	27,689	-	
	FSITC Taiwan Money Market		Financial assets at fair value through profit or loss - current	13,932	215,015	-	215,015	-	
	Hua Nan Phoenix Money Market		Financial assets at fair value through profit or loss - current	18,309	300,007	-	300,007	-	
	Union Money Market Fund		Financial assets at fair value through profit or loss - current	30,786	409,748	-	409,748	-	
	Taishin 1699 Money Market		Financial assets at fair value through profit or loss - current	4,409	60,168	-	60,168	-	
	Taishin Ta-Chong Money Market		Financial assets at fair value through profit or loss - current	17,458	250,005	-	250,005	-	
	Allianz Gbl Investors Taiwan Money Mkt		Financial assets at fair value through profit or loss - current	2,501	31,592	-	31,592	-	
	Nomura Taiwan Money Market		Financial assets at fair value through profit or loss - current	608	10,005	-	10,005	-	
	Fuh Hwa Global Balanced		Financial assets at fair value through profit or loss - current	1,180	30,840	-	30,840	-	
	Shin Kong Global Bond Fund		Financial assets at fair value through profit or loss - current	910	9,938	-	9,938	-	
	Yuanta Global ETFs Stable Fund of Funds		Financial assets at fair value through profit or loss - current	1,721	26,514	-	26,514	-	
	PGIM US Corporate Bond Fund USD T Distribution		Financial assets at fair value through profit or loss - current	7	25,431	-	25,431	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	FSITC 4-Year Maturity Emerging Market Investment Grade Bond Fund Inc USD		Financial assets at fair value through profit or loss - current	1,300	\$ 13,007	-	\$ 13,007	-
	Cathay Smart ETF Conservative Fund of ETFs		Financial assets at fair value through profit or loss - current	1,929	21,716	-	21,716	-
	Taishin North American Income Trust		Financial assets at fair value through profit or loss - current	208	4,808	-	4,808	-
	Taishin Strategy Senior Total Return High Yield Bond Fund		Financial assets at fair value through profit or loss - current	1,860	18,941	-	18,941	-
	PineBridge Emerg Mkt AsiaPac Strat Bd		Financial assets at fair value through profit or loss - current	1,585	20,194	-	20,194	-
	Allianz Global Investors All Seasons Harvest Fund of Bond Funds		Financial assets at fair value through profit or loss - current	1,974	26,687	-	26,687	-
	NN (L) US Credit - X Dis(M) USD		Financial assets at fair value through profit or loss - current	1	25,228	-	25,228	-
	Union Advantage Global Fixed Income Portfolio Fund		Financial assets at fair value through profit or loss - current	1,180	19,527	-	19,527	-
	KGI Taiwan Multi-Asset Income Fund		Financial assets at fair value through profit or loss - current	994	10,338	-	10,338	-
	THE RSIT Digital Fund		Financial assets at fair value through profit or loss - current	221	10,120	-	10,120	-
	Capital Conservative Allocation Fund of Funds		Financial assets at fair value through profit or loss - current	500	4,987	-	4,987	-
	Capital Global Abundant Income Fund Of Fund TWD Inc		Financial assets at fair value through profit or loss - current	2,193	29,035	-	29,035	-
	Capital Global Biotech Fund		Financial assets at fair value through profit or loss - current	822	15,271	-	15,271	-
	FSITC AI Global Precision Medicine Fund		Financial assets at fair value through profit or loss - current	335	5,278	-	5,278	-
	Preferred Securities Income Fund		Financial assets at fair value through profit or loss - current	510	5,403	-	5,403	-
	UPAMC GREAT CHINA Fund		Financial assets at fair value through profit or loss - current	119	5,816	-	5,816	-
	Nomura Global Equity Fund		Financial assets at fair value through profit or loss - current	233	5,426	-	5,426	-
	Nomura Taiwan Equity Fund		Financial assets at fair value through profit or loss - current	77	5,449	-	5,449	-
	Franklin Templeton SinoAm AI Hi-Tech Fund		Financial assets at fair value through profit or loss - current	1,500	15,525	-	15,525	-
	<u>Common stocks</u>							
	Taiwan Stock Exchange		Financial assets at fair value through other comprehensive income - non-current	7,503	366,234	1.00	366,234	-
	Taiwan Aerospace Company		Financial assets at fair value through other comprehensive income - non-current	811	-	0.60	-	-
	Yulon Finance Corporation, Preferred Shares A	Subsidiary	Financial assets at fair value through other comprehensive income - non-current	36,604	1,874,124	36.60	1,874,124	-
	Mison - Century Technology, Ltd	Related party in substance	Financial assets at fair value through other comprehensive income - non-current	5,025	31,303	8.37	31,303	-
YFC	<u>Bonds</u>							
	Government bonds		Financial assets at amortized cost - non-current	-	5,203	-	5,671	-
Shinshin	<u>Bonds</u>							
	Government bonds		Financial assets at amortized cost - non-current	-	10,042	-	10,051	-
Diamond Leasing	<u>Beneficiary certificates</u>							
	Union Money Market Fund		Financial assets at fair value through profit or loss - current	2,256	30,024	-	30,024	-
	Cathay Taiwan Money Market Fund		Financial assets at fair value through profit or loss - current	798	10,003	-	10,003	-

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note	
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value		
H. K. Manpower	<u>Beneficiary certificates</u>	The parent company	Financial assets at fair value through profit or loss - current	235	\$ 3,123	-	\$ 3,123	-	
	Union Money Market Fund		Financial assets at fair value through profit or loss - current	254	3,061	-	3,061	-	
	The RSIT Enhanced Money Market		Financial assets at fair value through profit or loss - current	206	3,076	-	3,076	-	
	Jih Sun Money Market Fund		Financial assets at fair value through profit or loss - current	129	2,093	-	2,093	-	
Capital Money Market Fund									
Da Wei	<u>Beneficiary certificates</u>			Financial assets at fair value through profit or loss - current	172	2,578	-	2,578	-
	Jih Sun Money Market Fund								
Yu Pong	<u>Structured finance products</u>			Financial assets at fair value through profit or loss - current	-	30,150	-	30,150	-
	CLN Jiaying Three								
Yu Pong	<u>Beneficiary certificates</u>			Financial assets at fair value through profit or loss - current	1,000	10,218	-	10,218	-
	FSITC US Top 100 Bond Fund			Financial assets at fair value through profit or loss - current	2,798	43,177	-	43,177	-
	FSITC Taiwan Money Market			Financial assets at fair value through profit or loss - current	1,000	10,516	-	10,516	-
	KGI Global ESG Sustainable High Yield Bond Fund			Financial assets at fair value through profit or loss - current	734	10,023	-	10,023	-
	Taishin 1699 Money Market			Financial assets at fair value through profit or loss - current	800	11,793	-	11,793	-
Yu Pong	<u>Common stocks</u>		Financial assets at fair value through other comprehensive income - current	-	4	-	4	-	
	Yulon Motor Company		Financial assets at fair value through other comprehensive income - current	2,419	113,077	-	113,077	-	
China Cast Iron Pipe	<u>Beneficiary certificates</u>		Financial assets at fair value through profit or loss - current	153	1,600	-	1,600	-	
	Franklin Templeton Sinoam Money Market		Financial assets at fair value through profit or loss - current	42	509	-	509	-	
Yue Sheng	<u>Common stocks</u>	The same ultimate parent company	Financial assets at fair value through other comprehensive income - non-current	16	100	0.80	100	-	
	YUE KI INDUSTRIAL CO., LTD.								
Yung Hong	<u>Beneficiary certificates</u>		Financial assets at fair value through profit or loss - current	3,582	55,280	-	55,280	-	
	FSITC Taiwan Money Market		Financial assets at fair value through profit or loss - current	500	5,093	-	5,093	-	
Yung Hong	<u>Common stocks</u>	Related party in substance	Financial assets at fair value through profit or loss - current	141	1,578	-	1,578	-	
	CARNIVAL Company	Related party in substance	Financial assets at fair value through profit or loss - current	81	5,515	-	5,515	-	
	Kian-shen Company	The same ultimate parent company	Financial assets at fair value through profit or loss - current	7	710	-	710	-	
	TAC Corporation								
	Yulon Finance Corporation, Preferred Shares A	The same ultimate parent company	Financial assets at fair value through other comprehensive income - current	8,001	409,665	8.00	409,665	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note	
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value		
	Orgchem Technology Company		Financial assets at fair value through other comprehensive income - non-current	291	\$ 5,085	-	\$ 5,085	-	
	T-Car Inc.		Financial assets at fair value through other comprehensive income - non-current	1,275	25,728	-	25,728	-	
	ADTO Company		Financial assets at fair value through other comprehensive income - non-current	1	10	-	10	-	
	ROCKER ZONE		Financial assets at amortized cost - non-current	330	5,945	-	5,945	-	
Yu Ching	<u>Beneficiary certificates</u> Jih Sun Money Market Fund Franklin Templeton SinoAm Fund		Financial assets at fair value through profit or loss - current	11,974	179,004	-	179,004	-	
			Financial assets at fair value through profit or loss - current	1,631	17,006	-	17,006	-	
Yu Ching	<u>Common stocks</u> Yulon Motor Company		The parent company	Financial assets at fair value through other comprehensive income - non-current	7,526	352,990	0.75	352,990	-
	Yulon Management		Related party in substance	Financial assets at fair value through other comprehensive income - non-current	1	9	0.01	9	-
Yu Chang	<u>Common stocks</u> Luxgen Taichung	The same ultimate parent company	Financial assets at fair value through other comprehensive income - non-current	250	1,896	3.52	1,896	-	
	Kai Xing Insurance Agency		Financial assets at fair value through other comprehensive income - non-current	43	1,785	6.96	1,785	-	
Yushin	<u>Common stocks</u> Kai Xing Insurance Agency		Financial assets at fair value through other comprehensive income - non-current	43	781	6.96	781	-	
Empower	<u>Common stocks</u> Kai Xing Insurance Agency		Financial assets at fair value through other comprehensive income - non-current	43	1,477	6.67	1,477	-	
	Luxgen Taichung	The same ultimate parent company	Financial assets at fair value through other comprehensive income - non-current	120	1,200	1.13	1,200	-	
Yu Sing	<u>Common stocks</u> Kai Xing Insurance Agency		Financial assets at fair value through other comprehensive income - non-current	43	842	6.97	842	-	
	<u>Beneficiary certificates</u> Jih Sun Money Market Fund		Financial assets at fair value through profit or loss - current	61,757	923,266	-	923,266	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note	
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value		
Sin Chi	<u>Common stocks</u> CARNIVAL Company	Related party in substance	Financial assets at fair value through profit or loss - current	59	\$ 660	-	\$ 660	-	
	RECTRON LTD.		Financial assets at fair value through profit or loss - current	16	403	-	403	-	
	Yang Ming Marine Transport Corporation		Financial assets at fair value through profit or loss - current	6	163	-	163	-	
	SHIN KONG SECURITY CO.,LTD.		Financial assets at fair value through profit or loss - current	50	1,852	-	1,852	-	
	Compal Electronics, INC	The same ultimate parent company	Financial assets at fair value through profit or loss - current	14	291	-	291	-	
	Yue Sheng Company		Financial assets at fair value through other comprehensive income - non-current	2	33	-	33	-	
	<u>Beneficiary certificates</u> Jih Sun Money Market Fund		Financial assets at fair value through profit or loss - current	569	8,506	-	8,506	-	
	<u>Beneficiary certificates</u> Franklin Money Fund		Financial assets at fair value through profit or loss - current	12,476	130,109	-	130,109	-	
	Yulon China		<u>Common stocks</u> YUNG JEN INDUSTRIAL CO., LTD.	Financial assets at fair value through profit or loss - non-current	75	2,136	-	2,136	-
	Luxgen		<u>Beneficiary certificates</u> CTBC Hwa-win Money Market Fund	Financial assets at fair value through profit or loss - current	36,012	400,000	-	400,000	-
Luxgen	<u>Common stocks</u> Yulon Finance Corporation, Preferred Shares A	The same ultimate parent company	Financial assets at fair value through other comprehensive income - non-current	8,000	409,600	8.00	409,600	-	
Yu-Jie	<u>Financial products</u> 7-Day Call Deposit		Financial assets at amortized cost - current	-	65,472	-	65,472	-	
	Lidodo Public Structural Deposit		Financial assets at fair value through profit or loss - current	-	144,038	-	144,038	-	
Su Zhou Feng Shen	<u>Common stocks</u> Guang Zhou Cheng Yi		Financial assets at fair value through other comprehensive income - non-current	660	4,153	2.20	4,153	-	
Chuang Jie	<u>Financial products</u> Bank Of Nanjing Call Deposit		Financial assets at amortized cost - current	-	375,373	-	375,373	-	
	Fubon Bank (China) Structured Deposit		Financial assets at amortized cost - current	-	43,648	-	43,648	-	
	<u>Financial products</u> Structural Deposit		Financial assets at fair value through profit or loss - current	-	130,944	-	130,944	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note
				Shares or Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
HangZhou Yu Zhong	<u>Financial products</u> Yuntong Wealth Term Structured Deposit		Financial assets at fair value through profit or loss - current	-	\$ 19,642	-	\$ 19,642	-
Hangchow Liangrun	<u>Financial products</u> Yuntong Wealth Term Structured Deposit		Financial assets at fair value through profit or loss - current	-	21,824	-	21,824	-
Hang Zhou Haitec Company	<u>Financial products</u> Pension Financial products		Financial assets at fair value through profit or loss - current	-	27,498	-	27,498	-
	Daily schedule Financial products		Financial assets at fair value through profit or loss - current	-	8,511	-	8,511	-
	Income Progressive Wealth Management Products		Financial assets at fair value through profit or loss - current	-	6,111	-	6,111	-

(Concluded)

TABLE 4

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED AND 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 of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares/Units	Amount (Note)	Shares/Units	Amount	Shares/Units	Amount	Carrying Value	Gain (Loss) on Disposal	Shares/Units	Amount (Note)
The Company	KGI Securities PGN-structured products	Financial assets at fair value through profit or loss - current	-	-	6	\$ 600,011	-	\$ -	6	\$600,379	\$ 600,000	\$ 379	-	\$ -
	ML Securities PGN-Commercial Paper-90 Days	Financial assets at fair value through profit or loss - current	-	-	-	-	5	500,000	5	500,721	500,000	721	-	-
	KGI Securities CLN-structured products	Financial assets at fair value through profit or loss - current	-	-	-	-	6	600,000	6	600,568	600,000	568	-	-
	Yuanta De-Li Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	30,481	500,000	30,481	500,263	500,000	263	-	-
	Jih Sun Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	33,775	502,492	1,707	25,503	34,110	509,297	506,214	3,083	1,372	20,518
	Capital Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	32,523	527,675	30,821	500,637	500,000	637	1,702	27,689
	Prudential Financial Money Market	Financial assets at fair value through profit or loss - current	-	-	31,582	501,580	-	-	31,582	503,262	500,000	3,262	-	-
	FSITC Taiwan Money Market	Financial assets at fair value through profit or loss - current	-	-	-	-	33,750	520,000	19,818	305,437	304,999	437	13,932	215,015
	Hua Nan Phoenix Money Market	Financial assets at fair value through profit or loss - current	-	-	-	-	48,903	800,000	30,594	500,668	500,000	668	18,309	300,007
	Union Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	64,688	859,739	33,902	450,631	450,000	631	30,786	409,748
	CTBC Hwa-win Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	45,123	500,000	45,123	500,614	500,000	614	-	-
	Taishin 1699 Money Market	Financial assets at fair value through profit or loss - current	-	-	-	-	41,159	560,156	36,750	500,786	500,000	786	4,409	60,168
	Yulon Overseas	Investments accounted for using equity method	-	-	-	(2,540,934)	-	8,507,874	-	-	-	-	-	7,936,718
	Haitec	Investments accounted for using equity method	-	-	116,370	(9,314,207)	631,030	7,474,000	-	-	-	-	747,400	(1,567,265)
	Luxgen	Investments accounted for using equity method	-	-	980,000	727,182	600,000	6,000,000	975,000	-	-	-	605,000	204,974
Yulon Overseas	Yulon China	Investments accounted for using equity method	-	-	-	(3,199,133)	-	8,507,874	-	-	-	-	-	7,961,705
Yulon China	Yulon China Holding	Investments accounted for using equity method	-	-	-	(4,784,558)	-	8,578,779	-	-	-	-	-	6,284,898
Yulon China Holding	Yulon China (HK)	Investments accounted for using equity method	-	-	-	(4,784,563)	-	8,578,779	-	-	-	-	-	6,284,893
Yulon China (HK) Holding	Yulon Motor Investment	Investments accounted for using equity method	-	-	-	(108,285)	-	2,603,385	-	-	-	-	-	5,552,817
Yulon Motor Investment	Sheng Qing	Investments accounted for using equity method	-	-	-	1,847,524	-	2,610,874	-	-	-	-	-	4,043,078
Yulon China (HK) Holding	LUXGEN(hangzhou) Motor Sales	Investments accounted for using equity method	-	-	-	(5,022,369)	-	5,897,000	-	-	-	-	-	227,205

(Continued)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares/Units	Amount (Note)	Shares/Units	Amount	Shares/Units	Amount	Carrying Value	Gain (Loss) on Disposal	Shares/Units	Amount (Note)
Yulon China	Wen Yang	Investments accounted for using equity method	-	-	-	\$ 192,658	-	\$ 452,518	-	\$ -	\$ -	\$ -	-	\$ 681,189
Luxgen	Haitec	Investments accounted for using equity method	-	-	-	-	522,700	5,227,000	-	-	-	-	522,700	-
Haitec	Foxtron Vehicle Technologies Co., Ltd.	Investments accounted for using equity method	-	-	-	-	754,200	7,542,000	-	-	-	-	754,200	7,477,802
Car-plus Corporation	Car Plus Global Investment (Samoa) Co., Ltd.	Investments accounted for using equity method	-	-	18,000	643,644	13,200	378,921	-	-	-	-	31,200	790,208
Car Plus Global Investment (Samoa) Corporation	Car Plus Hangzhou Investment (Samoa) Co., Ltd.	Investments accounted for using equity method	-	-	6,000	54,306	13,200	378,921	-	-	-	-	19,200	180,060
Car Plus Hangzhou Investment (Samoa) Corporation	Car-Plus Go Co., Ltd.	Investments accounted for using equity method	-	-	68,662	90,510	146,747	631,667	-	-	-	-	215,409	300,100
Luxgen	Hua Nan Phoenix Money Market	Financial assets at fair value through profit or loss - current	-	-	-	-	61,229	1,000,000	61,229	1,000,072	1,000,000	72	-	-
	CTBC Hwa-win Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	126,336	1,400,000	90,324	1,000,025	1,000,000	25	36,012	400,000

(Concluded)

TABLE 5**YULON MOTOR COMPANY LTD. AND SUBSIDIARIES****ACQUISITION OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST \$300 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE YEAR ENDED DECEMBER 31, 2020****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Types of Property	Transaction Date	Transaction Amount	Payment Term	Counterparty	Nature of Relationships	Prior Transaction of Related Counterparty				Price Reference	Purpose of Acquisition	Other Terms
							Owner	Relationships	Transfer Date	Amount			
Haitec	Building	2020/8/10	\$ 359,270	Asset-based investment	The Company	The parent company	-	-	-	\$ -	Great Eastern Real Estate Appraisers, Zhengyi Real Estate Appraisers	Asset-based investment	None
	Land	2020/8/10	1,490,730	Asset-based investment	The Company	The parent company	-	-	-	-	Great Eastern Real Estate Appraisers, Zhengyi Real Estate Appraisers	Asset-based investment	None

TABLE 6

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

DISPOSAL OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST NTS300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Seller	Property	Event Date	Original Acquisition Date	Carrying Amount	Transaction Amount	Collection of Payments	Gain (Loss) on Disposal	Counterparty	Relationship	Purpose of Disposal	Price Reference	Other Terms
The Company	Land	2020/5/14	1989/12/1	\$ 129,136	\$ 443,416	Collected	\$ 314,280	Eunition Enterprise Haitec	Other related party Subsidiary	Revitalising of assets	Tianyi Real Estate Appraisers	-
	Building	2020/8/10	2007/11/1	321,626	359,270	Asset-based investment	20,536 (Note)			Asset-based investment	Great Eastern Real Estate Appraisers, Zhengyi Real Estate Appraisers	-
	Land	2020/8/10	1965/6/1	234,216	1,490,730	Asset-based investment	1,256,514 (Note)	Haitec	Subsidiary	Asset-based investment	Great Eastern Real Estate Appraisers, Zhengyi Real Estate Appraisers	-

Note: Gain (loss) on disposal is deferred since counterparty of transaction is a consolidated entity.

TABLE 7

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

TOTAL PURCHASE FROM OR SALE TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Purchasing or (Selling) Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase/ (Sale)	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Company	Yulon Nissan Luxgen	An investee accounted for by equity method The Company's subsidiary	Sales	\$ (23,301,919)	86	Within 45 days	-	3 days to 45 days	\$ 21,295	23	
			Sales	(3,740,173)	14	Within 10 days	-	3 days to 10 days	59,931	100	
YFC	Yu Chang	The same ultimate parent company	Sales	(3,833,223)	9	Receipt of payment on the day	-	-	11,203	-	
	Yuan Lon	An investee accounted for by equity method	Sales	(2,996,425)	7	Receipt of payment on the day	-	-	6,721	-	
	Hui-Lian	An investee accounted for by equity method	Sales	(3,160,020)	7	Receipt of payment on the day	-	-	15,340	-	
	Luxgen Taipei	The same ultimate parent company	Sales	(1,250,642)	3	Receipt of payment on the day	-	-	29,652	-	
	Yu Sing	The same ultimate parent company	Sales	(3,407,116)	8	Receipt of payment on the day	-	-	13,448	-	
	Yushin	The same ultimate parent company	Sales	(2,259,352)	5	Receipt of payment on the day	-	-	6,681	-	
	Yu Tang	An investee accounted for by equity method	Sales	(1,984,081)	5	Receipt of payment on the day	-	-	1,964	-	
	Luxgen Taoyuan	The same ultimate parent company	Sales	(613,283)	1	Receipt of payment on the day	-	-	8,538	-	
	Empower	The same ultimate parent company	Sales	(2,565,226)	6	Receipt of payment on the day	-	-	6,475	-	
	Cheng Long	An investee accounted for by equity method	Sales	(2,491,927)	6	Receipt of payment on the day	-	-	10,068	-	
	Luxgen Taichung	The same ultimate parent company	Sales	(718,125)	2	Receipt of payment on the day	-	-	8,297	-	
	Luxgen Kaohsiung	The same ultimate parent company	Sales	(491,278)	1	Receipt of payment on the day	-	-	3,070	-	
	Luxgen Tainan	The same ultimate parent company	Sales	(389,318)	1	Receipt of payment on the day	-	-	3,567	-	
	Ding Long	An investee accounted for by equity method	Sales	(625,571)	1	Receipt of payment on the day	-	-	2,262	-	
	Lian Cheng	An investee accounted for by equity method	Sales	(585,756)	1	Receipt of payment on the day	-	-	809	-	
Yuan Zhi	An investee accounted for by equity method	Sales	(503,188)	1	Receipt of payment on the day	-	-	1,428	-		
Sin Jang	YFC	The same ultimate parent company	Sales	(13,085,762)	97	Receipt of payment on the day	-	-	-	-	
Union & NKH Auto Parts	The Company	The parent company	Sales	(782,091)	47	60 days	Because the standard and characteristic of products are different, there is no base to compare.	Same as general customer	181,595	45	
	China Motor	An investee accounted for by equity method	Sales	(638,455)	38	60 days	Because the standard and characteristic of products are different, there is no base to compare.	Same as general customer	151,185	37	
Yueki	The Company	The parent company	Sales	(414,402)	49	45 days	Bargaining	45 days	86,182	24	
	China Motor	An investee accounted for by equity method	Sales	(173,176)	20	45 days	Bargaining	45 days	45,762	13	
	Kian-shen	A related party in substance	Sales	(145,425)	17	45 days	Bargaining	45 days	67,950	19	
Y-Teks	The Company	The parent company	Sales	(229,361)	73	45 days	-	-	49,366	55	
Yue Sheng	The Company	The parent company	Sales	(185,464)	49	At sight or a month	Bargaining	At sight or a month	37,916	52	
Luxgen	Hui-Fong	A related party in substance	Sales	(176,432)	4	At sight	-	At sight	-	-	
	Luxgen Taipei	The same ultimate parent company	Sales	(213,020)	5	At sight	-	At sight	752	2	
	Luxgen Taoyuan	The same ultimate parent company	Sales	(143,207)	3	At sight	-	At sight	532	1	
	Luxgen Taichung	The same ultimate parent company	Sales	(179,895)	4	At sight	-	At sight	775	2	
	YFC	The same ultimate parent company	Sales	(3,435,097)	76	Within 3 days	-	Within 3 days	40,472	85	
Singual	The Company	The parent company	Sales	(114,982)	24	At sight or a month	Bargaining	At sight or a month	22,460	22	
Kuen You Trading	Yu Sing	The same ultimate parent company	Sales	(145,586)	90	At sight or a month	Bargaining	At sight or a month	13,469	95	
Tian Wang	Yu Chang	The same ultimate parent company	Sales	(107,008)	75	At sight or a month	Bargaining	At sight or a month	6,822	83	
Hang Zhou Haitec Company	The Company	The parent company	Sales	(396,994)	94	25 days	-	-	47,628	61	
Chuang Jie	Hang Zhou Haitec Company	The same ultimate parent company	Sales	(189,165)	90	60 days	Because the standard and characteristic of products are different, there is no base to compare.	60 days	-	-	

(Continued)

Purchasing or (Selling) Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase/ (Sale)	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Company	Union & NKH Auto Parts	The Company's subsidiary	Purchase	\$ 782,091	4	60 days	Because the standard and characteristic of products are different, there is no base to compare.	-	\$ (181,595)	6	
	Yueki	The Company's subsidiary	Purchase	414,402	2	45 days	Bargaining	45 days	(86,182)	3	
	Nissan Motor Co., Ltd.	A related party in substance	Purchase	8,840,735	43	12 days after bill of lading	-	12 days after bill of lading	(971,470)	32	
	Y-Teks	The Company's subsidiary	Purchase	229,361	1	45 days	-	-	(49,366)	2	
	Yue Sheng	The Company's subsidiary	Purchase	185,464	1	At sight or a month	Bargaining	At sight or a month	(37,916)	1	
	Dongfeng Yulon	An investee accounted for by equity method	Purchase	134,966	1	60 days after monthly closing	-	60 days after monthly closing	(546)	-	
	Singual	The Company's subsidiary	Purchase	114,982	1	At sight or a month	Bargaining	At sight or a month	(22,460)	1	
	China Ogihara	An investee accounted for by equity method	Purchase	147,668	1	45 days after monthly closing	Bargaining	45 days after monthly closing	(46,870)	2	
	Yuen-jin	A related party in substance	Purchase	114,280	1	45 days after monthly closing	Bargaining	45 days after monthly closing	-	-	
	Taiway	A related party in substance	Purchase	147,668	1	45 days after monthly closing	Bargaining	45 days after monthly closing	(29,117)	1	
	Hang Zhou Haitec Company	The Company's subsidiary	Purchase	396,994	2	25 days	-	-	(47,628)	2	
	YFC	Yulon Nissan	An investee accounted for by equity method	Purchase	25,778,687	61	Within 3 days	-	-	(229,334)	50
Luxgen		The same ultimate parent company	Purchase	3,435,097	9	Within 3 days	-	-	(40,472)	9	
Sin Jang		The same ultimate parent company	Purchase	13,085,762	29	Payment on the day	-	-	-	-	
Yu Sing	YFC	The same ultimate parent company	Purchase	3,407,116	86	Receipt of payment on the day	-	-	(13,448)	10	
	Yulon Nissan	An investee accounted for by equity method	Purchase	356,625	9	Receipt of payment on the day	-	-	(25,756)	19	
	Kuen You Trading	The same ultimate parent company	Purchase	145,586	4	60 days	-	-	(13,469)	10	
Yushin	YFC	The same ultimate parent company	Purchase	2,259,352	84	Receipt of payment on the day	-	-	(6,681)	4	
	Yulon Nissan	An investee accounted for by equity method	Purchase	287,826	11	Receipt of payment on the day	-	-	(12,929)	7	
Yu Chang	YFC	The same ultimate parent company	Purchase	3,833,223	86	Receipt of payment on the day	-	-	(11,203)	14	
	Yulon Nissan	An investee accounted for by equity method	Purchase	444,912	10	Receipt of payment on the day	-	-	(21,255)	26	
	Tian Wang	The same ultimate parent company	Purchase	107,008	2	Receipt of payment on the day	-	-	(6,822)	8	
Empower	YFC	The same ultimate parent company	Purchase	2,565,226	38	Receipt of payment on the day	-	-	(6,475)	4	
	Yulon Nissan	An investee accounted for by equity method	Purchase	351,733	5	Receipt of payment on the day	-	-	(7,763)	5	
Luxgen	The Company	The parent company	Purchase	3,740,173	100	Within 10 days	-	3 days to 10 days	(59,931)	100	
Luxgen Taipei	YFC	The same ultimate parent company	Purchase	1,250,642	80	Receipt of payment on the day	-	-	(29,652)	57	
	Luxgen	The same ultimate parent company	Purchase	213,020	14	At sight	-	-	(752)	1	
Luxgen Taoyuan	YFC	The same ultimate parent company	Purchase	613,283	75	Receipt of payment on the day	-	-	(8,538)	36	
	Luxgen	The same ultimate parent company	Purchase	143,207	18	At sight	-	-	(532)	2	
Luxgen Taichung	YFC	The same ultimate parent company	Purchase	718,125	79	Receipt of payment on the day	-	-	(8,297)	45	
	Luxgen	The same ultimate parent company	Purchase	179,895	20	At sight	-	-	(775)	4	
Luxgen Tainan	YFC	The same ultimate parent company	Purchase	389,318	73	Receipt of payment on the day	-	-	(3,567)	26	
Luxgen Kaohsiung	YFC	The same ultimate parent company	Purchase	491,278	80	Receipt of payment on the day	-	-	(3,070)	20	
Hang Zhou Haitec Company	Chuang Jie	The same ultimate parent company	Purchase	189,165	54	60 days	Because the standard and characteristic of products are different, there is no base to compare.	60 days	-	-	

Note: The balance of Accounts receivable \$358,920 thousand less allowance for uncollectible accounts \$358,920 thousand to Dongfeng Yulon is \$0.

(Concluded)

TABLE 8

YULON MOTOR COMPANY 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 of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
The Company	Luxgen	Subsidiary	\$ 147,454 (Note 1)	26.94	\$ -	-	\$ 99,353	\$ -
	Dongfeng Yulon	An investee accounted for by equity method	358,919	-	-	-	-	358,919
Union & NKH Auto Parts	The Company	The parent company	181,595	5.00	-	-	-	-
Luxgen	Dongfeng Yulon	An investee accounted for by equity method	172,800	-	-	-	-	172,800
Yueki	Hangchow Yue Wan	The same ultimate parent company	196,750 (Note 2)	-	142,490	-	-	6,972
TAC Leasing (Suzhou)	Dongfeng Yulon	An investee accounted for by equity method	285,806	-	-	Depends on status of fund	-	285,806
Yulon Motor Finance	Dong Feng Yulon Sales Company	The same ultimate parent company	136,532	-	-	Depends on status of fund	-	136,532
Shinshin	YES Energy Service	The same ultimate parent company	264,219	-	-	Depends on status of fund	515	1,362
LUXGEN (Hangzhou) Motor Sales	Dong Feng Yulon Sales Company	The same ultimate parent company	678,729 (Note 3)	-	-	-	-	678,729
	Dongfeng Yulon	An investee accounted for by equity method	6,548,440 (Note 4)	-	-	-	-	6,542,628
Yulon Motor Investment	Dongfeng Yulon	An investee accounted for by equity method	405,477 (Note 5)	-	-	-	-	405,477
Union & NKH Auto Parts	Hangchow Liangrun	The same ultimate parent company	201,683 (Note 6)	-	-	-	-	-
	China Motor	An investee accounted for by equity method	151,317 (Note 7)	-	-	-	-	-
Haitec	Dongfeng Yulon	An investee accounted for by equity method	7,510,233 (Note 8)	-	-	-	-	7,510,233
	Luxgen	The same ultimate parent company	192,559 (Note 9)	-	-	-	-	132,623
Hangchow Y-Teks	Dongfeng Yulon	An investee accounted for by equity method	105,398 (Note 10)	-	-	-	-	105,398
Hang Zhou Haitec Company	Dongfeng Yulon	An investee accounted for by equity method	531,224 (Note 10)	-	-	-	-	531,224
Hangchow Yue Wan	Dongfeng Yulon	An investee accounted for by equity method	108,325 (Note 10)	-	-	-	-	107,600
Haitec	Yulon Motor Investment	The same ultimate parent company	103,422 (Note 11)	-	-	-	-	103,422
Yulon Motor Investment	Hang Zhou Haitec Company	The same ultimate parent company	236,916 (Note 11)	-	-	-	-	-

(Continued)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
Sheng Qing	Yu-Jie	The same ultimate parent company	\$ 174,742 (Note 11)	-	\$ -	-	\$ -	\$ -
	Xiamen Young Chang	The same ultimate parent company	167,789 (Note 11)	-	-	-	-	-
	Yulon Motor Investment	The same ultimate parent company	889,952 (Note 11)	-	-	-	-	-
	Nanjing Hanhong	The same ultimate parent company	154,077 (Note 11)	-	-	-	-	11,645
	Dongfeng Yulon	An investee accounted for by equity method	157,133 (Note 11)	-	-	-	-	157,133
	Hang Zhou Haitec Company	The same ultimate parent company	100,383 (Note 11)	-	-	-	-	-
Yu-Jie	Dongfeng Yulon	An investee accounted for by equity method	218,650 (Note 11)	-	-	-	-	218,650
Yu-Hsin Intl	Yu-Hsin Intl HK	The same ultimate parent company	113,920 (Note 11)	-	-	-	-	-
Yu-Hsin Intl HK	Hangchow Y-Teks	The same ultimate parent company	113,920 (Note 11)	-	-	-	-	-
Ke Yu	Tai Feng	The same ultimate parent company	207,206 (Note 11)	-	-	-	-	-
	Sheng Qing	The same ultimate parent company	213,002 (Note 11)	-	-	-	-	-
Qing Tai	Dong Tai	The same ultimate parent company	109,120 (Note 11)	-	-	-	-	-
Mei De	Shi Cheng	The same ultimate parent company	130,944 (Note 11)	-	-	-	-	-
Nan Jing Yu Hua	Nanjing Hanhong	The same ultimate parent company	118,382 (Note 11)	-	-	-	-	-
Chuang Jie New Energy Vehicle	Hang Zhou Haitec Company	The same ultimate parent company	100,908 (Note 11)	-	-	-	-	-
Hangchow Liangrun	Dongfeng Yulon	An investee accounted for by equity method	156,694 (Note 11)	-	-	-	-	156,694
Yulon China	Wen Yang	The same ultimate parent company	603,075 (Note 11)	-	-	-	-	-

Note 1: The receivables comprised accounts and notes receivable of \$59,931 thousand and other receivables of \$87,523 thousand.

Note 2: The receivables comprised accounts and notes receivable of \$138,588 thousand and other receivables of \$58,162 thousand.

Note 3: The receivables comprised accounts and notes receivable of \$6,940 thousand and other receivables of \$671,789 thousand.

Note 4: The receivables comprised accounts and notes receivable of \$2,930 thousand and other receivables of \$6,545,510 thousand.

Note 5: The receivables comprised accounts and notes receivable of \$91,117 thousand and other receivables of \$314,360 thousand.

Note 6: The receivables comprised accounts and notes receivable of \$294 thousand and other receivables of \$201,389 thousand.

Note 7: The receivables comprised accounts and notes receivable of \$151,185 thousand and other receivables of \$132 thousand.

Note 8: The receivables comprised accounts and notes receivable of \$6,851,396 thousand and other receivables of \$658,837 thousand.

(Continued)

Note 9: The receivables comprised accounts and notes receivable of \$19,226 thousand and other receivables of \$294 thousand.

Note 10: The receivables comprises account receivables.

Note 11: The receivables comprises other receivables.

(Concluded)

TABLE 9

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE CORPORATION EXERCISES SIGNIFICANT INFLUENCE (EXCLUDING INVESTMENT IN MAINLAND CHINA)
 FOR THE YEAR ENDED DECEMBER 31, 2020
 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2020			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2020	December 31, 2019	Shares	Percentage of Ownership	Carrying Value			
The Company	Yulon Nissan	Miaoli, Taiwan	Sales of cars	\$ 7,062,225	\$ 7,062,225	143,500	47.83	\$ 10,305,719	\$ 6,540,938	\$ 3,251,759	-
	China Motor	Taoyuan, Taiwan	Manufacturing and sales of cars	810,409	810,409	44,592	8.05	4,090,118	3,277,320	257,087	-
	YFC	Taipei, Taiwan	Sale and lease of cars and parts	512,150	512,150	152,044	45.75	5,211,313	3,139,301	1,328,915	-
	Yueki	Hsinchu, Taiwan	Manufacturing and sale of car components	169,978	169,978	12,767	65.58	399,358	(36,575)	(20,955)	-
	Yue Sheng	Miaoli, Taiwan	Car manufacture and furnishing; manufacture, installation and sale of car parts	238,872	238,872	23,061	80.07	359,474	(1,246)	(688)	-
	China Cast Iron Pipe	Taipei, Taiwan	Metal casting and related business	24,850	24,850	25	77.66	67,110	12,353	9,593	-
	Union & NKH Auto Parts	Taipei, Taiwan	Manufacturing and sale of springs for various motor vehicles and sale of nonmotorized vehicles	183,692	183,692	21,729	25.01	587,055	119	(589)	-
	Uni-calsonic	Miaoli, Taiwan	Production and sales of various kinds of radiators, heat transfer apparatus, geysers, water tank and car parts	96,449	96,449	5,983	30.68	127,517	(6,256)	(2,212)	-
	Yu Chang	Kaohsiung, Taiwan	Sale, maintenance and repair of cars and parts	114,096	114,096	13,999	64.99	74,902	29,254	8,331	-
	China Ogihara	Taoyuan, Taiwan	Design, manufacturing and sales of cars and various kinds of molds, fixtures, stamping parts and inspection implements	280,071	280,071	25,470	37.76	512,082	131,073	55,112	-
	Yuan Lon	Taoyuan, Taiwan	Sale, maintenance and repair of cars and parts	84,405	84,405	7,999	20.00	105,927	3,543	6,416	-
	Yu Ching	Taipei, Taiwan	Import and export and sale of cars and parts	1,077,221	1,077,221	72,691	60.00	522,967	88,545	53,127	-
	Yu Pong	Taipei, Taiwan	Yulon basketball team management and related services	1,122,659	1,122,659	28,470	100.00	841,467	35,129	36,028	-
	Yung Hong	Taipei, Taiwan	Investments	537,311	537,311	77,622	100.00	628,734	27,181	27,181	-
	Yushin	Hsinchu, Taiwan	Sale, maintenance and repair of cars and parts	132,986	132,986	19,999	99.99	211,693	3,046	(23,465)	-
	China Engine	Taoyuan, Taiwan	Manufacturing of car engines and parts	320,000	320,000	32,000	18.95	154,861	29,898	6,865	-
	Cheng Long	Taipei, Taiwan	Sale, maintenance and repair of cars and parts	51,677	51,677	11,491	27.00	226,747	131,052	33,588	-
	Yu Tang	Taichung, Taiwan	Sale, maintenance and repair of cars and parts	71,166	71,166	7,117	20.33	109,692	12,653	1,851	-
	ROC-Spicer	Taoyuan, Taiwan	Manufacturing and sales of cars and parts	476,740	476,740	102	20.46	204,539	139,675	28,661	-
	Car-plus Corporation	Taipei, Taiwan	Sales and lease of cars	106,372	106,372	3,254	3.46	70,929	245,067	8,479	-
	Empower	Taichung, Taiwan	Sale, maintenance and repair of cars and parts	29,987	29,987	5,999	20.00	73,206	10,648	(4,990)	-
	Chan Yun	Taipei, Taiwan	Wholesale and retail of information software	40,680	40,680	16,664	87.71	33,927	(1,926)	(1,689)	-
	Sin Chi	Taipei, Taiwan	General advertising planning services	871,157	871,157	108,000	100.00	1,229,079	103,608	103,608	-
	Yu Sing	Taipei, Taiwan	Sale, maintenance and repair of cars and parts	325,199	325,199	17,999	99.99	130,781	(9,431)	(11,028)	-
	Y-Teks	Taoyuan, Taiwan	Manufacturing and furnishing, cars and the import and export of, and serving as sales agent for, car parts	61,307	61,307	602	34.00	307,654	83,931	29,751	-
	Yulon Overseas	B.V.I.	Investments	32,321,598	23,813,725	1,083,098	100.00	7,936,718	2,621,431	1,899,933	-
	Tokio Marine Nawa Insurance	Taipei, Taiwan	Property insurance	796,956	796,956	52,010	17.39	1,672,821	860,719	149,679	-
	Haitec	New Taipei City, Taiwan	Product design	2,047,449	2,047,449	747,400	58.84	(1,567,265)	(3,873,434)	(2,477,765)	-
	Hui-Lian	Changhua, Taiwan	Sale, maintenance and repair of cars and parts	74,366	74,366	6,116	20.34	66,406	21,639	2,428	-
	DXMEDIA	Taipei, Taiwan	Publication	-	10,000	-	-	-	(3,995)	(799)	-
	Luxgen	Miaoli, Taiwan	Sales and producing of cars and related parts	20,840,000	14,840,000	605,000	100.00	204,974	(2,465,119)	(2,463,134)	-
Yulon Management	New Taipei City, Taiwan	Investment advisor and temporary labor services	32,991	32,991	3,299	32.99	30,232	5,176	(3,547)	-	
Yulon Construction	Taipei, Taiwan	Construction industry	3,034,485	3,034,485	122,100	100.00	4,546,029	178,025	169,721	-	
Hong Kong-Spicer	Hong Kong	Investment	56,475	56,475	1,585	20.50	50,557	(9,679)	(1,984)	-	
Advance Power Machinery	Miaoli, Taiwan	Sales and producing of cars and related parts	10,787	-	500	100.00	11,520	10,380	733	-	
YFC	Car-plus Corporation	Taipei, Taiwan	Car lease and trade	757,288	757,288	64,570	68.57	1,411,342	245,067	-	-
	Shinshin	Taipei, Taiwan	Installment financing services for cars and trucks	419,808	419,808	221,833	100.00	3,781,840	591,295	-	-
	TAC Global	Samoa	Shareholding company	3,342,688	3,089,942	108,833	100.00	4,370,654	88,675	-	-
	Tokio Marine Nawa Insurance	Taipei, Taiwan	Property insurance	58,070	58,070	5,807	1.94	185,430	860,719	-	-
	Empower	Taichung, Taiwan	Retail of cars and related parts	48,843	48,843	8,100	27.00	104,402	10,648	-	-
	Yu Rich	Taipei, Taiwan	Installment loans of consumer goods and wholesale of cars and parts	1,160,662	1,160,662	138,209	100.00	2,155,384	481,496	-	-

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2020			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note	
				December 31, 2020	December 31, 2019	Shares	Percentage of Ownership	Carrying Value				
Shinshin	Yulon Finance Philippines Investment (Samoa) Co., Ltd.	Samoa	Shareholding company	\$ 437,490	\$ 437,490	15,000	100.00	\$ 264,695	\$ (147,846)	\$ -	-	
	Sin Gan	Taipei, Taiwan	Wholesale and retail of information software	315,157	315,157	21,004	73.26	341,489	116,541	-	-	
YES Energy Service	Shinshin Samoa	Samoa	Shareholding company	389,077	389,077	12,000	100.00	(32,547)	(226,022)	-	-	
	YES Energy Service	New Taipei City, Taiwan	Energy Technical Services	246,407	131,407	29,000	100.00	215,314	(8,407)	-	-	
Car-plus Corporation	Power Engineering	New Taipei City, Taiwan	Wholesale and retail sale of batteries	2,000	2,000	200	100.00	(10,714)	2,621	-	-	
Da-Wei	Diamond Leasing	Taipei, Taiwan	Car lease and trade	85,000	85,000	8,500	100.00	110,727	15,927	-	-	
	Car-Plus Samoa	Samoa	Shareholding company	941,992	563,071	31,200	100.00	790,208	(243,120)	-	-	
Da-Wei	Da-Wei	Taipei, Taiwan	brokerage of electric vehicles	40,000	20,000	4,000	100.00	43,418	(2,100)	-	-	
	Hong Shou Culture	Taipei, Taiwan	Publication	11,881	11,881	4,050	100.00	15,361	4,865	-	-	
	Da Teng	Taipei, Taiwan	Taxi service	7,028	7,028	600	100.00	7,587	(2,645)	-	-	
	Da-Chuan	Taipei, Taiwan	Taxi service	1,125	1,125	300	100.00	2,112	(244)	-	-	
	Da-Mu	Taipei, Taiwan	Taxi service	1,575	1,575	600	100.00	2,286	219	-	-	
	Da-Chung	Taipei, Taiwan	Taxi service	900	900	300	100.00	1,766	158	-	-	
	Yong-Xiang	Taipei, Taiwan	Taxi service	3,810	-	300	100.00	3,868	58	-	-	
	Guo-Ma	Taipei, Taiwan	Taxi service	2,286	-	400	100.00	2,318	32	-	-	
	Jin-Yu	Taipei, Taiwan	Taxi service	3,048	-	300	100.00	3,181	133	-	-	
	Zhong-Xing	Taipei, Taiwan	Taxi service	3,810	-	350	100.00	3,910	100	-	-	
	Li-Yang	Taipei, Taiwan	Taxi service	5,381	-	900	100.00	5,454	73	-	-	
	He-Yang	Taipei, Taiwan	Taxi service	2,032	-	600	100.00	2,050	18	-	-	
	Jia-Yu	Taipei, Taiwan	Taxi service	1,778	-	300	100.00	1,805	27	-	-	
	Tian-Yang	Taipei, Taiwan	Taxi service	2,159	-	600	100.00	2,213	54	-	-	
	Diamond Leasing	H. K. Manpower	Taipei, Taiwan	Temporary labor services	10,000	10,000	1,000	100.00	20,371	4,594	-	-
	Sin Jang	Sinjang International Investment (Samoa) Co., Ltd.	Samoa	Shareholding company	42,790	42,790	1,337	71.34	22,734	546	-	-
Car-Plus Samoa	Car-Plus China	Samoa	Shareholding company	193,004	193,004	6,000	60.00	363,135	(13,467)	-	-	
	Car-Plus Shanghai	Samoa	Shareholding company	185,183	185,183	6,000	60.00	246,871	32,464	-	-	
	Car-Plus Hangzhou Investment (Samoa) Co., Ltd.	Samoa	Shareholding company	563,805	184,884	19,200	60.00	180,060	(424,217)	-	-	
TAC Global	Car-Plus China	Samoa	Shareholding company	128,647	128,647	4,000	40.00	242,090	(13,467)	-	-	
	Car-Plus Shanghai	Samoa	Shareholding company	123,455	123,455	4,000	40.00	164,581	32,464	-	-	
	Car-Plus Hangzhou Investment (Samoa) Co., Ltd.	Samoa	Shareholding company	375,906	123,160	12,800	40.00	120,040	(424,217)	-	-	
	Yu Rong International	Samoa	Shareholding company	2,698,460	2,698,460	87,496	100.00	3,841,319	250,607	-	-	
Yulon Finance Philippines Investment (Samoa) Co., Ltd.	Sinjang International Investment (Samoa) Co., Ltd.	Samoa	Shareholding company	16,220	16,220	537	28.66	9,133	546	-	-	
	Yulon Finance Philippines Corporation	Samoa	Shareholding company	437,490	437,490	15,000	100.00	264,695	(147,846)	-	-	
Yulon Finance Philippines Corporation	Yulon Finance Philippines Corporation	Philippine	Financing and leasing of cars and commercial vehicles, and car purchases and loans to car dealers for car purchases	437,490	437,490	7,500	100.00	264,695	(147,846)	-	-	
Singan	Hsiang Shuo	New Taipei City, Taiwan	Towing	128,400	128,400	10,000	100.00	236,438	71,546	-	-	
	Singgual	New Taipei City, Taiwan	Sale of cars and parts	130,591	130,591	13,000	100.00	174,788	5,036	-	-	
	Sin Jang	Taipei, Taiwan	Sale and brokerage of secondhand vehicles	518,754	518,754	42,824	100.00	539,926	77,964	-	-	
	Ching-Tong	Tainan, Taiwan	Sales maintenance and repair of cars and parts	75,578	75,578	6,746	100.00	33,525	(19,964)	-	-	
	Hong Shou Culture	Taipei, Taiwan	Publication	-	-	-	-	-	-	-	-	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2020			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2020	December 31, 2019	Shares	Percentage of Ownership	Carrying Value			
Yu Pong	China Motor	Taoyuan, Taiwan	Manufacturing and sales of cars	\$ 35,269	\$ 35,269	454	0.08	\$ 22,975	\$ 3,277,320	\$ -	-
	Yu Ching	Taipei, Taiwan	Import and export and sale of cars and parts	682,685	682,685	48,461	40.00	584,238	88,545	-	-
Yue Sheng	Y-Teks	Taoyuan, Taiwan	Manufacturing and furnishing, cars and the import and export of, and serving as sales agent for, car parts	25,510	25,510	212	11.99	112,403	83,931	-	-
Yung Hong	China Motor	Taoyuan, Taiwan	Manufacturing and sales of cars	193,869	193,869	3,998	0.72	29,730	3,277,320	-	-
Yu Ching	Tokio Marine Newa Insurance	Taipei, Taiwan	Property insurance	55,467	55,467	3,500	1.17	112,161	860,719	-	-
	Yulon Nissan	Miaoli, Taiwan	Sales of cars	336,923	336,923	3,500	1.17	248,679	6,540,938	-	-
	Chinh-Ling	Taipei, Taiwan	Product design	36,098	36,098	5,000	100.00	-	13	-	-
	Yulon Management	New Taipei City, Taiwan	Investment advisor and temporary labor services	9	9	1	0.01	9	5,176	-	-
Yueki	China Motor	Taoyuan, Taiwan	Manufacturing and sales of cars	243	243	11	-	583	3,277,320	-	-
	Uni-calsonic	Miaoli, Taiwan	Production and sales of various kinds of radiators, heat transfer apparatus, geysers, water tank and car parts	17,328	17,328	800	4.10	17,328	(6,256)	-	-
	Yue Ki Samoa	Samoa	Investment	123,058	123,058	4,126	100.00	448,493	(2,108)	-	-
	Yue Ki HK	Hong Kong	Investment	330,094	330,094	10,600	100.00	37,179	(10,237)	-	-
Yu Chang	Tian Wang	Kaohsiung, Taiwan	Secondhand cars and car related products	17,000	17,000	1,700	100.00	28,715	7,442	-	-
Yushin	Yu Pool	Miaoli, Taiwan	Supply of and providing services on information software and retail trade of spare parts of vehicles	7,000	7,000	1,000	100.00	51,352	6,727	-	-
	Luxgen Taoyuan	Taoyuan, Taiwan	Sales, maintenance and repair of cars and related products	12,250	12,250	2,100	20.00	18,028	15,425	-	-
	Yu Shin Investment	Samoa	Investment	98,111	46,331	350	100.00	58,505	(17,005)	-	-
Empower	Chunmin	Taichung, Taiwan	Comprehensive retail of car parts	8,000	8,000	800	100.00	11,367	190	-	-
	Hong Yen	Samoa	Investment	47,082	47,082	4,576	100.00	41,830	(11,646)	-	-
	Yu Ming Insurance	Taichung, Taiwan	Property insurance	5,000	5,000	500	100.00	4,590	(339)	-	-
	Minxiang Leasing Company	Taichung, Taiwan	Lease of cars and related services	30,000	-	3,000	100.00	30,004	-	-	-
Sin Chi	Yulon Nissan	Miaoli, Taiwan	Sales of cars	311,853	311,853	3,050	1.02	216,528	6,540,938	-	-
	Yu Chia	Taipei, Taiwan	Sales, maintenance and repair of heavy vehicles and related products	84,000	84,000	50,000	100.00	29,146	154	-	-
	Yulon TOBE	New Taipei City, Taiwan	Sale, maintenance and repair of cars and parts	27,996	27,996	28,080	100.00	220,235	(420)	-	-
Yu Sing	Ding Long	Taipei, Taiwan	Sales, maintenance and repair of cars and parts	37,790	37,790	3,779	37.79	27,944	(12,878)	-	-
	Kuen You Trading	New Taipei City, Taiwan	Sale, maintenance and repair of cars and parts	10,000	10,000	1,000	100.00	13,811	1,603	-	-
Y-Teks	Yu-Hsin Intl	B.V.I.	Investments	65,854	65,854	3,347	66.67	928,291	90,054	-	-
	China Motor	Taoyuan, Taiwan	Manufacturing and sales of cars	265	265	11	-	572	3,277,320	-	-
Yu-Hsin Intl	Yu-Hsin Intl HK	Hong Kong	Investments	311,194	311,194	12,391	100.00	320,473	(24,806)	-	-
Union & NKH Auto Parts	China Motor	Taoyuan, Taiwan	Manufacturing and sales of cars	256	256	26	-	1,295	3,277,320	-	-
	Uni Investment	B.V.I.	Investments	289,287	289,287	8,403	100.00	1,895,272	4,245	-	-
Luxgen	Luxgen Taipei	Taipei, Taiwan	Repair, wholesale and retail of cars and parts	184,999	184,999	18,500	99.99	132,047	(49,538)	-	-
	Luxgen Taoyuan	Taoyuan, Taiwan	Repair, wholesale and retail of cars and parts	44,329	44,329	6,299	59.99	53,710	15,425	-	-
	Luxgen Taichung	Taichung, Taiwan	Repair, wholesale and retail of cars and parts	103,599	103,599	10,360	97.73	116,049	13,131	-	-
	Luxgen Tainan	Tainan, Taiwan	Repair, wholesale and retail of cars and parts	98,897	98,897	9,890	94.18	102,498	5,753	-	-
	Luxgen Kaohsiung	Kaohsiung, Taiwan	Repair, wholesale and retail of cars and parts	65,998	65,998	6,600	92.94	50,034	(16,681)	-	-
	Luxgen Overseas Holdings	Singapore	Investments	-	1,300,595	-	-	-	4,388	-	-
	Singan	New Taipei City, Taiwan	Wholesale and retail of information software	81,191	81,191	5,670	19.78	92,182	116,541	-	-
	Haitec	New Taipei City, Taiwan	Product design	5,227,000	-	522,700	41.15	-	(3,873,434)	-	-
Yulon Construction	China Motor	Taoyuan, Taiwan	Manufacturing and sales of cars	1,497	1,497	13	-	1,496	3,277,320	-	-
	Yufong Property Management	New Taipei City, Taiwan	Construction greening industry	24,990	24,990	2,499	99.96	49,542	6,090	-	-

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2020			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2020	December 31, 2019	Shares	Percentage of Ownership	Carrying Value			
Haitec	SinYi Co., Ltd.	New Taipei City, Taiwan	Wholesale and retail of cars and parts	\$ 500	\$ 500	50	100.00	\$ 8,896	\$ (785)	\$ -	-
	Hua-Chung Overseas Investment Co., Ltd.	B.V.I.	Investments	490,393	490,393	5,465	100.00	(398,033)	(108,920)	-	-
	Foxtron Vehicle Technologies Corporation	New Taipei City, Taiwan	Product design	7,542,000	-	754,200	49.00	7,431,785	(223,010)	-	-
Hua-Chung Overseas Investment Co., Ltd.	Haitec China Investment	Hong Kong	Investments	461,709	461,709	6,328	100.00	(398,320)	(127,818)	-	-
	Haitec Japan	Japan	Product design of cars	-	28,608	-	-	-	19,208	-	-
Yulon Overseas	Yulon Philippines	Cayman	Investments	1,017,726	1,071,328	35,741	100.00	97,375	1,617	-	-
	Yulon China	B.V.I.	Investments	30,221,151	23,211,593	1,050,171	100.00	7,961,705	2,620,017	-	-
Yulon Philippines	UMPI & SCIC NPI	Philippine	Manufacturing of cars and factory lease	831,445	875,236	10,914	100.00	95,118	2,421	-	-
			Sale, maintenance and repair of cars and parts	66,990	70,518	12	24.50	-	(2,433)	-	-
Yulon China	Qing Yi	Samoa	Investments	436,427	919,606	-	100.00	78,097	(17,266)	-	-
	Wen Yang	Samoa	Investments	844,432	482,678	31,450	100.00	784,834	(20,158)	-	-
	Tai Xin	Samoa	Investments	-	726,152	-	-	-	1,271	-	-
	Yulon China (Hong Kong) Investment Limited	Hong Kong	Investments	7,754,130	8,162,529	-	100.00	14,926	14,298	-	-
	Yulon China Holding	Cayman	Investments	20,439,529	12,844,035	702,043	100.00	6,284,898	2,582,206	-	-
	Feng Hua	Hong Kong	Investments	79,744	83,944	-	40.00	142,037	27,953	-	-
Yulon China Holding	Yulon China (HK) Holding	Hong Kong	Investments	20,439,529	12,844,035	-	100.00	6,284,893	2,582,206	-	-

(Concluded)

TABLE 10

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

INVESTMENT IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	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	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2020	Accumulated Repatriation of Investment Income as of December 31, 2020	Note
					Outward	Inward							
Xiamen Young Chang	Cars, electronics, textiles and related business investment consulting services; advanced technology, products and equipment import consulting	\$ 67,539	b.	\$ 55,763	\$ -	\$ -	\$ 55,763	\$ (50,746)	100.00	\$ (50,746)	\$ 491,891	\$ -	2, b.
Ke Yu	Computer software maintenance and computer system integration	785,798	b.	723,154	-	-	723,154	1,400	100.00	1,400	655,665	-	2, b.
Tai Feng	Computer software maintenance and computer system integration	498,520	b.	445,203	-	-	445,203	(1,186)	100.00	(1,186)	358,953	-	2, b.
Qing Tai	Computer software maintenance and computer system integration	524,934	b.	460,193	-	-	460,193	(20,330)	100.00	(20,330)	369,058	-	2, b.
Dongfeng Yulon	Manufacturing of key car components, electric cars and related parts	15,466,923	b.	7,969,003	-	-	7,969,003	(6,818,549)	50.00	-	-	-	2, c.
Su Zhou Chen Long	Sale, maintenance and repair of cars and parts	192,743	b.	83,944	-	-	83,944	27,954	40.00	11,181	355,094	-	2, b.
Yulon Motor Investment	Investment, shareholding and related business	8,247,492	b.	1,745,943	-	-	1,745,943	3,218,531	100.00	3,218,531	5,552,817	-	2, b.
LUXGEN (Hangzhou) Motor Sales	Sales of cars and car parts	12,862,466	b.	7,031,809	5,897,000	-	12,928,809	(594,813)	100.00	(470,669)	227,205	-	2, a.
Yulon Motor Finance (China)	Car purchases and loans to car dealers for car purchases	4,364,800	a.	2,191,725	-	-	2,191,725	(89,115)	73.42	(339,976)	3,205,745	-	2, b.
Hang Zhou Jian Tai	Tailpipe, catalyzer assembling, chassis, connection arms, crossrails of engines and other stamping and welding parts	139,641	b.	2,998	-	-	2,998	-	-	-	-	-	-
Hang Zhou Chun Yu	Tire monitors, blue tooth communication device, keyless entry system	59,650	b.	2,998	-	-	2,998	-	-	-	-	-	-
Hang Zhou Xian Bo	Manufacturing and design of fixtures and jigs of vehicles, mechanical and electrical products; inner and external fittings and furnishing	75,016	b.	2,998	-	-	2,998	-	-	-	-	-	-
Hang Zhou Yong Ren	Manufacturing of machinery, car accessory and seat parts	109,068	b.	2,249	-	-	2,249	2,003	2.59	-	2,136	-	-
Hang Zhou Yo Zhan	Manufacturing of car models and related parts, fixtures and jigs, stamping, and related metal products	346,126	b.	2,998	-	-	2,998	-	2.10	-	-	-	-
Hang Zhou Haitec Company	Product design	449,428	b.	-	-	-	-	(132,085)	100.00	(132,085)	(411,813)	-	2, a.

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	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	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2020	Accumulated Repatriation of Investment Income as of December 31, 2020	Note
					Outward	Inward							
Fujian Spicer	Production of car key parts, drive axle assemblies and parts	\$ 893,937	a.	\$ 228,152	\$ -	\$ -	\$ 228,152	\$ 255,856	20.50	\$ 52,451	\$ 274,846	\$ -	2, c.
Shenyang Spicer	Manufacturing and sales of automotive drive shafts, mechanical drive shafts and parts	375,053	a.	55,124	-	-	55,124	(12,413)	14.30	(1,775)	342,301	-	2, c.
Hui Zhou Deng Feng Yi Jing	Manufacturing of car parts	654,720	b.	-	-	-	-	(3,962)	22.30	(884)	434,008	-	2, c.
Hangchow Yue Wan	Manufacturing of car parts	591,789	b.	267,362	-	-	267,362	(18,317)	80.75	(14,791)	41,053	-	2, c.
Hangchow Y-Teks	Manufacturing and sales of car interior furnishing and related business	305,061	b.	44,327	-	-	44,327	(21,935)	33.39	(7,324)	26,956	-	2, c.
Changzhou Y-TEKS	Manufacturing and sales of car interior furnishing and related business	50,825	b.	-	-	-	-	(7,344)	14.82	(1,088)	65,541	-	2, c.
Liu Zhou Yu Xin Fang Sheng	Manufacturing and sales of car interior furnishing and related business	142,400	b.	-	-	-	-	34,713	5.00	1,736	132,606	-	2, c.
Guang Zhou He Xi	Manufacturing and sales of car interior furnishing and related business	400,738	b.	-	-	-	-	593,722	6.00	35,623	917,456	-	2, c.
Fuzhou Lianghong	Manufacturing of car seats	453,783	b.	-	-	-	-	38,451	16.67	6,410	509,240	-	2, c.
Hangchow Liangrun	Manufacturing of car seats	647,067	b.	142,431	-	-	142,431	(29,524)	40.38	(11,922)	8,322	-	2, c.
Guang Zhou Ri Zheng Spring	Manufacturing of vibration damper springs	761,840	b.	-	-	-	-	24,099	10.00	2,410	1,248,236	-	2, c.
Yu-Jie	Construction industry	2,182,400	a.	-	-	-	-	1,800	100.00	1,800	2,015,423	-	2, b.
Car-Plus (Suzhou)	Lease of cars and related services	284,800	b.	-	-	-	-	(13,454)	39.20	(5,274)	604,141	-	2, b.
Car-Plus Leasing (Shanghai)	Lease of cars and related services	284,800	b.	-	-	-	-	32,480	39.20	12,731	411,448	-	2, b.
Car-Plus Go Co., Ltd.	Lease of cars and related services	911,360	b.	-	-	-	-	(424,218)	37.12	(157,476)	300,100	-	2, b.
TAC Leasing (Suzhou)	Equipment and cars leasing business	2,150,126	b.	-	-	-	-	476,627	45.75	218,057	3,912,432	-	2, a.
TAC Finance Company	Equipment and cars leasing business	854,400	b.	-	-	-	-	(563,770)	56.60	(319,094)	(117,506)	-	2, b.
Zhe Jiang Cheng Yi Company	Equipment and cars leasing business	87,296	b.	-	-	-	-	(31,955)	56.60	(18,087)	18,182	-	2, c.
Hangzhou Cheng-Yi-Jun	Secondhand vehicle consulting service and vehicle agent	6,547	b.	-	-	-	-	(3,138)	56.60	(1,776)	2,538	-	2, c.
Zhejiang Cheng-Yi Auction	Secondhand vehicle authenticate and evaluation service	8,730	b.	-	-	-	-	(873)	56.60	(494)	3,277	-	2, c.
Su Zhou Yu Guo	Car purchases and loans to car dealers for car purchases	-	b.	-	-	-	-	(1,276)	-	-	-	-	2, c.
Shanghai Yu Guo	Sales of cars	8,730	b.	-	-	-	-	(261)	56.60	(148)	4,944	-	2, c.
Hefei YuGuo	Sales of cars	-	b.	-	-	-	-	(119)	-	(24)	-	-	2, c.

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	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	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2020	Accumulated Repatriation of Investment Income as of December 31, 2020	Note
					Outward	Inward							
Qingdao YuGuo	Sales of cars	\$ -	b.	\$ -	\$ -	\$ -	\$ -	\$ (253)	-	\$ (51)	\$ -	\$ -	2, c.
Master Good Car (Wuhan)	Sales of cars	8,730	b.	-	-	-	-	(11,631)	56.60	(6,583)	(12,028)	-	2, c.
Genwise	Sales of car parts	49,231	b.	-	-	-	-	(15,464)	53.30	(8,242)	25,824	-	2, c.
Dong Yu Tech. Company	Sales of car parts	65,472	b.	-	-	-	-	-	42.99	-	18,112	-	2, c.
Fu Jian Yu Xin	Sales of cars	229,483	b.	-	-	-	-	(15,897)	100.00	(15,897)	24,411	-	2, b.
Ning Bo Yu Cheng	Sales of cars	197,620	b.	-	-	-	-	(15,238)	100.00	(15,238)	14,954	-	2, b.
Shanghai Yuming	Sales of cars	325,177	b.	-	-	-	-	(60,253)	66.99	(40,361)	(31,097)	-	2, b.
Ka Shing Yu Da	Sales of cars	81,164	b.	-	-	-	-	(31,731)	66.99	(21,255)	(20,266)	-	2, b.
Dong Feng Yulon Sales Company	Sales of cars and car parts	-	b.	-	-	-	-	(1,298)	50.00	(649)	-	-	2, b.
Chuang Jie New Energy Vehicle	Manufacturing of key car components, electric cars and related parts	3,448,192	b.	3,432,301	-	-	3,432,301	(573,192)	100.00	(573,192)	2,842,148	-	2, b.
Sheng Qing	Investments	5,410,916	b.	469,733	2,610,874	-	3,080,606	(231,634)	100.00	(231,634)	4,043,078	-	2, b.
Mei De	Computer software maintenance and computer system integration	356,991	b.	-	-	-	-	1,726	100.00	1,726	321,782	-	2, b.
Shi Cheng	Computer software maintenance and computer system integration	325,229	b.	-	-	-	-	(19,850)	100.00	(19,850)	152,111	-	2, b.
Jin Ce	Computer software maintenance and computer system integration	88,328	b.	-	-	-	-	(1,537)	100.00	(1,537)	70,570	-	2, b.
Yi Ding	Computer software maintenance and computer system integration	247,874	b.	-	-	-	-	(2,326)	100.00	(2,326)	183,540	-	2, b.
Dong Tai	Investments	331,381	b.	-	-	-	-	(22,060)	100.00	(22,060)	154,811	-	2, b.
Gao Te	Investments	260,447	b.	-	-	-	-	(2,639)	100.00	(2,639)	207,816	-	2, b.
Shen Jun Yu Peng	Sales of cars	-	b.	-	-	-	-	111	65.00	72	-	-	2, b.
Su Zhou Feng Shen	Sales of cars	215,542	b.	-	-	-	-	150,845	40.00	60,338	330,097	-	2, b.
Guang Zhou Yuan Du	Sales of cars	157,166	b.	-	-	-	-	(35,259)	51.00	(17,982)	63,252	-	2, b.
Zhu Hai Fu Te En	Sales of cars	154,269	b.	-	-	-	-	848	100.00	848	242,534	-	2, b.
Nanjing Hanhong	Sales of cars	581,720	b.	-	-	-	-	(93,050)	100.00	(93,050)	285,894	-	2, b.
Wuhan Yu Hsin	Sales of cars	439,999	b.	-	-	-	-	34,441	100.00	34,441	393,718	-	2, b.
HangZhou Yu Zhong	Trading	44,904	b.	-	-	-	-	728	100.00	728	67,899	-	2, b.
Jiangmen Junxing	Sales of cars	90,717	b.	-	-	-	-	(21,739)	60.00	(13,043)	12,610	-	2, b.
Jiangmen Yuli	Sales of cars	45,813	b.	-	-	-	-	(12,424)	60.00	(7,454)	11,706	-	2, b.

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	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	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2020	Accumulated Repatriation of Investment Income as of December 31, 2020	Note
					Outward	Inward							
He-Shan Li-Sheng	Sales of cars	\$ -	b.	\$ -	\$ -	\$ -	\$ -	\$ (51)	60.00	\$ (31)	\$ -	\$ -	2, b.
Guang Zhou Yuan Zhi	Sales of cars	-	b.	-	-	-	-	(8,317)	51.00	(4,242)	-	-	2, b.
Qingdao Yuanhuang	Sales of cars	222,010	b.	-	-	-	-	(23,157)	51.00	(11,810)	(28,518)	-	2, b.
Hang Zhou Hua Zhi	Sales of cars	89,809	b.	-	-	-	-	(107,286)	80.00	(85,829)	(213,378)	-	2, b.
Chang Sha Yu Lu	Sales of cars	141,314	b.	-	-	-	-	(47,487)	100.00	(47,487)	4,697	-	2, b.
Hang Zhou Tang Yu	Investments	44,904	b.	-	-	-	-	(46)	100.00	(46)	42,845	-	2, b.
Hang Zhou Chien Yu	Investments	44,904	b.	-	-	-	-	(69)	100.00	(69)	39,178	-	2, b.
Zhuhai Yuhsin	Sales of cars	22,452	b.	-	-	-	-	(14,912)	100.00	(14,912)	12,431	-	2, b.
Shenzhen Yu Zhi	Sales of cars	88,552	b.	-	-	-	-	(10,120)	100.00	(10,120)	11,073	-	2, b.
Xiao Gan Yu Feng	Sales of cars	141,684	b.	-	-	-	-	28,137	100.00	28,137	224,831	-	2, b.
Su Zhou Feng Shun	Sales of cars	112,898	b.	-	-	-	-	71,898	40.00	28,759	241,909	-	2, b.
Suzhou Yueshun	Sales of cars	44,904	b.	-	-	-	-	(4,921)	40.00	(1,968)	34,159	-	2, b.
Su Chou Cheng Pin	Sales of cars	181,435	b.	-	-	-	-	5,816	40.00	2,326	192,951	-	2, b.
Wu Jiang Lian Cheng	Sales of cars	44,904	b.	-	-	-	-	23,872	40.00	9,549	85,016	-	2, b.
Su Zhou Cheng Li	Sales of cars	67,811	b.	-	-	-	-	6,698	40.00	2,679	53,517	-	2, b.
Hang Zhou hsiao Yu	Investments	44,904	b.	-	-	-	-	(39)	99.00	(38)	39,116	-	2, b.
Nan Jing Yu Shang	Sales of cars	35,924	b.	-	-	-	-	(48,656)	100.00	(48,656)	5,718	-	2, b.
Hang Zhou Hua You	Sales of cars	35,924	b.	-	-	-	-	(43,517)	80.00	(34,813)	(219,641)	-	2, b.
Su Zhou Cheng Pang	Sales of cars	44,904	b.	-	-	-	-	10,056	40.00	4,022	58,236	-	2, b.
Nan Jing Yu Hua	Sales of cars	134,714	b.	-	-	-	-	(29,683)	100.00	(29,683)	130,529	-	2, b.
Su Zhou Cheng Guo	Sales of cars	89,461	b.	-	-	-	-	(8,861)	40.00	(3,544)	37,917	-	2, b.
Su Zhou Cheng Hung	Sales of cars	45,813	b.	-	-	-	-	844	40.00	337	42,941	-	2, b.
Tai Chang Cheng Mau	Sales of cars	45,813	b.	-	-	-	-	12,321	40.00	4,929	73,975	-	2, b.
An Hui Min Tung	Sales of cars	45,813	b.	-	-	-	-	(28,454)	100.00	(28,454)	23,557	-	2, b.
An Ching Tsai Tung	Sales of cars	120,752	b.	-	-	-	-	(6,565)	100.00	(6,565)	(150)	-	2, b.
An Ching Ling Tung	Sales of cars	-	b.	-	-	-	-	6,034	100.00	6,034	-	-	2, b.
Tung Ling Kuo Tung	Sales of cars	74,904	b.	-	-	-	-	(7,880)	100.00	(7,880)	38,694	-	2, b.
Ho Fei Chun Hui	Sales of cars	-	b.	-	-	-	-	(1,546)	100.00	(1,546)	-	-	2, b.

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	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	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2020	Accumulated Repatriation of Investment Income as of December 31, 2020	Note
					Outward	Inward							
Zi Bo Yu An	Sales of cars	\$ 68,475	b.	\$ -	\$ -	\$ -	\$ -	\$ (7,174)	100.00	\$ (7,174)	\$ (2,113)	\$ -	2, b.
Fu Zhou Yu Xin	Sales of cars	51,912	b.	-	-	-	-	(9,189)	100.00	(9,189)	42,825	-	2, b.

Accumulated Investment in Mainland China as of December 31, 2020	Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2020	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Yulon Motor Company Ltd.	\$33,868,281	\$35,674,593	\$38,925,192

Note 1: Method of investment have following type:

- a. Direct investment in Mainland China.
- b. Indirect investment in the Company of Mainland China through a third place.
- c. Other

Note 2: a. If it is in preparation, there is no investment gains and losses, should be noted.

- b. The amounts of investment gain (loss) was recognized on following bases:
 - 1) Based on the financial statements audited by a ROC CPA firm cooperating with an international CPA firm
 - 2) Based on the financial statements audited by the auditor of parent company.
 - 3) Other

Note 3: The upper limit on investment was calculated in accordance with the regulations of the Investment Commission of the Ministry of Economic Affairs for 60% of the net equity or consolidated net equity.

(Concluded)

TABLE 11

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

**BUSINESS RELATIONSHIP AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars)**

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
0	The Company	Luxgen	1	Notes and trade receivables, net	\$ 59,931	Based on regular terms	-
		Luxgen	1	Other receivables from related parties	87,522	Based on regular terms	-
		YFC	1	Operating revenue, net	14,836	Based on regular terms	-
		Yu Ching	1	Operating revenue, net	13,389	Based on regular terms	-
		Yulon Construction	1	Operating revenue, net	65,404	Based on regular terms	-
		Yu Sing	1	Operating revenue, net	17,302	Based on regular terms	-
		Haitec	1	Operating revenue, net	71,195	Based on regular terms	-
		Luxgen	1	Operating revenue, net	3,785,338	Based on regular terms	5
		Luxgen Taipei	1	Operating revenue, net	16,098	Based on regular terms	-
		Luxgen	1	Nonoperating revenue and expense	19,224	Based on regular terms	-
		Yushin	1	Operating revenue, net	1,940,921	Based on regular terms	2
		Yu Sing	1	Operating revenue, net	2,919,978	Based on regular terms	4
		Yu Chang	1	Operating revenue, net	3,251,083	Based on regular terms	4
		Empower	1	Operating revenue, net	2,321,610	Based on regular terms	3
		Yushin	1	Operating revenue, net	25,729	Based on regular terms	-
		Yu Sing	1	Operating revenue, net	56,862	Based on regular terms	-
		Yu Chang	1	Operating revenue, net	86,821	Based on regular terms	-
		Empower	1	Operating revenue, net	28,504	Based on regular terms	-
		YFC	1	Operating revenue, net	66,739	Based on regular terms	-
		The Company	1	Unrealized gain on transactions with associates	40,617	Based on regular terms	-
		Yushin	1	Operating revenue, net	205,468	Based on regular terms	-
		Yu Sing	1	Operating revenue, net	260,152	Based on regular terms	-
		Yu Chang	1	Operating revenue, net	295,364	Based on regular terms	-
		Empower	1	Operating revenue, net	261,040	Based on regular terms	-
		Singan	1	Operating revenue, net	55,524	Based on regular terms	-
		Yushin	1	Operating revenue, net	13,389	Based on regular terms	-
		Yu Sing	1	Operating revenue, net	18,061	Based on regular terms	-
		Yu Chang	1	Operating revenue, net	33,971	Based on regular terms	-
		Empower	1	Operating revenue, net	17,565	Based on regular terms	-
		The Company	1	Long term investment	15,381	Based on regular terms	-
The Company	1	Unrealized gain on transactions with associates	15,381	Based on regular terms	-		
The Company	1	Unrealized gain on transactions with associates	13,610	Based on regular terms	-		
1	YFC	Yu Chang	3	Notes and trade receivables, net	11,203	Based on regular terms	-
		Yu Sing	3	Notes and trade receivables, net	13,448	Based on regular terms	-
		Luxgen Taipei	3	Notes and trade receivables, net	29,652	Based on regular terms	-
		Shinshin	3	Other receivables from related parties	23,276	Based on regular terms	-
		Yu Rich	3	Other receivables from related parties	16,975	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
1	YFC	Yu Chang	3	Operating revenue, net	\$ 14,927	Based on regular terms	-
		Empower	3	Operating revenue, net	11,182	Based on regular terms	-
		Yu Rich	3	Operating revenue, net	14,970	Based on regular terms	-
		Hsiang Shuo	3	Operating revenue, net	16,438	Based on regular terms	-
		Luxgen	3	Operating revenue, net	12,233	Based on regular terms	-
		Sin Jang	3	Operating revenue, net	56,968	Based on regular terms	-
2	Yue Sheng	The Company	2	Notes and trade receivables, net	37,916	Based on regular terms	-
		The Company	2	Operating revenue, net	185,464	Based on regular terms	-
		Singual	3	Operating revenue, net	10,728	Based on regular terms	-
3	Yueki	The Company	2	Notes and trade receivables, net	86,182	Based on regular terms	-
		Hangchow Yue Wan	3	Notes and trade receivables, net	131,616	Based on regular terms	-
		Hangchow Yue Wan	3	Other receivables from related parties	58,162	Based on regular terms	-
		The Company	2	Operating revenue, net	414,402	Based on regular terms	1
		Shinshin	3	Operating revenue, net	22,588	Based on regular terms	-
		Luxgen	3	Operating revenue, net	49,841	Based on regular terms	-
4	Yu Chang	YFC	3	Notes and trade receivables, net	29,383	Based on regular terms	-
		Tian Wang	3	Operating revenue, net	32,982	Based on regular terms	-
		Car-plus Corporation	3	Operating revenue, net	43,108	Based on regular terms	-
5	Singan	The Company	2	Notes and trade receivables, net	39,541	Based on regular terms	-
		The Company	2	Operating revenue, net	104,528	Based on regular terms	-
		YFC	3	Operating revenue, net	12,804	Based on regular terms	-
		Hsiang Shuo	3	Nonoperating revenue and expense	13,508	Based on regular terms	-
		Sin Jang	3	Nonoperating revenue and expense	13,913	Based on regular terms	-
6	Singual	The Company	2	Notes and trade receivables, net	22,460	Based on regular terms	-
		Luxgen	3	Notes and trade receivables, net	17,743	Based on regular terms	-
		Singan	3	Other receivables from related parties	20,135	Based on regular terms	-
		Ching-Tong	3	Other receivables from related parties	10,057	Based on regular terms	-
		The Company	2	Operating revenue, net	114,982	Based on regular terms	-
		Luxgen	3	Operating revenue, net	16,461	Based on regular terms	-
		Luxgen Taipei	3	Operating revenue, net	18,108	Based on regular terms	-
		Luxgen Taoyuan	3	Operating revenue, net	10,954	Based on regular terms	-
		Luxgen Taichung	3	Operating revenue, net	12,947	Based on regular terms	-
7	Yu Pool	Yushin	3	Notes and trade receivables, net	18,571	Based on regular terms	-
		Yushin	3	Operating revenue, net	91,453	Based on regular terms	-
8	Yu Sing	Kuen You Trading	3	Notes and trade receivables, net	15,458	Based on regular terms	-
		Car-plus Corporation	3	Operating revenue, net	252,352	Based on regular terms	-
		Kuen You Trading	3	Operating revenue, net	18,553	Based on regular terms	-
		Luxgen Taipei	3	Nonoperating revenue and expense	12,446	Based on regular terms	-
		Kuen You Trading	3	Nonoperating revenue and expense	29,052	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
9	Y-Teks	The Company	2	Notes and trade receivables, net	\$ 49,366	Based on regular terms	-
		The Company	2	Operating revenue, net	229,361	Based on regular terms	-
		Yueki	3	Operating revenue, net	10,129	Based on regular terms	-
10	Union & NKH Auto Parts	The Company	2	Notes and trade receivables, net	181,595	Based on regular terms	-
		Diamond Leasing	3	Other receivables from related parties	21,804	Based on regular terms	-
		Uni Investment	3	Other receivables from related parties	21,603	Based on regular terms	-
		Fuzhou Lianghong	3	Other receivables from related parties	17,350	Based on regular terms	-
		Hangchow Liangrun	3	Other receivables from related parties	201,389	Based on regular terms	-
		The Company	2	Operating revenue, net	782,241	Based on regular terms	1
11	Car-plus Corporation	Diamond Leasing	3	Notes and trade receivables, net	81,341	Based on regular terms	-
		Yu Sing	3	Operating revenue, net	16,098	Based on regular terms	-
		Hsiang Shuo	3	Operating revenue, net	27,380	Based on regular terms	-
12	Nanjing Hanhong	Nan Jing Yu Shang	3	Operating revenue, net	12,824	Based on regular terms	-
13	Luxgen	YFC	3	Notes and trade receivables, net	40,472	Based on regular terms	-
		The Company	2	Other receivables from related parties	21,655	Based on regular terms	-
		YFC	3	Operating revenue, net	3,437,799	Based on regular terms	4
		Luxgen Taipei	3	Operating revenue, net	213,020	Based on regular terms	-
		Luxgen Taoyuan	3	Operating revenue, net	143,207	Based on regular terms	-
		Luxgen Taichung	3	Operating revenue, net	130,642	Based on regular terms	-
		Luxgen Kaohsiung	3	Operating revenue, net	77,992	Based on regular terms	-
		The Company	2	Nonoperating revenue and expense	32,855	Based on regular terms	-
		YFC	3	Nonoperating revenue and expense	16,000	Based on regular terms	-
14	Luxgen Taipei	Luxgen	3	Notes and trade receivables, net	19,927	Based on regular terms	-
		Car-plus Corporation	3	Operating revenue, net	98,035	Based on regular terms	-
		Luxgen	3	Operating revenue, net	41,310	Based on regular terms	-
15	Luxgen Taoyuan	Car-plus Corporation	3	Operating revenue, net	19,506	Based on regular terms	-
		Luxgen	3	Operating revenue, net	19,535	Based on regular terms	-
18	Yulon Motor Investment	Hang Zhou Hua You	3	Other receivables from related parties	97,612	Based on regular terms	-
		Hang Zhou Haitec Company	3	Other receivables from related parties	236,916	Based on regular terms	-
		Sheng Qing	3	Nonoperating revenue and expense	48,853	Based on regular terms	-
20	TAC Finance Company	Master Good Car (Wuhan) Automobile Sales Co., Ltd.	3	Notes and trade receivables, net	28,063	Based on regular terms	-
22	LUXGEN (Hangzhou) Motor Sales	Car-Plus Go Co., Ltd.	3	Notes and trade receivables, net	31,045	Based on regular terms	-
		Luxgen	3	Other receivables from related parties	34,078	Based on regular terms	-
23	Kuen You Trading	Yu Sing	3	Notes and trade receivables, net	13,469	Based on regular terms	-
		Yu Sing	3	Operating revenue, net	145,586	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
24	Chuang Jie	The Company	2	Notes and trade receivables, net	\$ 21,194	Based on regular terms	-
		Hang Zhou Haitec Company	3	Notes and trade receivables, net	100,908	Based on regular terms	-
		The Company	2	Operating revenue, net	37,765	Based on regular terms	-
		Hang Zhou Haitec Company	3	Operating revenue, net	189,751	Based on regular terms	-
25	Yu-Hsin Intl	Yu-Hsin Intl HK	3	Other receivables from related parties	113,920	Based on regular terms	-
26	Yulon China	Wen Yang	3	Other receivables from related parties	603,075	Based on regular terms	-
		Sheng Qing	3	Nonoperating revenue and expense	20,061	Based on regular terms	-
27	Yue Ki Samoa	Yue Ki HK	3	Other receivables from related parties	14,241	Based on regular terms	-
29	Ke Yu	Tai Feng	3	Other receivables from related parties	207,206	Based on regular terms	-
		Yi Ding	3	Other receivables from related parties	21,824	Based on regular terms	-
		Sheng Qing	3	Other receivables from related parties	213,002	Based on regular terms	-
30	Tai Feng	Yi Ding	3	Other receivables from related parties	13,094	Based on regular terms	-
		Dong Tai	3	Other receivables from related parties	21,824	Based on regular terms	-
31	Qing Tai	Shi Cheng	3	Other receivables from related parties	17,459	Based on regular terms	-
		Dong Tai	3	Other receivables from related parties	109,120	Based on regular terms	-
32	Mei De	Shi Cheng	3	Other receivables from related parties	130,944	Based on regular terms	-
33	Jin Ce	Yi Ding	3	Other receivables from related parties	17,459	Based on regular terms	-
34	Sheng Qing	Xiamen Young Chang	3	Other receivables from related parties	167,789	Based on regular terms	-
		Su Zhou Feng Shen	3	Other receivables from related parties	52,378	Based on regular terms	-
		Guang Zhou Yuan Du	3	Other receivables from related parties	26,618	Based on regular terms	-
		Zhu Hai Fu Te En	3	Other receivables from related parties	69,837	Based on regular terms	-
		Nanjing Hanhong	3	Other receivables from related parties	142,710	Based on regular terms	-
		Wuhan Yu Hsin	3	Other receivables from related parties	73,329	Based on regular terms	-
		Jiangmen Junxing	3	Other receivables from related parties	43,873	Based on regular terms	-
		Qingdao Yuanhuang	3	Other receivables from related parties	90,774	Based on regular terms	-
		Hang Zhou Hua Zhi	3	Other receivables from related parties	47,821	Based on regular terms	-
		Xiao Gan Yu Feng	3	Other receivables from related parties	52,146	Based on regular terms	-
		Yulon Motor Investment	3	Other receivables from related parties	893,731	Based on regular terms	-
		Nan Jing Yu Hua	3	Other receivables from related parties	53,797	Based on regular terms	-
		Ka Shing Yu Da	3	Other receivables from related parties	15,755	Based on regular terms	-
		Yu-Jie	3	Other receivables from related parties	174,742	Based on regular terms	-
Hang Zhou Haitec Company	3	Other receivables from related parties	100,880	Based on regular terms	-		
Yulon China	3	Nonoperating revenue and expense	24,183	Based on regular terms	-		
Yulon Motor Investment	3	Nonoperating revenue and expense	45,555	Based on regular terms	-		

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
35	Su Zhou Feng Shen	Su Zhou Feng Shun	3	Other receivables from related parties	\$ 39,283	Based on regular terms	-
		Su Chou Cheng Pin	3	Other receivables from related parties	24,006	Based on regular terms	-
		Su Zhou Cheng Hung	3	Other receivables from related parties	17,459	Based on regular terms	-
		Su Zhou Cheng Guo	3	Other receivables from related parties	21,824	Based on regular terms	-
		Tai Chang Cheng Mau	3	Other receivables from related parties	39,283	Based on regular terms	-
		Su Zhou Cheng Pang	3	Other receivables from related parties	15,277	Based on regular terms	-
36	Guang Zhou Yuan Du	Qingdao Yuanhuang	3	Other receivables from related parties	59,798	Based on regular terms	-
		Guang Zhou Yuan Zhi	3	Other receivables from related parties	12,951	Based on regular terms	-
38	HangZhou Yu Zhong	Hang Zhou hsiao Yu	3	Other receivables from related parties	17,459	Based on regular terms	-
		Hang Zhou Hua You	3	Other receivables from related parties	17,896	Based on regular terms	-
		Yulon Motor Investment	3	Other receivables from related parties	11,785	Based on regular terms	-
39	Hang Zhou Tang Yu	Yulon Motor Investment	3	Other receivables from related parties	38,410	Based on regular terms	-
40	Wu Jiang Lian Cheng	Su Zhou Feng Shen	3	Operating revenue, net	40,117	Based on regular terms	-
		Su Zhou Feng Shun	3	Operating revenue, net	24,613	Based on regular terms	-
		Su Zhou Chen Long	3	Operating revenue, net	24,155	Based on regular terms	-
		Su Chou Cheng Pin	3	Operating revenue, net	11,048	Based on regular terms	-
		Su Zhou Cheng Pang	3	Operating revenue, net	48,250	Based on regular terms	-
		Su Zhou Cheng Guo	3	Operating revenue, net	27,210	Based on regular terms	-
		Tai Chang Cheng Mau	3	Operating revenue, net	10,946	Based on regular terms	-
41	Hsiang Shuo	Singan	3	Other receivables from related parties	90,604	Based on regular terms	-
		YFC	3	Operating revenue, net	15,752	Based on regular terms	-
		Car-plus Corporation	3	Operating revenue, net	17,672	Based on regular terms	-
		Luxgen	3	Operating revenue, net	15,505	Based on regular terms	-
42	Yu-Hsin Intl HK	Hangchow Y-Teks	3	Other receivables from related parties	113,920	Based on regular terms	-
43	Sin Jang	Singan	3	Other receivables from related parties	211,405	Based on regular terms	-
		YFC	3	Operating revenue, net	66,633	Based on regular terms	-
46	Su Zhou Chen Long	Su Zhou Cheng Guo	3	Other receivables from related parties	21,824	Based on regular terms	-
		Tai Chang Cheng Mau	3	Other receivables from related parties	24,006	Based on regular terms	-
		Suzhou Yueshun	3	Operating revenue, net	11,731	Based on regular terms	-
48	Nan Jing Yu Hua	Nanjing Hanhong	3	Other receivables from related parties	118,382	Based on regular terms	-
49	Yulon Construction	The Company	2	Guarantee deposits	40,180	Based on regular terms	-
		The Company	2	Operating revenue, net	32,037	Based on regular terms	-
		Yufong Property Management	3	Operating revenue, net	11,153	Based on regular terms	-
		The Company	2	Nonoperating revenue and expense	12,783	Based on regular terms	-
50	Luxgen Taichung	YFC	3	Other current assets	15,590	Based on regular terms	-
		Car-plus Corporation	3	Operating revenue, net	24,660	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
52	Yu Pong	The Company	2	Operating revenue, net	\$ 20,571	Based on regular terms	-
53	Yushin	Car-plus Corporation Yu Pool	3 3	Operating revenue, net	18,187	Based on regular terms	-
				Nonoperating revenue and expense	14,908	Based on regular terms	-
54	Empower	Yu Chang	3	Operating revenue, net	16,250	Based on regular terms	-
		Car-plus Corporation	3	Operating revenue, net	17,126	Based on regular terms	-
		Luxgen Taichung	3	Operating revenue, net	10,338	Based on regular terms	-
		Minxiang Leasing Company	3	Operating revenue, net	20,190	Based on regular terms	-
55	Tian Wang	Yu Chang	3	Operating revenue, net	107,008	Based on regular terms	-
57	H. K. Manpower	Car-plus Corporation	3	Operating revenue, net	22,351	Based on regular terms	-
59	Luxgen Kaohsiung	Car-plus Corporation Luxgen	3 3	Operating revenue, net	19,300	Based on regular terms	-
				Operating revenue, net	12,879	Based on regular terms	-
60	Hangchow Liangrun	Fuzhou Lianghong	3	Notes and trade receivables, net	31,576	Based on regular terms	-
		Fuzhou Lianghong	3	Other receivables from related parties	22,138	Based on regular terms	-
		Union & NKH Auto Parts	3	Operating revenue, net	14,315	Based on regular terms	-
		Fuzhou Lianghong	3	Operating revenue, net	17,026	Based on regular terms	-
61	Yufong Property Management	The Company	2	Operating revenue, net	15,800	Based on regular terms	-
62	Hangchow Y-Teks	Y-Teks	3	Operating revenue, net	15,941	Based on regular terms	-
		Hang Zhou Haitec Company	3	Operating revenue, net	16,046	Based on regular terms	-
63	Car-Plus (Suzhou)	Car-Plus Go Co., Ltd. TAC Leasing (Suzhou)	3 3	Notes and trade receivables, net	10,144	Based on regular terms	-
				Operating revenue, net	12,208	Based on regular terms	-
65	Suzhou Yueshun	Su Chou Cheng Pin	3	Other receivables from related parties	24,006	Based on regular terms	-
66	Hong Yen	Empower	3	Other receivables from related parties	23,716	Based on regular terms	-
		Shanghai Yuming	3	Other current assets	11,130	Based on regular terms	-
67	Shinshin	Yulon Energy	3	Notes and trade receivables, net	264,219	Based on regular terms	-
		Yulon Energy	3	Other receivables from related parties	206,915	Based on regular terms	-
		Yulon Energy	3	Operating revenue, net	16,172	Based on regular terms	-
68	Fuzhou Lianghong	Hangchow Liangrun	3	Notes and trade receivables, net	18,983	Based on regular terms	-
		Hangchow Liangrun	3	Operating revenue, net	12,344	Based on regular terms	-
69	Su Zhou Feng Shun	Su Zhou Cheng Li	3	Operating revenue, net	19,102	Based on regular terms	-
75	Yu Rich	YFC	3	Operating revenue, net	14,970	Based on regular terms	-
77	Yulon Energy	Shinshin	3	Notes and trade receivables, net	31,744	Based on regular terms	-
		Shinshin	3	Operating revenue, net	46,501	Based on regular terms	-

(Continued)

Number	Company Name	Counterparty	Relationship (Note)	Transaction Details			% to Total Revenue or Assets
				Financial Statement Account	Amount	Transaction Terms	
79	Haitec	Luxgen	3	Notes and trade receivables, net	\$ 59,642	Based on regular terms	-
		Luxgen	3	Operating revenue, net	567,134	Based on regular terms	1
80	Hang Zhou Haitec Company	The Company	2	Notes and trade receivables, net	47,628	Based on regular terms	-
		Haitec	3	Notes and trade receivables, net	30,470	Based on regular terms	-
		The Company	2	Operating revenue, net	396,994	Based on regular terms	-
		Haitec	3	Operating revenue, net	113,816	Based on regular terms	-
		Luxgen	3	Operating revenue, net	315,493	Based on regular terms	-
		Chuang Jie	3	Operating revenue, net	27,547	Based on regular terms	-
82	Hang Zhou hsiao Yu	Hang Zhou Haitec Company	3	Other receivables from related parties	56,602	Based on regular terms	-
83	Jiangmen Junxing	Jiangmen Yuli	3	Other receivables from related parties	39,432	Based on regular terms	-
85	Fu Jian Yu Xin	Fu Zhou Yu Xin	3	Other receivables from related parties	21,875	Based on regular terms	-
91	Yulon China (HK) Investment	Haitec	3	Nonoperating revenue and expense	13,945	Based on regular terms	-
92	Advance Power Machinery	The Company	2	Notes and trade receivables, net	11,317	Based on regular terms	-
		The Company	2	Operating revenue, net	31,369	Based on regular terms	-
93	Zhe Jiang Cheng Yi Company	Yulon Motor Finance (China)	3	Operating revenue, net	13,598	Based on regular terms	-

Note 1: From the parent company to a subsidiary.

Note 2: From a subsidiary to the parent company.

Note 3: Between subsidiaries.

(Concluded)

TABLE 12

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

**INFORMATION OF MAJOR SHAREHOLDERS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Tai-Yuen Textiles	181,128,973	18.11
China Motor	166,714,441	16.67
Yen Kai-Tai	101,801,954	10.18

VI. If the Company or its affiliates have experienced financial difficulties from the most recent year up to the date of publication of the annual report, the effects on the Company's financial status: Not applicable.

VII The review and analysis of financial position and financial performance, and the risk matters

I. Financial status

Comparative Analysis of Consolidated Financial Status

Unit: Thousands of NTD

Items \ Year	2020	2019	Difference	
			Amount	%
Current assets	215,186,668	231,944,241	(16,757,573)	(7.22%)
Non-Current assets	86,136,078	81,947,302	4,188,776	5.11%
Total assets	301,322,746	313,891,543	(12,568,797)	(4.00%)
Current liabilities	201,009,483	230,603,249	(29,593,766)	(12.83%)
Non-current liabilities	35,437,943	26,207,143	9,230,800	35.22%
Total liabilities	236,447,426	256,810,392	(20,362,966)	(7.93%)
Capital stock	10,000,000	15,729,199	(5,729,199)	(36.42%)
Capital surplus	6,563,888	6,566,495	(2,607)	(0.04%)
Retained earnings	32,147,077	23,775,185	8,371,892	35.21%
Total shareholders' equity	64,875,320	57,081,151	7,794,169	13.65%

Analysis of the change in the increase or decrease percentage: (The main reasons for the significant changes and their effects, and if the effects are significant, the future response plan should be stated.)

1. The decrease in current liabilities was mainly due to the decrease in short-term borrowings.
2. The increase in non-current liabilities was mainly due to the increase in long-term borrowings.
3. The decrease in capital stock was mainly due to the capital reduction to cover losses.

Comparative Analysis of Standalone Financial Status

Unit: Thousands of NTD

Items \ Year	2020	2019	Difference	
			Amount	%
Current assets	13,430,414	27,778,211	(14,347,797)	(51.65%)
Non-Current assets	65,762,614	52,141,138	13,621,476	26.12%
Total assets	79,193,028	79,919,349	(726,321)	(0.91%)
Current liabilities	9,951,525	6,082,477	3,869,048	63.61%
Non-current liabilities	20,503,035	28,000,464	(7,497,429)	(26.78%)
Total liabilities	30,454,560	34,082,941	(3,628,381)	(10.65%)
Capital stock	10,000,000	15,729,199	(5,729,199)	(36.42%)
Capital surplus	6,563,888	6,566,495	(2,607)	(0.04%)
Retained earnings	32,147,077	23,775,185	8,371,892	35.21%
Total shareholders' equity	48,738,468	45,836,408	2,902,060	6.33%

Analysis of the change in the increase or decrease percentage: (The main reasons for the significant changes and their effects, and if the effects are significant, the future response plan should be stated.)

1. The decrease in current assets was mainly due to the decrease in cash and cash equivalents and fund investments as a result of the capital increase in investees.
2. The increase in non-current assets was mainly due to the recognition of gain on investees and the increase in investment properties.
3. The increase in current liabilities was mainly due to the increase in short-term borrowings.
4. The decrease in non-current liabilities was mainly due to the decrease in the loss of the investees in 2020, which resulted in the decrease in the Company's investment credit balance using the equity method.
5. The decrease in capital stock was mainly due to the capital reduction to cover losses.

II. Financial Performance Analysis

Comparative Analysis of Consolidated Financial Performance

Unit: Thousands of NTD

Items	Year	2020		2019		Increase (decrease) amount	Variation (%)
		Subtotal	Total	Subtotal	Total		
Operating revenues			82,597,514		85,578,910	(2,981,396)	(3.48%)
Operating costs			63,979,927		79,858,001	(15,878,074)	(19.88%)
Gross profits			18,617,587		5,720,909	12,896,678	225.43%
Realized (unrealized) profits or losses on sales			12,018		4,364	7,654	175.39%
Net operating margin			18,629,605		5,725,273	12,904,332	225.39%
Operating expenses			19,848,067		36,472,812	(16,624,745)	(45.58%)
Net operating profits (losses)			(1,218,462)		(30,747,539)	29,529,077	96.04%
Non-operating income and expenses			6,942,010		7,310,391	(368,381)	(5.04%)
Other income		1,308,504		1,866,231		(557,727)	(29.89%)
Other profits and losses		2,423,204		266,775		2,156,429	808.33%
Financial costs		(821,441)		(1,122,664)		301,223	26.83%
Shareholding in the affiliated companies and joint ventures under the equity method		4,031,743		6,300,049		(2,268,306)	(36.00%)
Profit before income tax			5,723,548		(23,437,148)	29,160,696	124.42%
Income tax expense			883,986		1,096,329	(212,343)	(19.37%)
continuing operations			4,839,562		(24,533,477)	29,373,039	119.73%
Other comprehensive profit and loss (net)			240,989		(304,732)	545,721	179.08%
Titles not reclassified as profit and loss accounts:							
Reevaluation of determined benefit plan		(7,250)		(98,701)		91,451	92.65%
Unrealized valuation gains or losses on investments in equity instruments measured at fair value through other comprehensive income		7,373		197,175		(189,802)	(96.26%)
The share of other comprehensive income of affiliates and joint ventures recognized in equity method		70,111		106,811		(36,700)	(34.36%)
Accounts to be reclassified to profit or loss subsequently:							
Exchange differences on the translation of financial statements of foreign operations		163,749		(242,559)		406,308	167.51%
Profit or loss on hedging instruments not subject to basis adjustment		61		(451)		512	113.53%
The share of other comprehensive income of affiliates and joint ventures recognized in equity method		6,945		(267,007)		273,952	102.60%
Total comprehensive income for the period			5,080,551		(24,838,209)	29,918,760	120.45%

Analysis of the change in the increase or decrease percentage:

1. The decrease in operating costs was mainly due to the impairment of vehicle models and tooling in 2019.
2. The decrease in operating expenses was mainly due to the provision of expected credit impairment loss in 2019.
3. The increase in other gains and losses was mainly due to the gain on disposal of subsidiary, Dong Feng Yulon Motor Sales Limited in 2020.
4. The decrease in finance costs was mainly due to the decrease in interest on bank loans in 2020.
5. The decrease in the shares of affiliates and joint ventures recognized under the equity method was mainly due to the decrease in investment income under the equity method in 2020.
6. The increase in the remeasurement of defined benefit plans is mainly due to the adjustment of actuarial reporting through experience.
7. The decrease in the share of other comprehensive income of affiliates and joint ventures recognized under the equity method was mainly due to the unrealized loss on the fair value of the investment in equity instruments through other comprehensive income of subsidiaries in 2020.

Comparative Analysis of Standalone Financial Performance

Unit: Thousands of NTD

Items	Year	2020		2019		Increase (decrease) amount	Variation (%)
		Subtotal	Total	Subtotal	Total		
Operating revenues			28,271,894		30,261,929	(1,990,035)	-6.58%
Operating costs			25,987,175		27,625,290	(1,638,115)	-5.93%
Gross profits			2,284,719		2,636,639	(351,920)	-13.35%
Realized (unrealized) profits or losses on sales			41,655		695	40,960	5893.53%
Net operating margin			2,326,374		2,637,334	(310,960)	-11.79%
Operating expenses			1,313,118		1,589,446	(276,328)	-17.39%
Net operating profits (losses)			1,013,256		1,047,888	(34,632)	-3.30%
Non-operating income and expenses			1,625,139		(26,084,898)	27,710,037	106.23%
Other income		60,249		64,760		(4,511)	-6.97%
Other profits and losses		(560,798)		494,501		(1,055,299)	-213.41%
Financial costs		(215,326)		(216,931)		1,605	0.74%
Shareholdings in the subsidiaries, affiliated companies and joint ventures under the equity method		2,236,307		(26,534,175)		28,770,482	108.43%
Interest revenue		104,707		106,947		(2,240)	-2.09%
Profit before income tax			2,638,395		(25,037,010)	27,675,405	110.54%
Income tax expense			(100,815)		(6,890)	(93,925)	-1363.21%
continuing operations			2,739,210		(25,030,120)	27,769,330	110.94%
Other comprehensive profit and loss (net)			210,291		(138,566)	348,857	251.76%
Exchange differences on the translation of financial statements of foreign operations				0		0	0.00%
Unrealized valuation gains or losses on investments in equity instruments measured at fair value through other comprehensive income		6,552		285,487		(278,935)	-97.70%
Reevaluation of determined benefit plan		6,208		(91,351)		97,559	106.80%
The share of other comprehensive income of subsidiaries, affiliates and joint ventures recognized in equity method		197,531		(332,702)		530,233	159.37%
Total comprehensive income for the period			2,949,501		(25,168,686)	28,118,187	111.72%

Analysis of the change in the increase or decrease percentage:

1. The increase in unrealized gain or loss on sales was mainly due to the increase in dealership inventory as a result of consumers placing orders that could not be registered.
2. The decrease in other gains and losses was mainly due to the impairment of assets. .
3. The increase in the share of profits and losses of affiliated companies and joint ventures recognized under the equity method was mainly due to the impairment of assets recognized by the investees last year.
4. The decrease in income tax expense was mainly due to the application for tax refund.
5. The decrease in unrealized valuation gains or losses on investments in equity instruments measured at fair value through other comprehensive income was mainly due to the decrease in the value of the fund's investments after valuation.
6. The increase in remeasurement of defined benefit plans is mainly due to an increase in the projected employee turnover rate and discount rate.
7. The increase in the share of other comprehensive income of affiliated companies and joint ventures recognized under the equity method was mainly due to the impairment of assets recognized by the investees last year.

III. Cash flow analysis

(I) Liquidity analysis for the most recent 2 years

Items \ Year	2020	2019	Increase (decrease) amount
Cash flow ratio	2.07	(10.80)	119.17%
Cash flow adequacy ratio	(274.67)	(251.31)	(9.30%)
Cash reinvestment ratio	2.40	(25.13)	109.55%

Analysis of the change in the increase or decrease percentage:
 Mainly due to the continued growth of the subsidiary's financing business in 2020. But the increase in notes and accounts receivable was slower than in 2019. So the net cash flow from operating activities improved and showed a net cash inflow in 2020 compared to 2019, which led to a significant improvement in the cash flow ratio and cash reinvestment ratio compared to 2019. In addition, the amount of capital expenditure decreased in 2020 compared to 2019, resulting in a slight decrease in the cash flow adequacy ratio compared to 2019.

Note: The information presented in the table is based on the consolidated financial statements.

(II) Cash liquidity analysis for the coming year

Unit: Thousands of NTD

Cash balance at the beginning of the period ①	Estimated net cash flow from operating activities for the whole year ②	Estimated cash inflow for the whole year ③	Estimated cash balance ①+②+③	Remedy for estimated cash shortage	
				Investing plan	Financing plan
1,602,487	4,865,551	(3,526,870)	2,941,168	-	-

Analysis of Changes in Cash Flow Scenarios for 2021:
 Operating activities: The inflow of \$4,865,551 thousand was mainly due to the estimated profit for 2021 plus amortization of depreciation, sale of financial assets at fair value through profit or loss - current, and financial assets at amortized cost - current.
 Investing activities: The outflow of \$1,319,248 thousand was mainly due to the acquisition of fixed assets, the development of Yulon City, external investments and the receipt of dividends in 2021.
 Financing activities: The outflow of \$2,207,622 thousand was mainly due to the repayment of bank loans and cash dividends in 2021.
 Remedy for estimated cash shortage and liquidity analysis: Not applicable.

Note: The information presented in the table is based on the standalone financial statements.

IV. Material capital expenditures in the latest year and impacts on business performance

(I) Status of major capital expenditures and sources of funds for the most recent year:

Unit: Thousands of NTD

Plans	Actual and expected funding source	Actual and expected completion date	Total fund required	Actual or expected uses of funds						
				2017	2018	2019	2020	2021	2022	2023
Expansion of machinery and equipment	Self-owned Capital	2023.12.31	\$602,995	\$63,044	\$9,784	\$152,714	\$77,310	\$64,535	\$107,983	\$127,625
Production equipment	Self-owned Capital	2023.12.31	\$1,505,503	\$86,342	\$433,705	\$188,641	\$147,237	\$304,937	\$239,010	\$105,631
Environmental protection equipment	Self-owned Capital	2023.12.31	\$45,345	\$5,208	\$1,806	\$2,518	\$2,143	\$5,240	\$13,030	\$15,400
IT Equipment	Self-owned Capital	2023.12.31	\$88,430	\$21,035	\$16,689	\$3,180	\$20,712	\$4,173	\$10,377	\$12,264
Quality assurance equipment	Self-owned Capital	2023.12.31	\$428,749	\$97,515	\$30,710	\$51,390	\$43,443	\$32,011	\$79,600	\$94,080
Construction and Maintenance	Self-owned Capital	2023.12.31	\$7,006,787	\$1,025,490	\$245,679	\$595,296	\$1,734,528	\$3,378,238	\$180	\$27,376

(II) Expected benefits from major capital expenditures in the most recent year

1. Strengthen the multi-brand OEM strategy, and with the introduction of mass production of new models of each brand, through the expansion of machinery and equipment, in order to improve the efficiency and quality of each production line, and further increase the competitiveness of products in the market.
2. Renew and replace old production systems and equipment according to the project schedule of new vehicle models of each brand to achieve the development schedule and quality target of each product.
3. In line with the government's "six phases of emissions" environmental protection policy, we will increase the use of pollution prevention and control equipment, and at the same time reduce the energy consumed in the production process.
4. In response to system integration and efficiency improvement, we invested in information equipment hardware and software to update production information systems, financial information systems, and management information systems to increase the accuracy of financial and management analysis reports.
5. By updating the quality inspection equipment, we can reduce the defects arising from the production process to ensure the stability of the whole production process.
6. Improve the efficiency of the Company's land resources and consider the development of the overall cityscape, in addition to the construction of residential and commercial complexes, we will also build parks and green areas to beautify the overall environment, further creating a comprehensive business effect and driving the new consumer life circle in the areas surrounding the new factory.

V. Investment policy for 2020, the main reasons for profit or loss, improvement plan and investment plan for the coming year:

In 2020, the Company's private brand value chain continued to be a key development project. In the fourth quarter, we launched the Luxgen URX 7-seater LOHAS model, which is based on the design of the special car environment in Taiwan, and is designed to meet the needs of year-round multi-passenger vehicles and senior mobility services, with the practical functions of "multi-crossover", "multi-purpose" and "three-generation sharing", and equipped with different features only found in luxury imported cars. It is equipped with different features that are only available in luxury imported cars, such as: ARD extended reality head-up display system. We are upgrading our existing products to include more safety technologies and artificial intelligence (AR View+, ADAS, AI, etc.) to enable consumers to experience the convenience and safety of technology. We will continue to expand our investment in the electric vehicle industry by participating in government-initiated energy saving projects, cooperating with government policies to build battery charging stations, and expanding our business projects into the solar power generation and financing industries. In terms of real estate development, the development project of Xindian Yulon City is expected to obtain the license in the fourth quarter of 2021 and officially open in the fourth quarter of 2022.

In terms of overseas investments, (1) UMPI in the Philippines transformed into an asset management company, revitalizing vacant plants and providing stable cash flow. (2) Auto Finance in China was affected by the decline in sales of the Group's brand companies, but it is growing steadily after actively exploring the financing of used cars.

Looking ahead to 2021's investment plan, the focus will continue to be on strengthening the competitiveness of existing vehicle platforms. Through the joint venture, Foxtron Vehicle Technologies, which the Company established with Hon Hai, we promote the new business model of MIH open platform and sharing in the global automobile industry, combining the complementary advantages of both companies in vehicle research and development and ICT industry resources to develop more competitive new vehicle platform, aim at lowering the cost of future vehicles with the new platform, and provide consumers with a higher CP value vehicle choice to create long-term brand value and increase market share. In response to global climate change, the use of renewable energy in the industry is growing significantly, and the demand for energy storage equipment is increasing along with the trend of electricity liberalization, the Company has integrated the accumulated resources of new energy vehicle research and development, assembly technology, and common use to build a new production line of energy storage products and strive for business opportunities in the energy storage market and develop solar power business. Lastly, we expect to continue to generate profits to meet the expectations of our shareholders, while taking into account the principles of revenue generation and cost reduction.

IV. Risk management and assessment

(I) Organizational structure of risk management

The execution and the units of authority and responsibility for risk management of the Company are as follows.

Units of authority and responsibility	Content of execution
Audit office	Based on the risk assessment results, incorporate main audit items in the annual audit plan, and audit the internal control system, and disclose the audit results in the audit report, and deliver it or notify each supervisor in accordance with the regulations, and follow up for improvement.
Finance planning department	1. Manage the company's business strategy, objectives and operational plans, manage working capital and provide financial analysis, handle accounting, stock affairs, taxation and human resources management, provide management with fast and effective operational management information, and reduce corporate risks through strict control and regular updates on technological changes, industry trends, and important domestic and international policies and laws. 2. Supervise each unit and subsidiary to include revenue and profit in the annual KPI and track the achievement in order to avoid the risk of operational performance.
Safety and health office	Regularly perform labor environmental inspection and monitoring. Conduct industrial safety and health related business in accordance with the company's regulations, prevent occupational disasters, and guide relevant units to implement related plans to reduce work related risks for employees
Production management and coordination department	1. Coordination, planning and control of integrated production planning; management of D&C evaluation of new vehicle series and suppliers; planning and control of parts and materials requirements; control and follow-up of outsourced parts delivery to reduce the risk of material failure by suppliers 2. Supply productivity and storage cost control; planning and control of parts and material supply; planning and establishment of logistics supply application system; assistance and support of material supply activities in overseas production sites; support of brand sales service parts storage and distribution to reduce the risk of material failure in production lines.
Quality inspection department	Planning and promotion of company-wide quality assurance strategy and quality assurance system; promotion and monitoring of product inspection and intelligence system; promotion of quality awareness and improvement activities. In addition, also manage the quality of automobile parts and components produced by suppliers to reduce the risk of assembled vehicles.

(II) The impact of changes in interest rates, exchange rates and inflation on the Company's profit and loss from 2020 up to the publication date of the annual report, and future countermeasures.

1. The impact of changes in interest rates on the Company's profit or loss and countermeasures.

The Company manages and maintains a sufficient portion of cash and cash equivalents to support the Group's operations by monitoring the availability and utilization of bank facilities and ensuring compliance with the terms of borrowing contracts. The interest rate risk arising is managed by maintaining an appropriate mix of fixed and floating interest rates and by using interest rate swap contracts and forward interest rate contracts. The impact of changes in interest rates on profit or loss is limited, as the current cash position is still considered sufficient. Based on the analysis of the consolidated financial statements for 2020, if interest rates increase by 1%, with all other variables held constant, the Company's net profits before tax for 2020 will decrease by \$433,491 thousand.

2. The impact of changes in exchange rates on the Company's profit or loss and countermeasures.

The Company's material costs are affected by the double cross-exchange rates of USD, RMB, JPY and NTD. The impact on profit or loss is not fixed, but depends on a combination of (1) the correctness of foreign currency hedging operations, (2) the level of imports, (3) the size of inventory, (4) the appreciation or depreciation of NTD, and (5) other factors. The Company has established a foreign exchange hedging operation group to be responsible for foreign exchange hedging operations in order to reduce the risk of exchange rate changes. We have an exchange rate risk sharing measure with Nissan Motor Co., Ltd., a major material supplier, to ensure stable and reasonable material supply prices. In addition, we set annual targets for domestic procurement of parts in order to reduce foreign exchange requirements and material prices. Based on the analysis of the consolidated financial statements for 2020, if the exchange rate of NTD had appreciated by 1%, the Company's net profits before tax would have decreased by \$583 thousand for 2020 with all other variables held constant.

3. The impact of inflation on the Company's profit or loss and countermeasures.

According to the data released by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, the average total consumer price index for 2020 was 102.31, down 0.23% from the average of

102.55 for 2019. The total consumer price index increased to 102.99 in March 2021 from 102.71 in December 2020, a increase of 0.27%, and the average of 103.23 in January-March increased by 0.82% compared to 102.39 in the same period of 2020. Inflation showed a slight increase in 2021, which is still within an acceptable range. Therefore, the impact of inflation on the Company is not expected to be material.

(III) Policies on high-risk, high-leverage investments, lending funds to others, endorsement and guarantee, and derivatives transactions from 2020 up to the publication date of the annual report, main reasons for gain or loss, and future countermeasures:

1. Engagement in high-risk and high-leverage investments

The Company has never engaged in high-risk and high-leverage investments

2. Engagement in lending funds to others, and endorsement and guarantee

All handled in accordance with the policies set forth in the Company's "Operating Procedures for Lending Funds to Others" and "Management Measures for Endorsements and Guarantees". The relevant rules are disclosed on the Company's official website.

3. Engagement in derivative transactions

The derivative transactions entered into by the Company include forward exchange contracts, foreign exchange options and interest rate swaps to manage the Consolidated Company's interest rate and exchange rate risks, which are handled in accordance with the policies set forth in the "Procedures for Handling Derivative Transactions". Derivatives are initially recognized at fair value upon entering into derivative contracts and subsequently remeasured at fair value at the balance sheet date, with gains or losses arising from subsequent measurements recognized directly in profit or loss.

(IV) Future and projected research and development plans, current progress of uncompleted research and development projects, additional research and development costs, projected time for completion of mass production, and major factors affecting the success of future research and development.

The Company is committed to transforming and upgrading from manufacturing to manufacturing service industry, and will move towards multi-brand OEM operation, expecting to create new profit model with new business model and service model to provide more value to consumers while creating greater benefits for the enterprise.

(V) The impact of important domestic and foreign policy and legal changes on the Company's finance and business from 2020 up to the publication date of the annual report and countermeasures

The Company has been paying close attention to the laws and policies affecting its business and operations. Currently, there are no significant domestic or foreign policy and legal changes that have a material impact on the Company's finance or business.

(VI) The impact of important changes in technology or industry on the Company's finance and business from 2020 up to the publication date of the annual report and countermeasures

The Company has established relevant internal operation regulations in accordance with Article 9, "Computerized Information System Processing," of the "Regulations Governing Establishment of Internal Control Systems by Public Companies" in order to reduce the risk of unknown information security threats arising from emerging information technology applications and environmental changes. In order to manage information security risk, we respond to and prevent the occurrence of risk events from three aspects: (1) before the occurrence: regular independent inventory inspection, from the process and technical aspects, proactive prevention of information security incidents; (2) when the event occurs: damage control emergency response; (3) after the occurrence: tracking and included in the prevention.

In order to strengthen overall information security, the company will carry out a number of information security enhancement projects, including "hack prevention for internal and external transmission networks", "employee information security awareness enhancement", "malicious website prevention and control", "remote work connection protection", "system vulnerability improvement and enhancement", "data leakage protection (DLP)", "cross-company off-site server room enhancement", and "IT infrastructure enhancement". In addition, we have planned the blueprint of "Information Security Risk Management Measures" from 2021 to 2023 to steadily promote the overall information security strategy in the medium to long term and continuously optimize it, including infrastructure information construction, smart manufacturing protection, and information security training. In response to the transformation of Yulon Group, under the scenario of "full openness, multiple customers, and shared resources", we will focus on "confidentiality risk" information security enhancement as the main axle, and upgrade the information security level to be in line with the technology/international industry, to gain the trust of customers and prevent the leakage of sensitive information. The report on the current status and future planning of information security management shall be presented to the Board of Directors by the responsible unit at least once a year to implement information

security risk management.

Due to open platform and multi-product development strategy, the Company has set targets toward intellectual property management, including re-inventorying and examining our intellectual property achievement, grouping technics for future business development. The Company has simultaneously strengthened the intellectual property protection and managerial mechanism for diversified customers, raised awareness of protection of intellectual property in staff, and prohibited intellectual property risk and safeguard the Company's intellectual property. Those measures are our primary optimization jobs year by year.

The Company has completed the formulation of relevant intellectual property management measures and operating specifications since 2012, and has regularly reported intellectual property related matters to the Board of Directors at least once per year since 2018. As of the publication date of this annual report, the Company: (1) has obtained 161 pieces of registered trademarks and 4 pieces of approved patents. (2) held 7 series of courses in intellectual property, strengthening the significance of Intellectual property rights in staff.

- (VII) The impact of change in corporate image on corporate crisis management from 2020 up to the publication date of the annual report and countermeasures

To enhance corporate governance, the Company has appointed independent directors and set up an audit committee and a remuneration committee that regularly open meetings. In addition, the Company complies with the governmental requirements by timely making announcements and disclosing significant information, and continues to pay attention to social responsibility issues so as to establish better corporate reputation. In order to effectively control the quality of communication with the media and prevent negative corporate image due to improper crisis reaction, the Company has implemented a spokesperson mechanism. We also have a dedicated unit to handle customer feedback and shareholder suggestions, ensuring our reputation and image effectively maintained.

In response to the COVID-19 pandemic, the Company followed up the BCP contingency plans to build up a epidemic team for crisis management and emergency responses. The epidemic team is responsible for handling current situation of various emergencies, judging the crisis situation, issuing decisions, making internal or public announcements, and identifying the risks and recovery time of key business activities and operations to meet the needs of brand customers and implement action plans. The action plans includes satisfying the continuous operation of the production line with the personnel availability, ensuring the availability of overseas (mainland) imported parts complied with quantity and timing requirements, monitoring production and sales estimates, cash flows, and precautionary measures such as district offices and working from home.

- (VIII) Expected benefits and possible risks of mergers and acquisitions from 2020 up to the publication date of the annual report and countermeasures: None.

- (IX) Expected benefits and possible risks of plant expansion from 2020 up to the publication date of the annual report and countermeasures:

The current equipment capacity is still sufficient to supply the market demand, but the benefits and risks will be evaluated if there is a need for future capacity expansion.

- (X) Risks of concentrations of purchases or sales from 2020 up to the publication date of the annual report and countermeasures:

The Company's purchases are mainly from Nissan Japan and domestic and foreign collaborative suppliers. Due to our cooperative relationship and long-term supply contracts, the supply of raw material of the Company is stable and there is no risk of concentration of purchases.

Besides the Nissan brand continues growing, our own brand, Luxgen, has gradual growth. The Company continues to take its expertise and strengths in production and manufacturing to serve as an OEM service provider in the domestic market, selling to various brand companies in accordance with contractual requirements. Regarding the overseas market, we believe that continuously expand global OEM business would increase revenue.

- (XI) The impact on the Company and risks of the massive transfer or change of shares by directors, supervisors or major shareholders with 10% stake or more from 2020 up to the publication date of the annual report and countermeasures: None.

- (XII) Changes in management rights, significant changes in operating methods or business content, and other significant events that may affect shareholders' equity: None.

- (XIII) For litigious and non-litigious matters from 2019 up to the publication date of the annual report, please list major litigious, non-litigious or administrative disputes that have been resolved or are still proceeding involving the Company and/or any director, supervisor, the president, any person with actual responsibility for the firm and any major shareholder holding a more than 10% of the

shares, and the affiliated companies. Moreover, where such a dispute could materially affect shareholders' equity or the prices of the securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the publication date of the annual report: None.

(XIV) Other major risks: None.

VII. Other important matters:

The Company's personnel involved in the transparency of financial information obtain the relevant licenses specified by the competent authorities:

Type of license	Department	No. of People
Passed the Higher Examination for Specialized Occupational and Technical Personnel (HESPP) 2006 for CPAs. (License No. (2006) Zhuan-Gao-Kuai-Zi No. 000850)	Finance planning department	1
Passed the Higher Examination for Specialized Occupational and Technical Personnel (HESPP) 2015 for CPAs. (License No. (2015) Zhuan-Gao-Kuai-Zi No. 000378)	Finance planning department	1
Passed the Higher Examination for Specialized Occupational and Technical Personnel (HESPP) 2013 for CPAs. (License No. (2013) Zhuan-Gao-Kuai-Zi No. 000381)	Audit office	1

VIII. Special Notes

I. Information on Affiliates

(I) Consolidated business report of affiliates

1. Organizational Chart of Affiliates

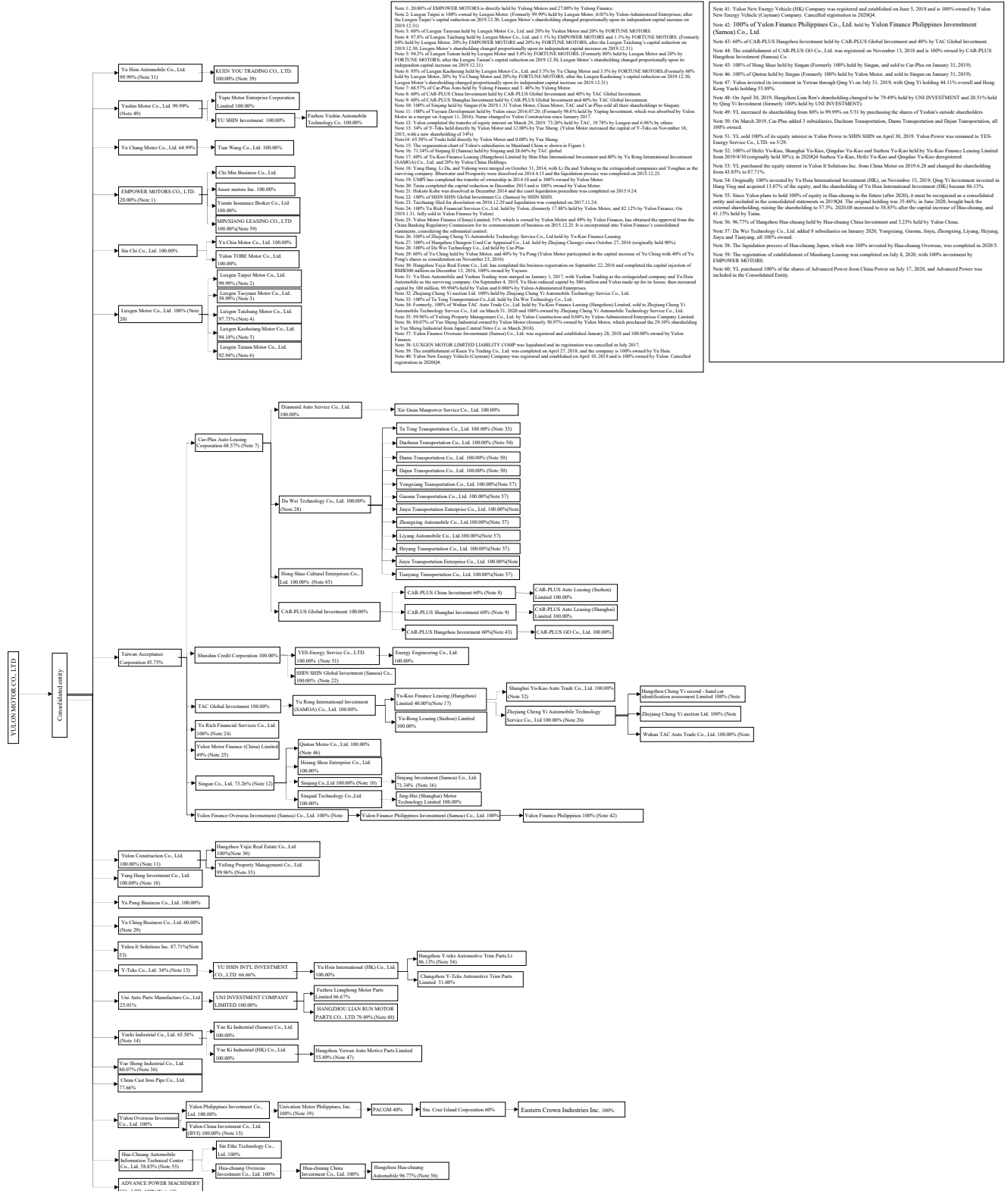
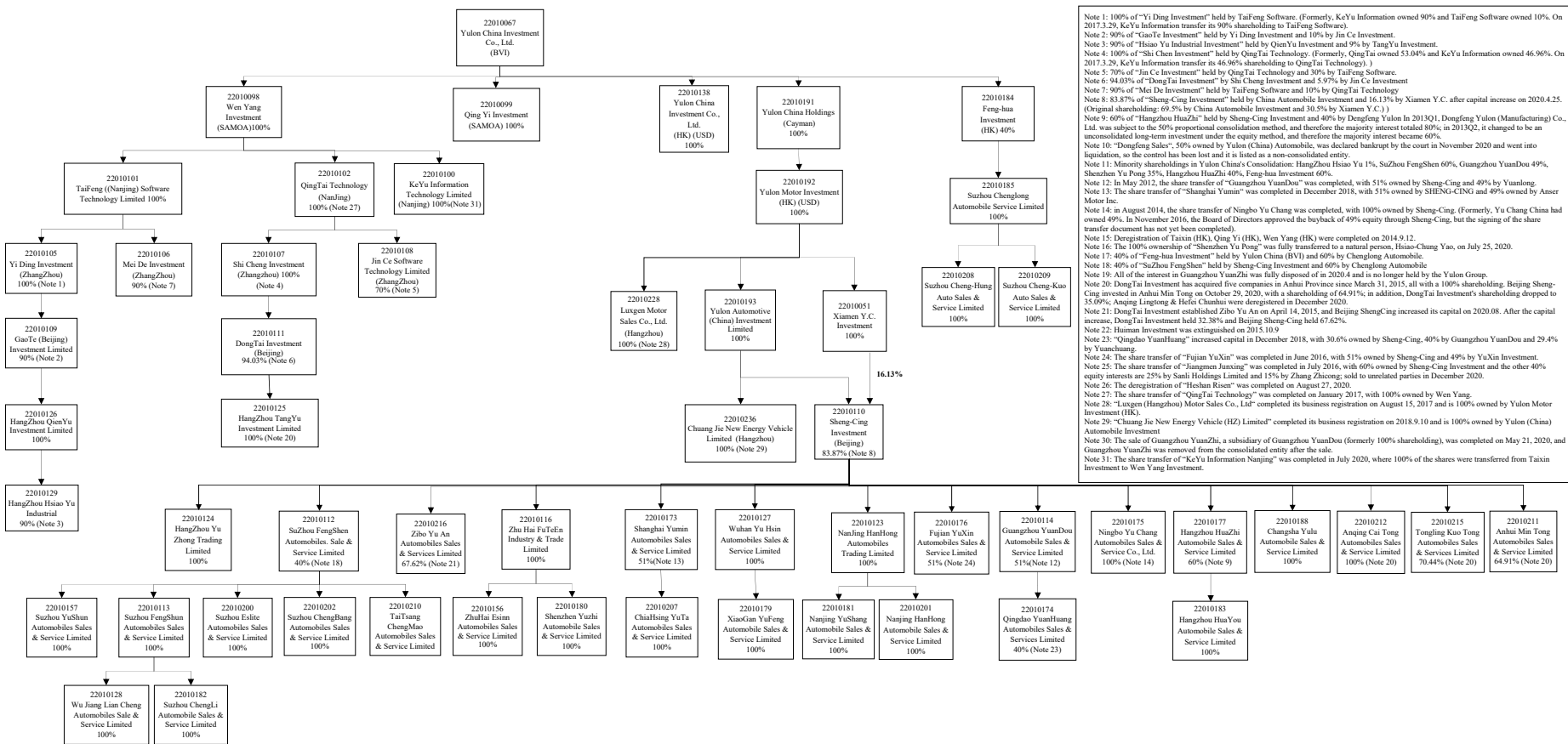


Figure 1:



Note 1: 100% of "Yi Ding Investment" held by TaiFeng Software. (Formerly, KeYu Information owned 90% and TaiFeng Software owned 10%. On 2017.3.29, KeYu Information transfer its 90% shareholding to TaiFeng Software.)

Note 2: 90% of "GaoTe Investment" held by Yi Ding Investment and 10% by Jin Ce Investment.

Note 3: 90% of "Hsiao Yu Industrial Investment" held by Qian Yu Investment and 9% by Tang Yu Investment.

Note 4: 100% of "Shi Chen Investment" held by Qing Tai Technology. (Formerly, Qing Tai owned 53.04% and KeYu Information owned 46.96%. On 2017.3.29, KeYu Information transfer its 46.96% shareholding to Qing Tai Technology.)

Note 5: 70% of "Jin Ce Investment" held by Qing Tai Technology and 30% by TaiFeng Software.

Note 6: 94.03% of "Dong Tai Investment" by Shi Cheng Investment and 5.97% by Jin Ce Investment.

Note 7: 90% of "Mei De Investment" held by TaiFeng Software and 10% by Qing Tai Technology.

Note 8: 83.87% of "Sheng-Cing Investment" held by China Automobile Investment and 16.13% by Xiamen Y.C. after capital increase on 2020.4.25. (Original shareholding: 69.5% by China Automobile Investment and 30.5% by Xiamen Y.C.)

Note 9: 60% of "Hangzhou HuaZhi" held by Sheng-Cing Investment and 40% by Dengfeng Yulon In 2013/01, Dongfeng Yulon (Manufacturing) Co., Ltd. was subject to the 50% proportional consolidation method, and therefore the majority interest total 80%; in 2013/02, it changed to be an unconsolidated long-term investment under the equity method, and therefore the majority interest became 60%.

Note 10: "Dongfeng Sales", 50% owned by Yulon (China) Automobile, was declared bankrupt by the court in November 2020 and went into liquidation, so the control has been lost and it is listed as a non-consolidated entity.

Note 11: Minority shareholdings in Yulon China's Consolidation: Hangzhou Hsiao Yu 1%, Suzhou FengShen 60%, Guangzhou YuanDou 49%, Shenzhen Yu Pong 35%, Hangzhou HuaZhi 40%, Feng-hua Investment 60%.

Note 12: In May 2012, the share transfer of "Guangzhou YuanDou" was completed, with 51% owned by Sheng-Cing and 49% by Yuanlong.

Note 13: The share transfer of "Shanghai Yumin" was completed in December 2018, with 51% owned by SHENG-CING and 49% owned by Amer Motor Inc.

Note 14: In August 2014, the share transfer of Ningbo Yu Chang was completed, with 100% owned by Sheng-Cing. (Formerly, Yu Chang China had owned 49%. In November 2016, the Board of Directors approved the buyback of 49% equity through Sheng-Cing, but the signing of the share transfer document has not yet been completed).

Note 15: Deregistration of Taixin (HK), Qing Yi (HK), Wen Yang (HK) were completed on 2014.9.12.

Note 16: The 100% ownership of "Shenzhen Yu Pong" was fully transferred to a natural person, Hsiao-Chung Yao, on July 25, 2020.

Note 17: 40% of "Feng-hua Investment" held by Yulon China (BYV) and 60% by Chenglong Automobile.

Note 18: 40% of "Suzhou FengShen" held by Sheng-Cing Investment and 60% by Chenglong Automobile.

Note 19: All of the interest in Guangzhou YuanZhi was fully disposed of in 2020.4 and is in addition held by the Yulon Group.

Note 20: Dong Tai Investment has acquired five companies in Anhui Province since March 31, 2015, all with a 100% shareholding. Beijing Sheng-Cing invested in Anhui Min Tong on October 29, 2020, with a shareholding of 64.91%; in addition, Dong Tai Investment's shareholding dropped to 35.09%; Anqing Lingtong & Hefei Chunhui were deregistered in December 2020.

Note 21: Dong Tai Investment established Zibo Yu An on April 14, 2015, and Beijing Sheng-Cing increased its capital on 2020.08. After the capital increase, Dong Tai Investment held 32.38% and Beijing Sheng-Cing held 67.62%.

Note 22: Huinan Investment was extinguished on 2015.10.9

Note 23: "Qingdao YuanHuang" increased capital in December 2018, with 30.6% owned by Sheng-Cing, 40% by Guangzhou YuanDou and 29.4% by Yuanchang.

Note 24: The share transfer of "Fujian YuXin" was completed in June 2016, with 51% owned by Sheng-Cing and 49% by YuXin Investment.

Note 25: The share transfer of "Jiangmen Junxing" was completed in July 2016, with 60% owned by Sheng-Cing Investment and the other 40% equity interests are 25% by Sani Holdings Limited and 15% by Zhang Zhongqiang sold to unrelated parties in December 2020.

Note 26: The deregistration of "Heshan Risen" was completed on August 27, 2020.

Note 27: The share transfer of "Qing Tai Technology" was completed on January 2017, with 100% owned by Wen Yang.

Note 28: "Luxgen (Hangzhou) Motor Sales Co., Ltd" completed its business registration on August 15, 2017 and is 100% owned by Yulon Motor Investment (HK).

Note 29: "Chuang Jie New Energy Vehicle (HZ Limited)" completed its business registration on 2018.9.10 and is 100% owned by Yulon (China) Automobile Investment.

Note 30: The sale of Guangzhou YuanZhi, a subsidiary of Guangzhou YuanDou (formerly 100% shareholding), was completed on May 21, 2020, and Guangzhou YuanZhi was removed from the consolidated entity after the sale.

Note 31: The share transfer of "KeYu Information Nanjing" was completed in July 2020, where 100% of the shares were transferred from Taixin Investment to Wen Yang Investment.

2. Information on affiliates

As of 2020.12.31

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
YULON MOTOR CO.,LTD	1	Taiwan Acceptance Corporation	1990.04.12	15F., No. 2,Sec. 2, Dunhua S. Rd.,Da'an Dist., Taipei City	4,323,013	Sales of various types of automobiles and related products, etc.
Taiwan Acceptance Corporation	2	Shinshin Credit Corporation	1987.11.19	14F., No. 2,Sec. 2, Dunhua S. Rd.,Da'an Dist., Taipei City	2,218,333	Installment payment for all types of cars and trucks
	3	Carplus Auto Leasing Corporation	1978.11.13	11F., No. 2,Sec. 2, Dunhua S. Rd.,Da'an Dist., Taipei City	941,618	Leasing of passenger cars and small trucks, and wholesale and retail sales of automobiles, etc.
	4	Yu Rich Financial Services Co., Ltd.	2003.12.30	2F., No. 3,Sec. 3, Zhongxing Rd.,Xindian Dist., New Taipei City	1,382,092	Consumer goods installment business, auto parts wholesale and retail, etc.
	5	Yulon Motor Finance (China) Limited	2016.2.19	Room 1301-1305, Oriental Century Center, Xiaoshan Economic and Technological Development Zone, Xiaoshan District, Hangzhou	RMB 1,000,000 thousand	Car purchase and car dealership purchase loan business
Shinshin Credit Corporation	6	Shin Shin Investment (Samoa) Co., Ltd.	2015.8.24	Portcullis Trustnet Chambers, P.o. Box 1225, Apia, Samoa	USD 12,000 thousand	Holding company
	7	YES-Energy Service Co., LTD.	2010.06.15	2F., No. 3,Sec. 3, Zhongxing Rd.,Xindian Dist., New Taipei City	290,000	Wholesale and retail of batteries and wholesale and retail of cars and motorcycle parts and accessories
YES-Energy Service Co., LTD.	8	Power Engineering Co., LTD.	2012.05.10	2F., No. 3,Sec. 3, Zhongxing Rd.,Xindian Dist., New Taipei City	2,000	Electrical appliance wholesale and battery wholesale and retail, etc.
Taiwan Acceptance Corporation	9	Yulon Finance Overseas Investment (Samoa) Co., Ltd.	2018.1.31	Portcullis TrustNet Chambers, P.O. Box 1225, Apia, Samoa	USD 15,000 thousand	Holding company
Yulon Finance Overseas Investment (Samoa) Co., Ltd.	10	Yulon Finance Philippines Investment (Samoa) Co., Ltd.	2018.2.1	Portcullis TrustNet Chambers, P.O. Box 1225, Apia, Samoa	USD 15,000 thousand	Holding company
Yulon Finance Philippines Investment (Samoa) Co., Ltd.	11	Yulon Finance Philippines Co., Ltd	2018.4.26	17 floor, Curve, 32nd Street corner 3rd Ave ,BGC ,Taguig City	PHP 750,000 thousand	Car purchase loan business and finance lease business.
Taiwan Acceptance Corporation	12	TAC Global Investment (Samoa)Co., Ltd	2006.11.01	Portcullis TrustNet Chambers, P.O. Box 1225, Apia, Samoa	USD 108,833 thousand	Holding company
TAC Global Investment (Samoa)Co., Ltd	13	Yu Rong International Investment (SAMOA) Co., Ltd.	2010.04.01	Portcullis TrustNet Chambers P.O. Box 1225 Apia, Samoa	USD 87,496 thousand	Holding company
Yu Rong International Investment (SAMOA) Co., Ltd.	14	Yu-Rong Leasing (Suzhou) Limited	2010.06.30	Room 1118, Building 23, Times Square, Suzhou Industrial Park	RMB 500,000 thousand	Equipment and vehicle finance lease business
	15	Yu-Kuo Finance Leasing (Hangzhou) Limited	2014.03.06	Room 124, Science and Technology Cultural Center, Linjiang High-tech Industrial Park, Xiaoshan District, Hangzhou	USD 30,000 thousand	Equipment and vehicle finance lease business
Yu-Kuo Finance Leasing (Hangzhou) Limited	16	Shanghai YuGuo Auto Trade Co., Ltd.	2015.12.09	2nd Floor, Building 1, No.84 Sanlin Road, Pudong New Area, Shanghai	RMB 2,000 thousand	Car trading

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
	17	Zhejiang Cheng Yi Automobile Technology Service Co., Ltd	2014.01.31	Room 203-3, Bonded Building, West of Bonded Road, Hangzhou Airport Economic Zone, Xiaoshan District, Hangzhou, Hangzhou	RMB 20,000 thousand	Sales and brokerage services of used vehicles
Zhejiang Cheng Yi Automobile Technology Service Co., Ltd	18	Hangzhou Cheng Yi second - hand car identification assessment Limited	2014.10.22	Room 203-5, Bonded Building, West of Bonded Road, Hangzhou Airport Economic Zone, Xiaoshan District, Hangzhou, Hangzhou	RMB 1,500 thousand	Used Vehicle Identification Service
	19	Zhejiang Cheng Yi auction Ltd.	2016.11.16	418Y, 99 Shixin North Road, Xiaoshan Economic and Technological Development Zone	RMB 2,000 thousand	Sales and brokerage services of used vehicles
	20	Wuhan TAC Auto Trade Co., Ltd.	2017.02.13	No. 3, 23rd Floor, Unit 1, Building 1, Fuxing City, Hejiadun Village, Jiangnan District, Wuhan	RMB 2,000 thousand	Automobile sales; motor vehicle trading and brokerage services; automobile leasing; sales of motorcycles, electrical and mechanical equipment and parts, automobile supplies, automobile parts and accessories; automobile technical consulting services; business information consulting (excluding business surveys); machinery and equipment leasing
	21	Diamond Auto Service Co., Ltd.	1988.11.10	15F., No. 2, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City	85,000	Small passenger car rental, automobile wholesale and retail business, etc.
Carplus Auto Leasing Corporation	22	Da Wei Technology Co., Ltd	2016.09.19	No. 59, Jingmao 1st Rd., Nangang Dist., Taipei City	40,000	Electric car brokerage service
	23	Hong Shuo Cultural Enterprises Co., Ltd.	1999.02.01	15F., No. 2, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City	40,500	Magazine Book Publishing
	24	CAR-PLUS Global Investment(Samoa)Co., Ltd	2006.11.02	Portcullis TrustNet Chambers, P.O. Box 1225, Apia, Samoa	USD 31,200 thousand	Holding company
CAR-PLUS Global Investment (Samoa) Co., Ltd	25	CAR-PLUS China Investment(Samoa) Co., Ltd	2006.11.02	Portcullis TrustNet Chambers, P.O. Box 1225, Apia, Samoa	USD 10,000 thousand	Holding company
	26	Car-Plus Shanghai Investment(Samoa) co.,ltd	2008.12.22	Portcullis TrustNet Chambers, P.O. Box 1225, Apia, Samoa	USD 10,000 thousand	Holding company
	27	CAR-PLUS Hangzhou Investment (Samoa) Co., Ltd	2018.8.23	Portcullis TrustNet Chambers, P.O. Box 1225, Apia, Samoa	USD 32,000 thousand	Holding company
CAR-PLUS China Investment (Samoa) Co., Ltd	28	CAR-PLUS Auto Leasing (Suzhou) Limited	2007.1.29	No. 8 Dongfu Road, Suzhou Industrial Park	USD 10,000 thousand	Vehicle leasing business and related ancillary services
Car-Plus Shanghai Investment (Samoa) Co.,Ltd	29	CAR-PLUS Auto Leasing (Shanghai) Limited	2009.07.09	Block A, 3rd Floor, Building 1, No. 5179, Longdong Avenue, Pudong New Area, Shanghai	USD 10,000 thousand	Vehicle leasing business and related ancillary services

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
CAR-PLUS Hangzhou Investment (Samoa) Co., Ltd	30	CAR-PLUS GO Co., Ltd.	2018.11.13	Room 2402, Oriental Century Center, Xiaoshan Economic and Technological Development Zone, Xiaoshan District, Hangzhou City, Zhejiang Province	USD 32,000 thousand	Internet booking taxi passenger transportation
Diamond Auto Service Co., Ltd.	31	Xie Guan Manpower Service Co., Ltd.	2001.11.09	15F., No. 2, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City	10,000	Corporate Management Consulting Business
Da Wei Technology Co., Ltd	32	Ta Teng Transportation Co., Ltd.	1973.06.29	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	6,000	Taxicab Transportation Business
	33	Dachuan Transportation Co., Ltd.	1978.06.19	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	3,000	Taxicab Transportation Business
	34	Damu Transportation Co., Ltd.	1976.07.01	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	6,000	Taxicab Transportation Business
	35	Dajun Transportation Co., Ltd.	1979.05.24	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	3,000	Taxicab Transportation Business
	36	Yongxiang Transportation Co., Ltd.	1977.10.28	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	3,000	Taxicab Transportation Business
	37	Guoma Transportation Co., Ltd.	1978.11.16	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	4,000	Taxicab Transportation Business
	38	Jinyu Transportation Enterprise Co., Ltd	1977.06.02	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	3,000	Taxicab Transportation Business
	39	Zhongxing Automobile Co., Ltd.	1968.02.17	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	3,500	Taxicab Transportation Business
	40	Liyang Automobile Co., Ltd.	1977.12.08	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	9,000	Taxicab Transportation Business
	41	Heyang Transportation Co., Ltd.	1974.12.10	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	6,000	Taxicab Transportation Business
	42	Jiayu Transportation Enterprise Co., Ltd	1977.09.13	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	3,000	Taxicab Transportation Business
	43	Tianyang Transportation Co., Ltd.	1978.05.27	1F., No. 81, Dexing W. Rd., Shilin Dist., Taipei City	6,000	Taxicab Transportation Business
Taiwan Acceptance Corporation	44	Singan Co., Ltd.	1999.12.15	2F., No. 3, Sec. 3, Zhongxing Rd., Xindian Dist., New Taipei City	286,700	Wholesale of automobile and motorcycle parts, wholesale of information software, etc.
Singan Co., Ltd.	45	Sinqual Technology Co., Ltd.	1999.12.17	2F., No. 3, Sec. 3, Zhongxing Rd., Xindian Dist., New Taipei City	130,000	Wholesale of automobile and motorcycle parts, wholesale of machine, etc.
	46	Hsiang Shou Enterprise Co., Ltd.	1999.02.02	2F., No. 3, Sec. 3, Zhongxing Rd., Xindian Dist., New Taipei City	100,000	Car and Motorcycle parts retail and wholesale and car towing
	47	Qinton Motor Co., Ltd.	2005.05.24	No. 315, Zhongzheng S. Rd., Yongkang Dist., Tainan City	67,459	Sale and purchase of automobiles and parts, repair and maintenance of automobiles and vehicle leasing
	48	Sinjang Co., Ltd	2000.08.09	No. 136, Sanmin Rd., Linkou Dist., New Taipei City	428,240	Sales and brokerage services of used vehicles
Sinjang Co., Ltd	49	Sinjang Investment (Samoa) Co., Ltd.	2013.9.16	TMF Chambers P.O. Box3269. Apia. Samoa	USD 1,874 thousand	Holding company

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
Sinqual Technology Co.,Ltd.	50	Jing-Hui (Shanghai) Motor Technology Limited	2008.03.03	Room 3254, 3rd Floor, No. 17, Lane 658, Jinzhong Road, Changning District, Shanghai	USD 1,675 thousand	Import, export, wholesale, commission agency (except auction) and other related services for auto parts and auto repair equipment
YULON MOTOR CO.,LTD	51	Yu Ching Business Co., Ltd.	1992.04.20	2F., No. 3, Sec. 3, Zhongxing Rd., Xindian Dist., New Taipei City	1,211,522	Import and export of automobiles, materials and parts, etc.
YULON MOTOR CO.,LTD	52	Yulon Construction Co., Ltd.	1977.01.28	8F., No. 150, Sec. 2, Nanjing E. Rd., Zhongshan Dist., Taipei City	1,221,000	Commissioned construction of residential buildings for sale and introduction of related housing for rent and sale, etc.
Yulon Construction Co., Ltd.	53	Hangzhou Yujie Real Estate Co., Ltd	2016.09.22	Room A-B102-548, No. 198, Qidi Road, Xiaoshan Economic and Technological Development Zone, Xiaoshan District, Hangzhou	RMB 500,000 thousand	The development, construction and operation and management of the Xiaozheng Storage (2016) No. 14 land parcel (except for those involving the implementation of special management measures for access as stipulated by the country)
	54	Yufong Property Management Co., Ltd.	2017.11.27	2F., No. 3, Sec. 3, Zhongxing Rd., Xindian Dist., New Taipei City	25,000	Condominium Buildings Management Service
YULON MOTOR CO.,LTD	55	Sin Chi Co., Ltd.	2001.12.25	7F., No. 150, Sec. 2, Nanjing E. Rd., Zhongshan Dist., Taipei City	1,080,000	Advertising services and business management consulting, etc.
Sin Chi Co., Ltd.	56	Yu Chia Motor Co., Ltd.	1999.08.25	No. 83, Da'an Rd., Tucheng Dist., New Taipei City	26,000	Automobile retail industry, vehicle parts retail industry, automobile repair industry, etc.
	57	Yulon TOBE Motor Co., Ltd.	2009.09.25	2F., No. 3, Sec. 3, Zhongxing Rd., Xindian Dist., New Taipei City	28,080	Manufacture of automobiles and parts, and wholesale mold manufacturing, etc.
YULON MOTOR CO.,LTD	58	Yung Hang Investment Co., Ltd.	1994.09.12	2F., No. 3, Sec. 3, Zhongxing Rd., Xindian Dist., New Taipei City	776,220	Investment in various production and service businesses.
	59	Yu Pong Business Co., Ltd.	1992.04.13	2F., No. 3, Sec. 3, Zhongxing Rd., Xindian Dist., New Taipei City	284,704	Management and related business of Yulon professional basketball team
	60	Yulon It Solutions Inc.	2000.09.01	4F.-1, No. 30, Taiyuan St., Zhubei City, Hsinchu County	190,000	Information Software Services
	61	China Cast Iron Pipe Co., Ltd.	1954.03.17	10F., No. 2, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City	32,000	Casting and operation of various sizes of cast iron pipes and parts, etc.
	62	Yue Sheng Industrial Co., Ltd.	1969.04.29	No. 40-5, Bogongkeng, Sanyi Township, Miaoli County	288,000	Manufacture of automobiles and parts, etc.
	63	Advance Power Machinery Co., Ltd.	2008.06.03	No. 39-1, Bogongkeng, Sanyi Township, Miaoli County	5,000	Manufacture and sale of automobile and motorcycle parts, etc.
Yueki Industrial Co., Ltd.	64	Yueki Industrial Co., Ltd.	1978.09.26	No. 23, Wenhua Rd., Hukou Township, Hsinchu County	194,670	Manufacture, processing, assembly and sales of automobile and motorcycle parts, etc.
	65	Yue Ki Industrial (Samoa) Co., Ltd.	2002.01.03	TrustNet Chambers, Lotemau Centre, P. O. BOX 1225, Apia, Samoa.	USD 4,126 thousand	Holding company
	66	Hong Kong Yueki Holdings Co., Ltd.	2008.07.28	Flat B, 6/F., Teda Building, 87 Wing Lok Street, Sheung Wan, Hong Kong	USD 10,600 thousand	Holding company

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
Hong Kong Yueki Holdings Co., Ltd.	67	Hangzhou Yuwan Auto Motive Parts Limited	2010.02.02	Linlong Branch Road, Linjiang Industrial Park, Xiaoshan District, Hangzhou	USD 19,860 thousand	Automobile parts design, development, manufacturing, sales, installation and after-sales service, etc.
YULON MOTOR CO.,LTD	68	Esinn Co., Ltd	2002.04.09	No. 40-1,Siyuan Rd.,Xinzhuang Dist., New Taipei City	180,000	Sale and purchase of automobiles and parts, repair and maintenance of automobiles
	69	Yushin Motor Co., Ltd.	1994.09.27	No. 2, Sec. 1, Jingguo Rd., East Dist., Hsinchu City	200,000	Sale and purchase of automobiles and parts, repair and maintenance of automobiles
	70	Yu Chang Motor Co., Ltd.	1990.05.16	No. 399, Dazhong 1st Rd., Zuoying Dist., Kaohsiung City	215,385	Sale and purchase of automobiles and parts, repair and maintenance of automobiles
Yushin Motor Co., Ltd.	71	Yupu Enterprise Co., Ltd.	2000.05.16	No. 668, Guohua Rd., Miaoli City, Miaoli County	10,000	Information software service industry, electronic information supply service and automobile and motorcycle spare parts retail industry
	72	YU SHIN Investment Ltd.	2011.3.23	Portcullis TrustNet Chambers, P.O.Box 1225, Apia,Samoa	RMB 37,480 thousand	Holding company
YU SHIN Investment Ltd.	73	Fuzhou YuShin Automobile Technology Co.	2019.11.13	The whole car sales complex building, No. 3 Xiangtong Road, Shanggan Town, Minhou County, Fuzhou City, Fujian Province	RMB 12,000 thousand	Sales of new cars; retail of auto parts and accessories; wholesale of auto parts and accessories; sales of auto decoration supplies. Lubricant sales; used car dealership; motor vehicle repair and maintenance
Esinn Co., Ltd	74	KUEN YOU TRADING CO., LTD.	2018.04.27	No. 154-5, Sec. 1, Datong Rd., Xizhi Dist., New Taipei City	10,000	Wholesale and retail of automobiles and motorcycles and parts, tires
Yu Chang Motor Co., Ltd.	75	Tian Wang Co., Ltd.	2000.05.15	No. 356, Yixin 1st Rd., Qianzhen Dist., Kaohsiung City	17,000	Automobile wholesale and retail trade, automobile and motorcycle parts wholesale
YULON MOTOR CO.,LTD	76	Yulon Overseas Investment Co., Ltd.	2003.07.04	TrustNet Limited of TrustNet Chambers, P.O. Box 3444, Road Town, Tortola, British Virgin Islands	USD 1,083,098 thousand	Investment
Yulon Overseas Investment Co., Ltd.	77	Yulon China Investment Co., Ltd.	2003.07.08	TrustNet Limited of TrustNet Chambers, P.O. Box 3444, Road Town, Tortola, British Virgin Islands	USD 1,058,071 thousand	Investment
	78	Yulon Philipines Investment Co., Ltd.	1999.11.17	2/F.,Cayside, Harbour Drive P.O. Box 30592 S.M.B George Town Grand Cayman, Cayman Islands British West Indies	USD 35,741 thousand	Investment
Yulon Philipines Investment Co., Ltd.	79	UNIVATION MOTOR PHILIPPINES, INC.	1982.04.28	Nissan Technopark Barangay. Pulong Sta. Cruz, Sta. Rosa, Laguna, Philippines	PHP 881,383 thousand	Automobile Manufacturing
UNIVATION MOTOR PHILIPPINES, INC.	80	STA.CRUIZ ISLAND CORPORATION	1991.09.23	Nissan Technopark Barangay. Pulong Sta. Cruz, Sta. Rosa, Laguna, Philippines	PHP 264,028 thousand	Housing Leasing

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
Yulon China Investment Co., Ltd.	81	Wen Yang Investment Co., Ltd.	2005.09.01	Portcullis TrustNet Chambers, P.O. Box 1225, Apia, SAMOA	USD 29,650 thousand	Investment
	82	Qing Yi Investment Co., Ltd.	2005.09.01	Portcullis TrustNet Chambers, P.O. Box 1225, Apia, SAMOA	USD 15,324 thousand	Investment
	83	Yulon China Investment Co., Ltd.	2008.02.13	15/F BOC Group Life Assurance Tower, 136 Des Voeux Rd Central, Central, Hong Kong	USD 270,415 thousand	Investment
	84	Yulon China Holdings Co. Ltd.	2012.01.06	The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box32052, Grand Cayman KY1-1208, Cayman Islands	USD 711,803 thousand	Investment
	85	Feng-hua Investment (HK) Co., Ltd.	2011.03.22	UNIT 706 HALESON BLDG1 JUBILEE ST, HK.	USD 7,000 thousand	Holding company
Feng-hua Investment (HK) Co., Ltd.	86	Suzhou Chenglong Auto Sales & Service Co.	2011.06.17	No. 2959, Sun Road, Yuanhe Street, Xiangcheng District, Suzhou City	USD 7,000 thousand	Type I of automotive repair (passenger cars). Sales of automobiles and parts, supporting services for the sale of automobiles; used car dealership; technical consultation, technical services and related consulting services for automobiles; business information consulting services, economic information consulting services; wholesale and retail of lubricating oil; wholesale and import/export of automobile parts and accessories, retail of automobile decorations, automobile cleaning and maintenance supplies, automobile safety supplies, automobile tools and electrical appliances
Suzhou Chenglong Auto Sales & Service Co.	87	Suzhou Cheng-Hung Auto Sales & Service Limited	2014.05.22	No. 149, Luzhi Avenue, Luzhi Town, Wuzhong District, Suzhou City	RMB 10,000 thousand	Sales: automobiles and accessories, motorcycles and accessories, metal materials, hardware and electrical appliances, electrical and mechanical products, construction materials, lubricants, non-hazardous chemicals; used car dealership; car licensing procedures; car rental; motor vehicle repair and technical consulting services, business information consulting services; economic information consulting services; automotive information consulting services; self-supporting and acting as a dealer for the import and export of various goods and technologies

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
	88	Suzhou Cheng-Kuo Auto Sales & Service Limited	2014.05.22	South side of Nanhuan Road, Shengze Town, Wujiang District, Suzhou City (Maota Village)	RMB 20,000 thousand	Sales: automobiles and accessories, motorcycles and accessories, metal materials, hardware, electrical and mechanical products, construction materials, lubricants, non-hazardous chemical products; used car dealership; car licensing procedures on behalf of the office; car rental; motor vehicle repair and technical advisory services. Business information consulting services; economic information consulting services; automobile information consulting services; self-management and agency for the import and export of various commodities and technologies
Wen Yang Investment (Samoa) Co., Ltd.	89	KeYu (Nanjing) Information Technology Limited	2005.11.10	Room 413-39, Commercial Office Building, Nanjing High-tech Development Zone	RMB 180,031 thousand	Research and development, production of software and related products, sales of self-produced products; computer hardware, automotive electronics and its in-vehicle navigation system product development, technology transfer and related services
	90	TaiFeng ((Nanjing) Software Technology Limited	2005.11.10	Room 413-38, Commercial Office Building, Nanjing High-tech Development Zone	USD 14,850 thousand	Research and development, production of software and related products; sales of self-produced products; wholesale, retail and distribution of auto parts and software products; commission agency; import and export of self-owned and non-owned products
	91	QingTai (NanJing) Technology Limited	2005.09.28	Room 413-37, Commercial Office Building, Nanjing High-tech Development Zone	USD 15,350 thousand	Research and development, production of software and related products; Research and development, technology transfer and related services for computer hardware, automotive electronic products and their in-vehicle navigation system products. sales of self-produced products; wholesale, retail and distribution of auto parts and software products; commission agency; import and export of self-owned and non-owned products
TaiFeng ((Nanjing) Software Technology Limited	92	Zhangzhou Development Zone Yi Ding Investment Co., Ltd.	2005.12.09	Room 604-4, Building 6, Shanhuayuan, No. 8 Xiangjiang Road, Zhangzhou Development Zone	RMB 55,200 thousand	Investment management and investment consulting for the automotive industry and related industries; consulting services for the introduction of advanced international technologies, products and equipment; computer software and hardware development and technical services and consulting

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
	93	Zhangzhou Development Zone Mei De Investment Co., Ltd.	2005.12.09	Room 604-2, Building 6, Shanhuayuan, No. 8 Xiangjiang Road, Zhangzhou Development Zone	RMB 79,500 thousand	Investment management and investment consulting for the automotive industry and related industries; consulting services for the introduction of advanced international technologies, products and equipment; computer software and hardware development and technical services and consulting
QingTai (NanJing) Technology Limited	94	Zhangzhou Development Shi Cheng Investment Co., Ltd.	2005.12.09	Room 604-3, Building 6, Shanhuayuan, No. 8 Xiangjiang Road, Zhangzhou Development Zone	RMB 71,830 thousand	Investment management and investment consulting for the automotive industry and related industries; consulting services for the introduction of advanced international technologies, products and equipment; computer software and hardware development and technical services and consulting
	95	Zhangzhou Development Zone Jin Ce Investment Co., Ltd.	2005.12.09	Room 604-1, Building 6, Shanhuayuan, No. 8 Xiangjiang Road, Zhangzhou Development Zone	RMB 19,670 thousand	Investment management and investment consulting for the automotive industry and related industries; consulting services for the introduction of advanced international technologies, products and equipment; computer software and hardware development and technical services and consulting
Zhangzhou Development Zone Yi Ding Investment Co., Ltd.	96	GaoTe (Beijing) Investment Limited	2005.12.23	Room 1602, 16th Floor, Building 3, No. 17, Zhongguancun South Street, Haidian District, Beijing	RMB 58,000 thousand	Project investment, investment management, investment consulting, business management, market research, marketing planning, public relations planning; technical consulting, technical services
GaoTe (Beijing) Investment Limited	97	HangZhou QienYu Investment Limited	2007.09.13	Room 507, No. 428 Wensan West Road, Xihu District, Hangzhou	RMB 10,000 thousand	Investment management, investment consulting (except securities and futures), market research; corporate marketing planning; public relations planning
HangZhou QienYu Investment Limited	98	HangZhou Hsiao Yu Investment Limited	2007.10.22	No. 310, North District, Zhongyu Modern City, Beigan Street, Xiaoshan District	RMB 10,000 thousand	Business investment and all other legal projects that do not require approval
Zhangzhou Development Shi Cheng Investment Co., Ltd.	99	DongTai (Beijing) Investment Limited	2005.12.23	Room 1603, 16th Floor, Building 3, No. 17, Zhongguancun South Street, Haidian District, Beijing	RMB 73,200 thousand	Investment management, investment consulting (except brokerage); business management, market research; marketing planning, public relations planning
DongTai (Beijing) Investment Limited	100	HangZhou TangYu Investment Limited	2007.09.13	Room 508, No. 428 Wensan West Road, Xihu District, Hangzhou	RMB 10,000 thousand	Investment management, investment consulting (except securities and futures), business management consulting, market research; corporate marketing planning; public relations planning
Yulon China Holdings Co. Ltd.	101	Yulon Motor Investment (HK) Co., Ltd.	2012.01.30	Suites 2302-6, 23/F Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong	USD 711,803 thousand	Investment

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
Yulon Motor Investment (HK) Co., Ltd.	102	Yulon Automotive (China) Investment Limited	2012.09.26	Room 123, Science and Technology Cultural Center, Linjiang Industrial Park, Xiaoshan District, Hangzhou	USD 274,940 thousand	Purchase of machinery and equipment, office equipment, raw materials and components for production, and provision of after-sales services; technical support, staff training, and internal personnel management services; research and development of new products and high technology; and provision of consultation services on market information and investment policies related to its investments
	103	Xiamen Y.C. Invest. Consulting Limited	1995.12.29	Room 8-21-201, Dongpu Road, Siming District, Xiamen	USD 1,860 thousand	Investment advisory services in the automotive, electronics, textile and related industries and consulting services for the introduction of advanced international technologies, products and equipment
	104	Luxgen (Hangzhou) Motor Sales Co., Ltd	2017.08.15	Room B1-3-007, No. 198, Qidi Road, Xiaoshan Economic and Technological Development Zone, Hangzhou City, Zhejiang Province	USD434,550 thousand	R&D, design and sales of passenger cars, their chassis, engines and parts, commercial vehicles, sales, import and export of auto parts and auto supplies
Yulon Automotive (China) Investment Limited	105	Chuang Jie New Energy Vehicle (HZ) Limited	2018.09.10	No. 2688, New Century Avenue, Linjiang High-tech Industrial Park, Hangzhou, Zhejiang Province	RMB 790,000 thousand	Research and development, manufacturing and sales of automobile engines, parts and components and automobile electronic devices; sales of complete automobiles. Vehicle design and development, technology transfer, technical consultation and technical services; system, parts and components research and development, manufacturing, sales, technology transfer, technical consultation and technical services; agent for the import and export of new energy goods and technologies. Vehicle charging module sales; new materials technology promotion services; charging pile facilities installation; vehicle energy-saving technology promotion services. Internet of things technology research and development; vehicle engineering technology research and development; agent for the import and export of machinery and equipment (except for those involving the implementation of special management measures for state access)
	106	Sheng Qing (Beijing) Investment Limited	2005.12.23	No. 100, Fangshan Science and Technology Industrial Park, Fangshan District, Beijing	RMB 1,239,671 thousand	Investment consulting (except brokerage); business management; marketing planning, public relations planning; technical consulting (except brokerage), technical services; technology import and export

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
Sheng Qing (Beijing) Investment Limited	107	SuZhou FengShen Automobiles. Sale & Service Limited	2000.10.23	1268 Donghuan South Road, Guoxiang, Wuzhong District, Suzhou City	RMB 48,000 thousand	Sales: Dongfeng Nissan brand cars, imported Nissan brand cars, cars and accessories, motorcycles and accessories, metal materials, hardware and electrical appliances, electrical and mechanical products, construction materials, non-hazardous chemical products; lubricants; used car dealership; car licensing services; car rental; type I vehicle maintenance (small passenger cars); motor vehicle insurance part-time agent; car information consulting services; business information consulting services. Economic information consulting services
SuZhou FengShen Automobiles. Sale & Service Limited	108	Suzhou ChengBang Automobiles Sales & Service Limited	2013.11.21	South of Jiangling North Road, Wujiang Economic and Technological Development Zone	RMB 10,000 thousand	Dongfeng Nissan brand vehicles; sales of automobiles and auto parts, motorcycles and parts, metal materials, hardware and electrical appliances, electrical and mechanical products, construction materials, chemical products (except dangerous chemicals); used car replacement; car leasing, car licensing procedure agency services; type II car repair (passenger cars); technical consultation and technical services in the field of automobile technology; self-supporting and acting as an agent for the import and export of various goods and technologies Automobile information consulting services; business information consulting services; economic information consulting services; social and economic consulting; wholesale and retail of lubricating oil and motor oil (closed cup flash point >60C)
	109	Suzhou Eslite Automobiles Sales & Service Limited	2013.07.18	No. 149, Luzhi Avenue, Luzhi Town, Wuzhong District, Suzhou City	RMB 40,000 thousand	Sales: automobiles and accessories, motorcycles and accessories, metal materials, hardware and electrical appliances, electrical and mechanical products, construction materials, lubricants, non-hazardous chemicals; used car dealership; car licensing procedures; car rental; motor vehicle repair and technical consulting services, business information consulting services; economic information consulting services; automotive information consulting services; self-supporting and acting as an agent for the import and export of various goods and technologies

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
	110	Suzhou YuShun Automobiles Sales & Service Limited	2009.11.12	98 Fengrui Road, Mudu Town, Wuzhong District, Suzhou City	RMB 10,000 thousand	Sales: automobiles and accessories, motorcycles and accessories, metal materials, hardware and electrical appliances, electrical and mechanical products, construction materials, chemical products (excluding dangerous goods), motor oil, lubricating oil; type I complete vehicle repair (passenger cars); motor vehicle insurance agency; automobile licensing procedures on behalf of the service; car rental; automobile class technical advice, technical services and related consulting services; automotive information consulting, business information consulting, economic information consulting; self-employment and agency of various technologies and commodities import and export business. Economic information consulting; self-management and agency import and export of various technologies and commodities
	111	TaiTsang ChengMao Automobiles Sales & Service Limited	2014.08.21	16 Ningbo West Road, Taicang City	RMB 10,000 thousand	Distribution of automobiles and accessories, motorcycles and accessories, metal materials, hardware and electrical appliances, electrical and mechanical products, construction materials, non-hazardous chemical products; used car dealership; agent car licensing services; car rental; car repair and maintenance; commodity consulting services; trade consulting; distribution of lubricating oil
	112	Suzhou FengShun Automobiles Sales & Service Limited	2012.11.07	136 East Zhongshan Road, Mudu Town, Wuzhong District, Suzhou City	RMB 25,000 thousand	Sales: cars, auto parts, motorcycles and accessories, metal materials, hardware, electrical and mechanical products, construction materials, non-hazardous chemical products, motor oil, lubricating oil; type I vehicle repair (small cars); motor vehicle insurance agency; used car dealership; car licensing procedures; car rental; automotive technical advice, technical services and related consulting services, automotive information consulting, business information Consulting, economic information consulting. Direct operation and agent for import and export of various commodities and technologies

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
Suzhou FengShun Automobiles Sales & Service Limited	113	Wu Jiang Lian Cheng Automobiles Sale & Service Limited	2007.09.28	Northeast of Pingwang Bridge, Zhonglu Village, Pingwang Town, Wujiang, Suzhou City	RMB 10,000 thousand	Sales of automobiles and auto parts, imported automobiles and parts, motorcycles and parts, metal materials, hardware and electricity, construction materials, motor oil, lubricating oil; type I auto repair (passenger cars); insurance agency (limited to the scope of the license); used car replacement; motor vehicle licensing services; car rental; technical advice and technical services in the field of automotive technology; catering services; automotive information consulting services; business information consulting services; economic information consulting services; self-management and agency import and export business of various commodities and technologies
	114	Suzhou ChengLi Automobile Sales & Service Limited	2011.08.17	136 East Zhongshan Road, Mudu Town, Wuzhong District, Suzhou City	RMB 15,000 thousand	Sales: automobiles, motorcycles and accessories, metal materials, hardware and electrical appliances, electrical and mechanical products, construction materials, non-hazardous chemical products, motor oil, lubricating oil; automobile licensing procedures agency services; automobile leasing; automotive technical advice, technical services and related consulting services; automotive information consulting, business information consulting, economic information consulting; self-management and agency of various technologies and commodities import and export business
Sheng Qing (Beijing) Investment Limited	115	Anqing Cai Tong Automobiles Sales & Service Limited	2012.07.12	33#, East Building 2, Phase I, Guangcai Market, Development Zone, Anqing City, Anhui Province	RMB 27,417 thousand	Sales of Dongfeng Luxgen brand vehicles. General business items: car sales (excluding brand cars) and after-sales services; auto parts sales; insurance agency services; car mortgage consulting services; car rental services
	116	Anhui Min Tong Automobiles Sales & Service Limited	2011.07.01	20# Workshop of Anhui South Vehicle Industry Co., Ltd. at the intersection of Fanhua Avenue and Tianjin Road, Baohe Economic Development Zone, Hefei City, Anhui Province	RMB 28,502 thousand	Luxgen brand car sales, auto parts, lubricants, electrical and mechanical products, car beauty supplies sales; car decoration (excluding car beauty); used car trading, car rental; type I motor vehicle repair; vehicle affairs, insurance affairs agency and consulting
	117	Tongling Kuo Tong Automobiles Sales & Services Limited	2010.08.27	Gusheng Community Neighborhood Committee, Qiaonan Office, Suburb, Tongling City, Anhui Province	RMB 16,913 thousand	Dongfeng Citroen brand car sales, auto parts, lubricating oil, electrical and mechanical products sales, car decoration, auto parts agency services, used car dealership, type II motor vehicle repair (small vehicle repair)

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
	118	Zibo Yu An Automobiles Sales & Services Limited	2015.04.14	No. 212, Shanquan Road, Zhangdian District, Zibo City, Shandong Province	RMB 15,440 thousand	Sales of automobiles, second-handed cars, auto parts, lubricating oil, auto equipment; auto beauty; auto repair and maintenance; convention services; second-handed car appraisal and evaluation; auto leasing
	119	Guangzhou YuanDou Automobile Sales & Service Limited	2006.10.16	No. 1, Helianbei Road, Zhucun, Tianhe District, Guangzhou	RMB 35,000 thousand	Auto parts and accessories wholesale; auto parts and accessories retail; commodity information consulting services; auto repair and maintenance; insurance agency services; brand car sales
	120	Zhu Hai FuTeEn Industry & Trade Limited	2003.04.29	No. 123, Huayu Road, Xiangzhou District, Zhuhai City	RMB 35,200 thousand	Wholesale and retail of branded cars, motor vehicle parts and accessories, steel, chemical products (excluding dangerous and easily toxic chemicals), household appliances, daily necessities; used car sales; car leasing; complete vehicle repair, total repair, complete vehicle maintenance, minor repair, special repair; motor vehicle insurance agency (permit valid until December 23, 2012); business services (excluding licensed items)
Guangzhou YuanDou Automobile Sales & Service Limited	121	Qingdao YuanHuang Automobiles Sales & Services Limited	2011.01.26	West side of Qingwei Road, Chengyang District, Qingdao	RMB 50,000 thousand	Motor vehicle repair, total repair, vehicle maintenance, minor repairs, repair and rescue; special repair (motor vehicle repair business permit The validity period is subject to the permit). Sales: cars and their auto parts; auto technical consulting services; auto information consulting services; surrogate car registration
Zhu Hai FuTeEn Industry & Trade Limited	122	ZhuHai Esinn Automobiles Sales & Service Limited	2009.10.16	Room 101, 1st Floor, No. 2, Minghua 3rd Road, Qianshan, Zhuhai	RMB 25,200 thousand	Wholesale and retail of branded cars, motor vehicle parts and accessories, steel, chemical products (excluding dangerous and easily toxic chemicals), household appliances, daily necessities; used car sales; car leasing; business services (excluding licensed items); complete vehicle repair, total repair, complete vehicle maintenance, minor repair, special repair, repair and rescue (permit valid until May 6, 2016), motor vehicle insurance agency (permit valid until June 16, 2013)

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
	123	Shenzhen Yuzhi Automobile Sales & Service Limited	2011.07.18	No. 7028 B, Beihuan Avenue, Futian District, Shenzhen	RMB 20,000 thousand	General business items are: the sale of cars (including small cars), auto parts and other domestic trade (laws, administrative regulations, the State Council decided to require approval before registration, except for items); the establishment of industrial (specific projects are separately reported); used car sales; car leasing; information consulting and licensing; marketing planning; own housing rental; accept financial institutions entrusted to engage in financial outsourcing services;. Import and export business. Permitted business items are: motor vehicle insurance; type II vehicle repair
Sheng Qing (Beijing) Investment Limited	124	Wuhan Yu Hsin Automobiles Sales & Service Limited	2007.09.12	No. 1 Gongnong Road, Qiaokou District, Wuhan City, Hubei Province	RMB 100,000 thousand	Dongfeng Nissan brand car sales, imported Nissan brand car sales; auto parts, daily necessities wholesale and retail; old motor vehicle trading (excluding old motor vehicle evaluation), consulting and dealer services; car rental, small vehicle maintenance (type I); motor vehicle insurance dealer
Wuhan Yu Hsin Automobiles Sales & Service Limited	125	Xiaogan Yufeng Automobile Sales Service Co., Ltd.	2011.05.16	Fairy Lake East Road, Xiaonan Economic Development Zone, Xiaogan City	RMB 32,000 thousand	Sales of branded cars; wholesale and retail of auto parts, daily necessities, trading of used motor vehicles, type I (small vehicle repair), consulting services
Sheng Qing (Beijing) Investment Limited	126	NanJing HanHong Automobiles Trading Limited	2003.09.27	228 Mufu East Road, Yanziji Street, Qixia District, Nanjing	RMB 131,000 thousand	Type I car repair (small vehicles); car, imported brand car sales; auto parts, lubricants, daily necessities, hardware and electricity sales; used car broker; agent motor vehicle insurance; economic information consulting; car rental
NanJing HanHong Automobiles Trading Limited	127	Nanjing YuShang Automobile Sales & Service Limited	2011.08.31	9-8 Yanshan East Road, Taishan Street, Jiangbei New District, Nanjing	RMB 38,000 thousand	Motor vehicle type I repair (passenger cars); accidental injury insurance; motor vehicle insurance; sales of automobiles, auto parts, daily necessities, hardware and electricity; lubricant sales; used car brokerage; business information consulting; car rental
	128	Nanjing HanHong Automobile Sales & Service Limited	2013.09.22	Room 410, Building 8, No. 18 Fenghua Road, Yuhua Economic Development Zone, Nanjing	RMB 44,000 thousand	Automobile, auto parts, daily department store, lubricant, hardware and electricity sales; used car brokerage; social and economic consulting (except investment consulting); car rental service; motor vehicle repair

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
Sheng Qing (Beijing) Investment Limited	129	HangZhou Yu Zhong Trading Limited	2007.09.25	Room 105, No. 69, Quzhou Street, Gongshu District, Hangzhou	RMB 10,000 thousand	Wholesale, retail and design of automotive parts and molds; wholesale, retail and technical development of mechanical equipment and electronic products; import and export of goods and technologies (except for items prohibited by laws and administrative regulations; items restricted by laws and administrative regulations may be operated only after obtaining a permit); all other legal items not subject to approval
	130	Hangzhou HuaZhi Automobile Sales & Service Limited	2011.05.20	520 Huzhou Road, Gongshu District, Hangzhou City, Zhejiang Province	RMB 20,000 thousand	Luxgen brand car sales (excluding wholesale); motor vehicle repair: Type II motor vehicle repair (small vehicle repair); motor vehicle insurance, accident insurance; car rental; auto parts, motorcycles and accessories, metal materials, hardware, electrical and mechanical products, construction materials, chemical products (except chemical dangerous goods and toxic chemicals), used cars (commercial vehicles and passenger cars with nine seats or more only) Sales
Hangzhou HuaZhi Automobile Sales & Service Limited	131	Hangzhou HuaYou Automobile Sales & Service Limited	2011.09.05	Room 2004-32, Qianjiang Century City Smart Technology Park, Building 1, Zhejiang Private Enterprise Development Building, No. 3 Fuye Lane, Ningwei Street, Xiaoshan District, Hangzhou City, Zhejiang Province	RMB 8,000 thousand	Motor vehicle repair: Type II motor vehicle repair (small vehicle repair); Luxgen brand car sales; sales: nine seats and more than nine seats left with cars, auto parts, motorcycles and accessories, metal materials, hardware and electricity, electrical and mechanical products, construction materials, chemical products (except chemical dangerous goods and easily toxic chemicals), automotive agency services; used car dealership; car rental
Sheng Qing (Beijing) Investment Limited	132	Jiangmen Junxing Automobile Sales Service Co., Ltd.	2007.04.09	119 Wuyi Road, Jiangmen City	RMB 20,000 thousand	As a brand dealer of Guangzhou Honda Motor brand cars and import Honda brand cars, engaged in the sale (excluding wholesale) of the above brands of cars. Engaged in the wholesale and retail of automotive parts (excluding engines). Type II motor vehicle maintenance (small vehicle maintenance) (operating with a valid "road transport operating permit"). Agency: motor vehicle insurance (operating with a valid "insurance agency business license"). Used car sales and brokerage business (excluding used car dismantling and appraisal and evaluation). Acting on behalf of motor vehicles annual audit, licensing, transfer, mortgage procedures; car rental services (excluding car operation)

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
Jiangmen Junxing Automobile Sales Service Co., Ltd.	133	Jiangmen YuLi Automobiles Sales & Service Limited	2014.03.26	Building 1, No.119, Wuyi Road, Jianghai District, Jiangmen City	RMB 10,000 thousand	Sales: cars, auto parts; motor vehicle repair (with a valid "road transport operating permit" to operate); used car sales; used car brokerage services; on behalf of the motor vehicle annual audit, licensing, transfer procedures
Sheng Qing (Beijing) Investment Limited	134	Changsha Yulu Automobile Sales & Service Limited	2012.04.13	D-06, Lugu Auto World, No. 9 Jiayun Road, Lugu Street, Changsha High-tech Development Zone	RMB 31,800 thousand	Sales of branded cars, small cars with less than nine seats, auto supplies, auto interior supplies; used car business; auto retail; auto parts retail; auto-related technical consulting services; auto leasing; auto repair; auto repair technical consulting; venue leasing; machinery and equipment leasing
	135	Ningbo Yu Chang Automobile Sales Service Co., Ltd.	2011.5.30	No. 885, Huancheng South Road, Yinzhou District, Ningbo City, Zhejiang Province	RMB 44,700 thousand	Luxgen brand car sales, Southeast Mitsubishi brand car sales; motor vehicle insurance, accidental injury insurance agent. Motor vehicle repair (the above with a valid permit to operate); commercial vehicles and passenger cars with nine seats or more sales; auto parts, motorcycle parts, metal materials, hardware and electricity, electrical and mechanical products, construction materials, chemical products wholesale and retail; used car dealership; agent car licensing services; car rental; business information consulting services
	136	Fujian YuXin Automobiles Sales & Service Limited	2011.04.29	No. 3 Xiangtong Road, Qingkou Investment Zone, Minhou County, Fujian Province	RMB 52,000 thousand	Sales of automobiles, auto parts, vehicle daily necessities and lubricants; used car dealership, auto technology-related research and development and consulting services; one type of auto repair (passenger car repair)
	137	Shanghai Yumin Automobiles Sales & Service Limited	2011.01.27	Room 222-U, 2nd Floor, Area B, Building 6, No.255 Hongliu Road, Putuo District, Shanghai	RMB 72,792 thousand	Engaged in the sale of brand-name cars; commercial vehicles and passenger cars with more than nine seats; wholesale and retail of daily necessities, auto parts and accessories; repair of type II motor vehicles; rental of own houses
Shanghai Yumin Automobiles Sales & Service Limited	138	ChiaHsing YuTa Automobiles Sales & Service Limited	2014.07.23	Exhibition Hall 3, Yuantong Automobile Shop, Jiaxing Automobile Trade Park, Zhejiang Province	RMB 18,000 thousand	Wholesale and retail of automobiles, daily necessities, auto parts and accessories; auto consulting; licensing services; used car brokerage services; auto leasing services; auto technical consulting services; entrusted with auto mortgage services; motor vehicle repair
YULON MOTOR CO.,LTD	139	Y-Teks Co., Ltd.	1973.12.28	No. 1,Shanping Rd.,Zhongli Dist., Taoyuan City	177,100	Computer and peripheral equipment manufacturing industry, automobile and parts manufacturing industry, etc.

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
Y-Teks Co., Ltd.	140	YU HSIN INT'L INVESTMENT (BVI) CO., LTD.	2002.07.02	P.O.BOX957, OFFSHORE INCORPORATIONS CENTRE, ROAD TOWN, TORTOLA, BRITISH VIRGIN ISLANDS'	USD 3,347 thousand	Holding company
YU HSIN INT'L INVESTMENT (BVI) CO., LTD.	141	YU HSIN INT'L INVESTMENT (HK) CO., LTD.	2008.04.28	1004 AXA Centre, 151 Gloucester Road, Wan Chai , Hong Kong	USD 12,391 thousand	Holding company
YU HSIN INT'L INVESTMENT (HK) CO., LTD.	142	Changzhou Y-Teks Automotive Trim Parts Limited	1995.12.15	833 Laodong East Road, Tianning District, Changzhou City	USD 1,400 thousand	Production of mid- and high-end automotive engineering plastics and plastic alloys and other interior parts and materials, and sales of self-produced products
	143	Hangzhou Y-teks Automotive Trim Parts Lt	2010.01.13	No. 926-180, Linlong Road, Linjiang High-tech Industrial Park, Dajiangdong Industrial Cluster, Hangzhou	USD 10,450 thousand	Design, development, manufacturing and sales services of automotive interior components
YULON MOTOR CO.,LTD	144	Uni Auto Parts Manufacture Co., Ltd	1969.09.04	No. 40-10,Bogongkeng,Sanyi Township, Miaoli County	868,892	Manufacture and sale of various motor vehicle springs and their products
Uni Auto Parts Manufacture Co., Ltd	145	Uni Investment Co., Ltd.	1998.06.25	P. O. Box 957, Offshore Incorporations Centre Road Town, Tortola, British Virgin Islands.	USD 8,403 thousand	Holding company
Uni Investment Co., Ltd.	146	Fuzhou Lianghong Motor Parts Limited	1995.12.19	Fuzhou Minhou Qingkou Investment Zone (Southeast Automobile City)	USD 13,980 thousand	Manufacture and sale of car seats, etc.
	147	HANG ZHOU LIAN RUN MOTOR PARTS CO.,LTD	2010.03.24	No. 926-118, Linlong Road, Linjiang High-tech Industrial Park, Dajiangdong Industrial Cluster, Hangzhou, Zhejiang Province	USD 22,500 thousand	Manufacture and sale of car seats, etc.
YULON MOTOR CO.,LTD	148	Luxgen Motor Co., Ltd.	2008.05.29	No. 39-1,Bogongkeng,Sanyi Township, Miaoli County	6,050,000	Sale and purchase of automobiles and parts, repair and maintenance of automobiles
Luxgen Motor Co., Ltd.	149	Luxgen Taipei Motor Co., Ltd.	2009.03.11	No. 59, Ln. 10,Jihu Rd.,Neihu Dist., Taipei City	185,000	Sale and purchase of automobiles and parts, repair and maintenance of automobiles
	150	Luxgen Taoyuan Motor Co., Ltd.	2009.03.10	No. 256,Zhonghua Rd.,Bade Dist., Taoyuan City	105,000	Sale and purchase of automobiles and parts, repair and maintenance of automobiles
	151	Luxgen Taichung Motor Co., Ltd.	2009.03.10	No. 618,Wenxin S. Rd.,South Dist., Taichung City	106,000	Sale and purchase of automobiles and parts, repair and maintenance of automobiles
	152	Luxgen Tainan Motor Co., Ltd.	2009.03.12	No. 546,Zhongzheng S. Rd.,Yongkang Dist., Tainan City	105,000	Sale and purchase of automobiles and parts, repair and maintenance of automobiles
	153	Luxgen Kaohsiung Motor Co., Ltd.	2009.03.23	No. 1, Sec. 2, Guangfu Rd., Fengshan Dist., Kaohsiung City	71,000	Sale and purchase of automobiles and parts, repair and maintenance of automobiles
YULON MOTOR CO.,LTD	154	EMPOWER MOTORS CO.,LTD.	2000.01.07	No. 27,Gongyequ 36th Rd.,Xitun Dist., Taichung City	300,000	Sale and purchase of automobiles and parts, repair and maintenance of automobiles

Investing Company	Item No.	Enterprise Name	Incorporation Date	Address	Paid-up Capital Unit: Thousands of NTD	Primary Business or Product
EMPOWER MOTORS CO.,LTD.	155	Chi Min Business Co., Ltd.	2011.02.16	No. 385, Sec. 4, Huanzhong Rd., Nantun Dist., Taichung City	8,000	Wholesale and retail of automobile and motorcycle parts and equipment, computer and business machines and equipment, and information software
	156	Hongyan Automobile Co., Ltd.	2010.12.15	Portcullis TrustNet Chambers, P.O. Box 1225, Apia, SAMOA	190,063	Holding company
	157	Yumin Insurance Broker Co., Ltd	2013.12.11	3F., No. 1161, Sec. 2, Wuquan W. Rd., Nantun Dist., Taichung City	5,000	Property and Liability Insurance Broker
	158	Mingxiang Auto Leasing Corporation	2020.07.08	4F., No. 1161, Sec. 2, Wuquan W. Rd., Nantun Dist., Taichung City	30,000	Car and Motorcycles and parts, tires wholesale and retail, small passenger car rental
YULON MOTOR CO.,LTD	159	Hna-Chuang Automobile Information Technical Center Co., Ltd.	2005.12.27	2F., No. 3,Sec. 3, Zhongxing Rd.,Xindian Dist., New Taipei City	12,701,001	Automobile product design business and parts manufacturing, wholesale and retail, and management consulting
Hna-Chuang Automobile Information Technical Center Co., Ltd.	160	Sin Etke Technology Co., Ltd..	1999.12.29	2F., No. 3,Sec. 3, Zhongxing Rd.,Xindian Dist., New Taipei City	500	Automobile parts and components wholesale, information software wholesale, services and electronic information supply services, etc.
	161	Hua-Chuang Overseas Investment Co., Ltd.	2012.07.13	Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands	490,393	Investment
Hua-Chuang Overseas Investment Co., Ltd.	162	Hua-chuang China Investment Co., Ltd.	2012.08.29	15/F BOC Group Life Assurance Tower, 136 Des Voeux Rd Central, Central, Hong Kong	461,709	Investment
Hua-chuang China Investment Co., Ltd.	163	Hangzhou Hua-chuang Automobile Informati	2012.11.28	No.407, Building No.2, Nong Erchang, Linjiang Industrial Park, Xiaoshan District, Hangzhou City, Zhejiang Province	USD15,500 thousand	Automobile parts and components research and development; automotive parts and components retail; technical services, technology development, technology consulting, technology exchange, technology transfer, technology promotion; domestic freight forwarding agent; international freight forwarding agent

3. Shareholders representing both holding companies and subordinates: None

4. Industries covered by all the affiliates (Please describe the business relationship and the division of work among the affiliates, if any): Please refer to Item 1 and Item 2 for details

5. Names of directors, supervisors and presidents of affiliated enterprises and their shareholdings or capital contributions to such enterprises (as of December 31, 2020)

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
1	Taiwan Acceptance Corporation	Chairman Vice Chairman Director Director Director (and President) Director Director Independent Director Independent Director Independent Director Independent Director	YULON MOTOR CO.,LTD Yen Chen Li-Lien Kuo-Rong Chen Zhen-Xiang Yao Yulon-Administered Enterprises Company Limited Wen-Jung Tsai Kuo-Hsing Hsu Chen-Cheng Li Liang Zhang Jiqing Chen Yi-Hong Hsieh Zhongqi Zhou Huang Gao-Qian	152,044,446 12,100	45.75 -
2	Shinshin Credit Corporation	Chairman Director Director (and President) Supervisor	Taiwan Acceptance Corporation Kuo-Hsing Hsu Fa-ke Chen Yuan-Lung Chueh Shu-hua Liao	221,833,300	100.00
3	Carplus Auto Leasing Corporation	Chairman Director (and President) Director Director Director Supervisor Supervisor	Taiwan Acceptance Corporation Kuo-Hsing Hsu Jun Chen Qing-yuan Bai Chen Zong-Yu Chun-Chieh Chang Ruiyi Investment Co., Ltd. Chen Zhi-Long YULON MOTOR CO.,LTD Wen-Yi Lo	64,570,378 7,040,418 3,254,036	68.57 7.48 3.46
4	Yu Rich Financial Services Co., Ltd.	Chairman Director Director Supervisor	Taiwan Acceptance Corporation Kuo-Hsing Hsu Zhuang Yi-Xue Fa-ke Chen Shu-hua Liao	138,209,150	100.00
5	Yulon Motor Finance (China) Limited	Director Director Supervisors Chairman Director (and President) Director Supervisors	YULON MOTOR CO.,LTD Chin-Chuan Chen Shi-hao Fang Yuan-long Chen Taiwan Acceptance Corporation Fa-ke Chen Chun-Cheng Lin Kuo-Hsing Hsu Shu-hua Liao	RMB 510,000 thousand* RMB 490,000 thousand*	51.00 49.00
6	Shin Shin Investment (Samoa) Co., Ltd.	Director	Shinshin Credit Corporation Kuo-Hsing Hsu	USD 12,000 thousand*	100.00
7	YES-Energy Service Co., LTD.	Chairman Director	Shinshin Credit Corporation Kuo-Hsing Hsu Yuan-Lung Chueh	29,000,000	100.00

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Director Director Director Supervisor	Chen-xing Zhu Wei-Ting Yang Chia-Chi Li Shu-hua Liao		
8	Power Engineering Co., LTD.	Chairman Director Director Supervisor	YES-Energy Service Co., LTD. Xiuzhi Gao Wong Pak-Tong Jing-Wei Lin Jian-Wen Wang	200,000	100.00
9	Yulon Finance Overseas Investment (Samoa) Co., Ltd.	Director	Taiwan Acceptance Corporation Kuo-Hsing Hsu	USD 15,000 thousand*	100.00
10	Yulon Finance Philippines Investment (Samoa) Co., Ltd.	Director	Yulon Finance Overseas Investment (Samoa) Co., Ltd. Kuo-Hsing Hsu	USD 15,000 thousand*	100.00
11	Yulon Finance Philippines Co., Ltd	Chairman Director (and President) Director Director Director Independent Director Independent Director	Yulon Finance Philippines Investment (Samoa) Co., Ltd. Kuo-Hsing Hsu Mingqi Hu Hsiang Tseng Shu-hua Liao Zhiling Zhan Charles Kohchet-Chua Rene K. Limcaoco	PHP 750,000 thousand*	100.00
12	TAC Global Investment (Samoa) Co., Ltd.	Director	Taiwan Acceptance Corporation Kuo-Hsing Hsu	USD 108,833 thousand*	100.00
13	Yu Rong International Investment (SAMOA) Co., Ltd.	Director	TAC Global Investment (Samoa) Co., Ltd. Kuo-Hsing Hsu	USD 87,496 thousand*	100.00
14	Yu-Rong Leasing (Suzhou) Limited	Chairman (and President) Director Director Director Director Supervisor	Yu Rong International Investment (SAMOA) Co., Ltd. Fu-Hsiung Liu Kuo-Hsing Hsu Yuan-Lung Chueh Fa-ke Chen Xiao Yong-Lin Shu-hua Liao	RMB 500,000 thousand*	100.00
15	Yu-Kuo Finance Leasing (Hangzhou) Limited	Chairman Director Director Supervisors Director Director	Yu Rong International Investment (SAMOA) Co., Ltd. Fa-ke Chen Chun-Cheng Lin Kuo-Hsing Hsu Shu-hua Liao Shin Shin Investment (Samoa) Co., Ltd. Wen-zheng Liao Yulon Automotive (China) Investment Limited Chin-Chuan Chen	USD 12,000 thousand* USD 12,000 thousand* USD 6,000 thousand*	40.00 40.00 20.00
16	Shanghai YuGuo Auto Trade Co., Ltd.	Managing director Supervisors	Yu-Kuo Finance Leasing (Hangzhou) Limited Ching-Yu Tsai Huang Hung	RMB 2,000 thousand*	100.00
17	Zhejiang Cheng Yi Automobile Technology Service Co., Ltd	Chairman Director Director Supervisors	Yu-Kuo Finance Leasing (Hangzhou) Limited Wen-zheng Liao Chun-Cheng Lin Yu-Long Zhang Ching-Yu Tsai	RMB 20,000 thousand*	100.00

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
18	Hangzhou Cheng Yi second-hand car identification assessment Limited	Managing director Supervisors	Zhejiang Cheng Yi Automobile Technology Service Co., Ltd Yu-Long Zhang Ching-Yu Tsai	RMB 1,500 thousand*	100.00
19	Zhejiang Cheng Yi auction Ltd.	Director (and President) Supervisors	Zhejiang Cheng Yi Automobile Technology Service Co., Ltd Yu-Long Zhang Ching-Yu Tsai	RMB 2,000 thousand*	100.00
20	Wuhan TAC Auto Trade Co., Ltd.	Director (and President) Supervisors	Zhejiang Cheng Yi Automobile Technology Service Co., Ltd Yu-Long Zhang Ching-Yu Tsai	RMB 2,000 thousand*	100.00
21	Diamond Auto Service Co., Ltd.	Chairman	Carplus Auto Leasing Corporation Jun Chen	8,500,000	100.00
22	Da Wei Technology Co., Ltd	Chairman	Carplus Auto Leasing Corporation Chi-Mu Hsu	4,000,000	100.00
23	Hong Shuo Cultural Enterprises Co.,Ltd.	Chairman (and President)	Carplus Auto Leasing Corporation Jun Chen	4,050,000	100.00
24	CAR-PLUS Global Investment (Samoa) Co., Ltd.	Director	Carplus Auto Leasing Corporation Jun Chen	USD 31,200 thousand*	100.00
25	CAR-PLUS China Investment (Samoa) Co., Ltd	Director	CAR-PLUS Global Investment Jun Chen TAC Global Investment	USD 6,000 thousand* USD 4,000 thousand*	60.00 40.00
26	CAR-PLUS Shanghai Investment (Samoa) Co., Ltd.	Director	CAR-PLUS Global Investment Jun Chen TAC Global Investment	USD 6,000 thousand* USD 4,000 thousand*	60.00 40.00
27	CAR-PLUS Hangzhou Investment (Samoa) Co., Ltd	Director	CAR-PLUS Global Investment Jun Chen TAC Global Investment	USD 19,200 thousand* USD 12,800 thousand*	60.00 40.00
28	CAR-PLUS Auto Leasing (Suzhou) Limited	Chairman (and President) Director Director Director Supervisors Supervisors	CAR-PLUS China Investment (Samoa) Co., Ltd Jun Chen Keyu Lin Guo Ting-Fei Fu-Hsiung Liu Chun-Cheng Lin Shu-hua Liao Xinzen Lin	USD 10,000 thousand*	100.00
29	CAR-PLUS Auto Leasing (Shanghai) Limited	Chairman (and President) Director Director Director Supervisors Supervisors	CAR-PLUS Shanghai Investment (Samoa) Co., Ltd Jun Chen Guo Ting-Fei Keyu Lin Fu-Hsiung Liu Chun-Cheng Lin Xinzen Lin Shu-hua Liao	USD 10,000 thousand*	100.00
30	CAR-PLUS GO Co., Ltd.		CAR-PLUS Hangzhou Investment (Samoa) Co., Ltd	USD 32,000 thousand*	100.00

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Chairman (and President) Director Director Director Director Supervisors	Jun Chen Chin-Chuan Chen Qingya Chen Po-An Lai Weimin Pan Xinzhen Lin		
31	Xie Guan Manpower Service Co., Ltd.	Chairman	Diamond Auto Service Co., Ltd. Jun Chen	1,000,000	100.00
32	Ta Teng Transportation Co., Ltd.	Director	Da Wei Technology Co., Ltd	NTD 6,000 thousand*	100.00
33	Dachuan Transportation Co., Ltd.	Director	Da Wei Technology Co., Ltd	NTD 3,000 thousand*	100.00
34	Damu Transportation Co., Ltd.	Director	Da Wei Technology Co., Ltd	NTD 6,000 thousand*	100.00
35	Dajun Transportation Co., Ltd.	Director	Da Wei Technology Co., Ltd	NTD 3,000 thousand*	100.00
36	Yongxiang Transportation Co., Ltd.	Director	Da Wei Technology Co., Ltd	NTD 3,000 thousand*	100.00
37	Guoma Transportation Co., Ltd.	Director	Da Wei Technology Co., Ltd	NTD 4,000 thousand*	100.00
38	Jinyu Transportation Enterprise Co., Ltd	Director	Da Wei Technology Co., Ltd	NTD 3,000 thousand*	100.00
39	Zhongxing Automobile Co., Ltd.	Director	Da Wei Technology Co., Ltd	NTD 3,500 thousand*	100.00
40	Liyang Automobile Co., Ltd.	Director	Da Wei Technology Co., Ltd	NTD 9,000 thousand*	100.00
41	Heyang Transportation Co., Ltd.	Director	Da Wei Technology Co., Ltd	NTD 6,000 thousand*	100.00
42	Jiayu Transportation Enterprise Co., Ltd	Director	Da Wei Technology Co., Ltd	NTD 3,000 thousand*	100.00
43	Tianyang Transportation Co., Ltd.	Director	Da Wei Technology Co., Ltd	NTD 6,000 thousand*	100.00
44	Singan Co., Ltd.	Chairman Vice Chairman Director Director Director (and President) Supervisor	Taiwan Acceptance Corporation Kuo-Hsing Hsu Wen-zheng Liao Yu-Cho Hsieh Shun-Chi Tsai Shun-Yen Hung Luxgen Motor Co., Ltd. Yuan-long Chen	21,004,499 5,669,791	73.26 19.78
45	Sinqual Technology Co., Ltd.	Chairman (and President) Director Director Supervisor	Singan Co., Ltd. Shun-Yen Hung Wen-zheng Liao Chang-Lin Wu Lu Yu-Xuan	13,000,000	100.00
46	Hsiang Shou Enterprise Co., Ltd.	Chairman (and President) Director Director Supervisor	Singan Co., Ltd. Shun-Yen Hung Wen-zheng Liao Chien Lai-Fong Lu Yu-Xuan	10,000,000	100.00
47	Qinton Motor Co., Ltd.	Chairman (and President) Director Director Supervisor	Singan Co., Ltd. Shun-Yen Hung Wen-zheng Liao Liao Jin-Wei Lu Yu-Xuan	6,745,947	100.00
48	Sinjang Co., Ltd	Chairman (and President)	Singan Co., Ltd. Shun-Yen Hung	42,824,000	100.00

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Director Director Supervisor	Wen-zheng Liao Lin Chi-Wai Lu Yu-Xuan		
49	Sinjang Investment (Samoa) Co., Ltd.	Director	Sinjang Co.,Ltd Shun-Yen Hung	USD 1,337 thousand*	71.34
		Director	TAC Global Investment (Samoa) Co., Ltd. Kuo-Hsing Hsu	USD 537 thousand*	28.66
50	Jing-Hui (Shanghai) Motor Technology Limited	Chairman Director Director (and President) Supervisors	Sinqual Technology Co.,Ltd. Wen-zheng Liao Keyu Lin Yu-Hsuan Wu Wan-Chin Li	USD 1,675 thousand*	100.00
51	Yu Ching Business Co., Ltd.	Chairman Director Director Supervisor	YULON MOTOR CO.,LTD Jian-Hui Li Wen-Yi Lo Hsun-Kuei Hsieh Yu Pong Business Co., Ltd. Hong Yao Jian	72,691,327 48,460,885	60.00 40.00
52	Yulon Construction Co., Ltd.	Chairman Director Director Director Director Supervisor	YULON MOTOR CO.,LTD Zhen-Xiang Yao Yen Chen Li-Lien Chen Bo-Yung Jack, J.T .Huang Chui-Yan Chen Qi-hong Tasi	122,100,000	100.00
53	Hangzhou Yujie Real Estate Co., Ltd	Chairman (and President) Director Director Supervisors	Yulon Construction Co., Ltd. Chin-Chuan Chen Hu Guang-Hua Guo Su-Jeong Qi-hong Tasi	RMB 500,000 thousand*	100.00
54	Yufong Property Management Co., Ltd.	Chairman Director Director Supervisor	Yulon Construction Co., Ltd. Chui-Yan Chen Chien Sik-Nin Wen-Yi Lo Yulon-Administered Enterprises Company Limited Qi-hong Tasi	2,499,000 1,000	99.96 0.04
55	Sin Chi Co., Ltd.	Chairman Director Director Supervisor	YULON MOTOR CO.,LTD Zhen-Xiang Yao Jian-Hui Li Wen-Yi Lo Hong Yao Jian	108,000,000	100.00
56	Yu Chia Motor Co., Ltd.	Chairman Director Director Supervisor	Sin Chi Co., Ltd. Shun-Yen Hung Wen-Yi Lo Wenxiu Zhu Yuan-long Chen	2,600,000	100.00
57	Yulon TOBE Motor Co., Ltd.	Chairman Director Director Supervisor	Sin Chi Co., Ltd. Zhen-Xiang Yao Kuo-Hsing Hsu Shun-Yen Hung Hong Yao Jian	2,808,038	100.00
58	Yung Hang Investment Co., Ltd.	Chairman Director Supervisor	YULON MOTOR CO.,LTD Yen Chen Li-Lien Zhen-Xiang Yao Qi-hong Tasi	77,622,000	100.00

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
59	Yu Pong Business Co., Ltd.	Chairman (and President) Director Director Supervisor	YULON MOTOR CO.,LTD Yen Chen Li-Lien Kuo-Rong Chen Qinghang Meng Youan Huang	28,470,422	100.00
60	Yulon It Solutions Inc.	Chairman (and President) Director Director Supervisor	YULON MOTOR CO.,LTD Zhen-Xiang Yao Xiong Jin-Do Hong-Zheng Chen Tai Yuen Textile Co., Ltd. Hong Yao Jian	16,663,998 2,336,002	87.71 12.29
61	China Cast Iron Pipe Co., Ltd.	Chairman Director Director Supervisor	YULON MOTOR CO.,LTD Jian-Hui Li Li-Hua Wu Tai Yuen Textile Co., Ltd. Chien Sik-Nin Tai Yuen Textile Co., Ltd. Wen-Yi Lo	24,850 430 5,679	77.66 1.34 17.75
62	Yue Sheng Industrial Co., Ltd.	Chairman Director Director (and President) Director Director Supervisor Supervisor	YULON MOTOR CO.,LTD Wen-Jung Tsai Pu-Chin Chien Tseng Guo-Feng Meng-Yue Jie Japan Central Glass Co., Ltd. Gong Nei-Che Kawabe Morihiro Yulon-Administered Enterprises Company Limited Wen-Yi Lo	23,061,050 5,731,200 1,000	80.07 19.90 - -
63	Advance Power Machinery Co., Ltd.	Chairman Director Director (and President) Supervisor	YULON MOTOR CO.,LTD Hong-Zheng Chen Meng-Yue Jie Lei Li-Huang Hsun-Kuei Hsieh	500,000	100
64	Yueki Industrial Co., Ltd.	Chairman Director Director Director Director Director Director Supervisor Supervisor	YULON MOTOR CO.,LTD Chun-Hung Chen Yan Zhou Li-Hua Wu Shih-Lin Wu Zhixiong Wu Japan MARELLI CORPORATION Shānxī zhèngbó China Motor Corporation Chen-xing Zhu Yulon-Administered Enterprises Company Limited Yuan-long Chen Akiyama Toyohiko	12,766,887 3,698,000 2,936,222 1,000 0	65.58 19.00 15.08 0.01 -
65	Yue Ki Industrial (Samoa) Co., Ltd.	Director	Yueki Industrial Co., Ltd.	4,125,945	100.00
66	Hong Kong Yueki Holdings Co., Ltd.	Director Director Director	Yueki Industrial Co., Ltd. Chun-Hung Chen Zhixiong Wu	10,600,000	100.00
67	Hangzhou Yuwan Auto Motive Parts Limited	Chairman Director (and President)	Hong Kong Yueki Holdings Co., Ltd. Zhixiong Wu Shunxiong Fan Qing Yi Investment Co., Ltd.	USD 11,100 thousand* USD 8,760 thousand*	55.89 44.11

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Director Supervisor	Huang Shi-Gu Yuming Zhuang	-	-
68	Esinn Co., Ltd	Chairman Director (and President) Director Director Director Supervisor	YULON MOTOR CO.,LTD Zhen-Xiang Yao Wen- Chiang Hsu Meng-Fen Hsiao Wen- Chiang Hsu Chun-Chieh Chang Yulon-Administered Enterprises Company Limited Yuan-long Chen	17,999,000 1,000	99.99 0.01
69	Yushin Motor Co., Ltd.	Chairman Director Director Director Director Supervisor	YULON MOTOR CO.,LTD Wen- Chiang Hsu Chun-Chieh Chang Shih-Hao Tseng Meng-Fen Hsiao Jian-Hui Li Yulon-Administered Enterprises Company Limited Yuan-long Chen	19,999,000 1,000	99.99 0.01
70	Yu Chang Motor Co., Ltd.	Chairman Director Director Director Director Supervisor Supervisor	Yao-Hsin Kuo Yu-Hung Kuo YULON MOTOR CO.,LTD Yue-Feng Liao Chen-Cheng Li Meng-Fen Hsiao Yulon-Administered Enterprises Company Limited Yuan-long Chen Chiu-Hua Chen	2,920,400 1,545,200 13,998,500 1,000 1,111,200	13.56 7.17 64.99 0.01 5.16
71	Yupu Enterprise Co., Ltd.	Chairman Director Director Supervisor	Yushin Motor Co., Ltd. Shih-Hao Tseng Jian-Syong Liao Wentian Guo I-Hsuan Lin	1,000,000	100.00
72	YU SHIN Investment Ltd.	Chairman	Yushin Motor Co., Ltd. Shih-Hao Tseng	RMB 37,480 thousand*	100.00
73	Fuzhou YuShin Automobile Technology Co.	Chairman Director Director Supervisors	YU SHIN Investment Ltd. Shih-Hao Tseng Huang Jun-Quan Zhiqiang Yan I-Hsuan Lin	RMB 12,000 thousand*	100.00
74	KUEN YOU TRADING CO., LTD.	Chairman Director Director Supervisor	Esinn Co., Ltd Wen- Chiang Hsu Wen- Chiang Hsu Chun-Chieh Chang Meng-Fen Hsiao	1,000,000	100.00
75	Tian Wang Co., Ltd.	Chairman Director Director Supervisor	Yu Chang Motor Co., Ltd. Yao-Hsin Kuo Meng-Fen Hsiao Chun-Chieh Chang Qi-hong Tasi	1,700,000	100.00
76	Yulon Overseas Investment Co., Ltd.	Director	YULON MOTOR CO.,LTD Heng-Yao Wang	1,083,097,900	100.00
77	Yulon China Investment Co., Ltd.	Director	Yulon Overseas Investment Co., Ltd. Heng-Yao Wang	1,058,071,472	100.00
78	Yulon Philipines Investment Co., Ltd.	Director	Yulon Overseas Investment Co., Ltd. Zhen-Xiang Yao	35,740,966	100.00
79	UNIVATION MOTOR PHILIPPINES, INC.	Chairman Director (and CEO) Director	Yulon Philipines Investment Co., Ltd. Jian-Hui Li Hsiang Tseng Mei-Man Hung	4,365,527 1 1 1	40.00 - - -

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Director	Wenxiu Zhu	1	-
		Director	I-Chen Chiu	1	-
			EASTERN CROWNE INDUSTRIES, INC.	350,000	3.21
			STA.CRUZ ISLAND CORP.	6,198,296	56.79
80	STA.CRUZ ISLAND CORROPATION	Director	Yulon Philipines Investment Co., Ltd.	749,370	14.04
		Chairman	Pacific Gem Corporation	3,202,792	60.00
		Director	Reynaldo J. Concepcion	1	-
		Director	William C. Yu	1	-
		Director	Eric R. Recalde	1	-
		Director	UNIVATION MOTOR PHILIPPINES, INC.	1,385,826	25.96
		Director	Nedia O. Sagun	1	-
		Director	Teresita D. Hamor	1	-
81	Wen Yang Investment Co., Ltd.	Director	Yulon China Investment Co., Ltd.	29,650,000	100.00
			Kuo-Rong Chen		
82	Qing Yi Investment Co., Ltd.	Director	Yulon China Investment Co., Ltd.	15,323,977	100.00
			Kuo-Rong Chen		
83	Yulon China Investment Co., Ltd.	Director	Yulon China Investment Co., Ltd.	270,415,153	100.00
			Kuo-Rong Chen		
84	Yulon China Holdings Co. Ltd.	Director	Yulon China Investment Co., Ltd.	711,803,436	100.00
			Chin-Chuan Chen		
85	Feng-hua Investment (HK) Co., Ltd.	Director	Chenglong Limited.	USD 2,100 thousand*	30.00
		Director	I-Wei Wang		
		Director	Yulon China Investment Co., Ltd.	USD 2,800 thousand*	40.00
		Director	Ming-Hui Hsiao		
			Huamao International Investment Co., Ltd.	USD 2,100 thousand*	30.00
86	Suzhou Chenglong Auto Sales & Service Co.	Chairman (and President)	Feng-hua Investment (HK) Co., Ltd.	USD 7,000 thousand*	100.00
		Director	I-Wei Wang		
		Director	Chin-Chuan Chen		
		Director	Jhieh-Ciang Yan		
		Director	Ching-Yi Wang		
		Director	Ming-Tsang Chao		
		Supervisors	Liu Zong-Xin		
		Supervisors	Yan Zhou		
87	Suzhou Cheng-Hung Auto Sales & Service Limited	Chairman (and President)	Suzhou Chenglong Auto Sales & Service Co.	RMB 10,000 thousand*	100.00
		Director	I-Wei Wang		
		Director	Chin-Chuan Chen		
		Director	Jhieh-Ciang Yan		
		Director	Ching-Yi Wang		
		Director	Ming-Tsang Chao		
		Supervisors	Liu Zong-Xin		
		Supervisors	Yan Zhou		
88	Suzhou Cheng-Kuo Auto Sales & Service Limited	Chairman (and President)	Suzhou Chenglong Auto Sales & Service Co.	RMB 20,000 thousand*	100.00
		Director	I-Wei Wang		
		Director	Chin-Chuan Chen		
		Director	Jhieh-Ciang Yan		
		Director	Ching-Yi Wang		
		Director	Ming-Tsang Chao		
		Supervisors	Liu Zong-Xin		
		Supervisors	Yan Zhou		
89	KeYu (Nanjing) Information Technology Limited	Managing director	Tai xin Investment (Samoa) Co., Ltd.	RMB 180,031 thousand*	100.00
		Supervisors	Chin-Chuan Chen		
		Supervisors	Qi-hong Tasi		

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
90	TaiFeng ((Nanjing) Software Technology Limited	Managing director	Wen Yang Investment (Samoa) Co., Ltd. Chin-Chuan Chen	USD 14,850 thousand*	100.00
91	QingTai (NanJing) Technology Limited	Managing director Supervisors	Wen Yang Investment (Samoa) Co., Ltd. Chin-Chuan Chen Wen-Yi Lo	USD15,350 thousand*	100.00
92	Zhangzhou Development Zone Yi Ding Investment Co., Ltd.	Director (and President) Supervisors	TaiFeng ((Nanjing) Software Technology Limited Yuan-long Chen Wen-Yi Lo	RMB 55,200 thousand*	100.00
93	Zhangzhou Development Zone Mei De Investment Co., Ltd.	Director (and President) Supervisors	TaiFeng ((Nanjing) Software Technology Limited QingTai (NanJing) Technology Limited Yuan-long Chen Wen-Yi Lo	RMB 71,550 thousand* RMB 7,950 thousand*	90.00 10.00
94	Zhangzhou Development Shi Cheng Investment Co., Ltd.	Director (and President) Supervisors	QingTai (NanJing) Technology Limited Yuan-long Chen Wen-Yi Lo	RMB 71,830 thousand*	100.00
95	Zhangzhou Development Zone Jin Ce Investment Co., Ltd.	Director (and President) Supervisors	QingTai (NanJing) Technology Limited TaiFeng ((Nanjing) Software Technology Limited Yuan-long Chen Wen-Yi Lo	RMB 13,769 thousand* RMB 5,901 thousand*	70.00 30.00
96	GaoTe (Beijing) Investment Limited	Director (and President) Supervisors	Zhangzhou Development Zone Yi Ding Investment Co., Ltd. Zhangzhou Development Zone Jin Ce Investment Co., Ltd. I Liu Qi-hong Tasi	RMB 52,200 thousand* RMB 5,800 thousand*	90.00 10.00
97	HangZhou QienYu Investment Limited	Director (and President) Supervisors	GaoTe (Beijing) Investment Limited I Liu Ya-Ming Chen	RMB 10,000 thousand*	100.00
98	HangZhou Hsiao Yu Investment Limited	Chairman Director Director (and President) Supervisors	HangZhou TangYu Investment Limited HangZhou QienYu Investment Limited Zhejiang Zhongyu (Holdings) Group Co., Ltd. Chi-Wu Liu Chi-Hou Wen Wen-Chiang tien Lai Liu	RMB 900 thousand* RMB 9,000 thousand* RMB 100 thousand*	9.00 90.00 1.00
99	DongTai (Beijing) Investment Limited	Director (and President) Supervisors	Zhangzhou Development Shi Cheng Investment Co., Ltd. Zhangzhou Development Zone Jin Ce Investment Co., Ltd. Lai Liu Qi-hong Tasi	RMB 68,830 thousand* RMB 4,370 thousand*	94.03 5.97
100	HangZhou TangYu Investment Limited	Director (and President)	DongTai (Beijing) Investment Limited Chi-Tsai Wen	RMB 10,000 thousand*	100.00

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Supervisors	Ming Chen		
101	Yulon Motor Investment (HK) Co., Ltd.	Director	Yulon China Holdings Co. Ltd. Kuo-Rong Chen	711,803,436	100.00
102	Yulon Automotive (China) Investment Limited	Chairman Director (and President) Director Supervisors	Yulon Motor Investment (HK) Co., Ltd. Kuo-Rong Chen Chin-Chuan Chen Zhen-Xiang Yao Yuan-long Chen	USD 274,940 thousand*	100.00
103	Xiamen Y.C. Invest. Consulting Limited	Managing director Supervisors	Yulon Motor Investment (HK) Co., Ltd. Chin-Chuan Chen Wen-Yi Lo	USD 1,860 thousand*	100.00
104	Luxgen (Hangzhou) Motor Sales Co., Ltd	Chairman Director (and President) Director Supervisors	Yulon Motor Investment (HK) Co., Ltd. Chong-Yuan Chen Chin-Chuan Chen Kuo-Rong Chen Heng-Yao Wang	USD 434,550 thousand*	100.00
105	Chuang Jie New Energy Vehicle (HZ) Limited	Chairman Director (and President) Director Supervisors	Yulon Automotive (China) Investment Limited Binglin Chen Huang Shi-Gu Chin-Chuan Chen Wen-Yi Lo	RMB 790,000 thousand*	100.00
106	Sheng Qing (Beijing) Investment Limited	Vice Chairman Chairman (and President) Director Supervisors	Yulon Automotive (China) Investment Limited Chin-Chuan Chen Xiamen Y.C. Invest. Consulting Limited Yuan-long Chen Wen-Cheng Lin Wen-Yi Lo	RMB 1,039,671 thousand* RMB 200,000 thousand*	83.87 16.13
107	SuZhou FengShen Automobiles. Sale & Service Limited	Director Director Director Supervisors Chairman (and President) Director Supervisors	Sheng Qing (Beijing) Investment Limited Chin-Chuan Chen Jhieh-Ciang Yan Chi-Ruei Chen Yan Zhou Suzhou Chengfeng Trading Co., Ltd. I-Wei Wang Ching-Yi Wang Ming-Tsang Chao	RMB 19,200 thousand* RMB 28,800 thousand*	40.00 60.00
108	Suzhou ChengBang Automobiles Sales & Service Limited	Chairman (and President) Director Director Director Director Supervisors Supervisors	SuZhou FengShen Automobiles. Sale & Service Limited I-Wei Wang Chin-Chuan Chen Zhiqiang Yan Chi-Ruei Chen Ching-Yi Wang Ming-Tsang Chao Yan Zhou	RMB 10,000 thousand*	100.00
109	Suzhou Eslite Automobiles Sales & Service Limited	Chairman (and President)	SuZhou FengShen Automobiles. Sale & Service Limited I-Wei Wang	RMB 40,000 thousand*	100.00

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Director Director Director Director Supervisors Supervisors	Chin-Chuan Chen Tian-Shiang Su Jhieh-Ciang Yan Ching-Yi Wang Ming-Tsang Chao Yan Zhou		
110	Suzhou YuShun Automobiles Sales & Service Limited	Chairman (and President) Director Director Director Supervisors Supervisors	SuZhou FengShen Automobiles. Sale & Service Limited I-Wei Wang Chin-Chuan Chen Tian-Shiang Su Jhieh-Ciang Yan Ching-Yi Wang Ming-Tsang Chao Yan Zhou	RMB 10,000 thousand*	100.00
111	TaiTsang ChengMao Automobiles Sales & Service Limited	Chairman (and President) Director Director Director Director Supervisors Supervisors	SuZhou FengShen Automobiles. Sale & Service Limited I-Wei Wang Chin-Chuan Chen Tian-Shiang Su Jhieh-Ciang Yan Ching-Yi Wang Ming-Tsang Chao Yan Zhou	RMB 10,000 thousand*	100.00
112	Suzhou FengShun Automobiles Sales & Service Limited	Chairman (and President) Director Director Director Director Supervisors Supervisors	SuZhou FengShen Automobiles. Sale & Service Limited I-Wei Wang Chin-Chuan Chen Jhieh-Ciang Yan Chi-Ruei Chen Ching-Yi Wang Ming-Tsang Chao Yan Zhou	RMB 25,000 thousand*	100.00
113	Wu Jiang Lian Cheng Automobiles Sale & Service Limited	Chairman (and President) Director Director Director Director Supervisors Supervisors	Suzhou FengShun Automobiles Sales & Service Limited I-Wei Wang Chin-Chuan Chen Jhieh-Ciang Yan Chi-Ruei Chen Ching-Yi Wang Ming-Tsang Chao Yan Zhou	RMB 10,000 thousand*	100.00
114	Suzhou ChengLi Automobile Sales & Service Limited	Chairman (and President) Director Director Director Director Supervisors Supervisors	Suzhou FengShun Automobiles Sales & Service Limited I-Wei Wang Chin-Chuan Chen Tian-Shiang Su Jhieh-Ciang Yan Ching-Yi Wang Ming-Tsang Chao Yan Zhou	RMB 15,000 thousand*	100.00
115	Anqing Cai Tong Automobiles Sales & Service Limited	Chairman Director Director Supervisors	Sheng-Cing (Beijing) Investment Limited Huang Yu-Zheng Zhiqiang Yan Chin-Chuan Chen Zhou Yan	RMB 27,417 thousand*	100.00

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
116	Anhui Min Tong Automobiles Sales & Service Limited	Chairman (and President) Director Director Supervisors	DongTai (Beijing) Investment Limited	RMB 10,000 thousand*	35.09
			Sheng Qing (Beijing) Investment Limited Tian-Shiang Su Zhiqiang Yan Chin-Chuan Chen Zhou Yan	RMB 18,502 thousand*	64.91
117	Tongling Kuo Tong Automobiles Sales & Services Limited	Chairman (and President) Director Director Supervisors	DongTai (Beijing) Investment Limited	RMB 5,000 thousand*	29.56
			Sheng Qing (Beijing) Investment Limited Huang Yu-Zheng Zhiqiang Yan Chin-Chuan Chen Yan Zhou	RMB 11,913 thousand*	70.44
118	Zibo Yu An Automobiles Sales & Services Limited	Chairman (and President) Director Director Supervisors	DongTai (Beijing) Investment Limited	RMB 5,000 thousand*	32.38
			Sheng Qing (Beijing) Investment Limited Huang Yu-Zheng Chin-Chuan Chen Zhiqiang Yan Yan Zhou	RMB 10,440 thousand*	67.62
119	Guangzhou YuanDou Automobile Sales & Service Limited	Chairman Director Supervisors Vice Chairman Director Director Supervisors	YUAN LONG CO., LTD Chen-Fang Chang Ming-Jung Hsu Ming-Ching Chen	RMB 17,150 thousand*	49.00
			Sheng Qing (Beijing) Investment Limited Chin-Chuan Chen Zhiqiang Yan Tian-Shiang Su Yan Zhou	RMB 17,850 thousand*	51.00
120	Zhu Hai FuTeEn Industry & Trade Limited	Chairman Director Director President Supervisors	Sheng Qing (Beijing) Investment Limited Chin-Chuan Chen Chi-Ruei Chen Zhiqiang Yan Huang Xian-Wu Huang Shi-Gu	RMB 35,200 thousand*	100.00
121	Qingdao YuanHuang Automobiles Sales & Services Limited	Director Director Director Supervisors	Sheng Qing (Beijing) Investment Limited Zhiqiang Yan Chin-Chuan Chen Tian-Shiang Su Yan Zhou	RMB 15,300 thousand*	30.60
			Guangzhou YuanDou Automobile Sales & Service Limited	RMB 20,000 thousand*	40.00
			Yuanchuang Co., Ltd. Chen-Fang Chang Ming-Jung Hsu Ming-Ching Chen	RMB 14,700 thousand*	29.40
122	ZhuHai Esinn Automobiles Sales & Service Limited	Chairman Director	Zhu Hai FuTeEn Industry & Trade Limited Chi-Ruei Chen Chin-Chuan Chen	RMB 25,200 thousand*	100.00

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Director President Supervisors	Po-An Lai Cheng Jung-Fu Wen-Cheng Lin		
123	Shenzhen Yuzhi Automobile Sales & Service Limited	Chairman Director Director President Supervisors	Zhu Hai FuTeEn Industry & Trade Limited Chi-Ruei Chen Chin-Chuan Chen Po-An Lai Gong Yi-Ming Wen-Cheng Lin	RMB 20,000 thousand*	100.00
124	Wuhan Yu Hsin Automobiles Sales & Service Limited	Chairman Director Director President Supervisors	Sheng Qing (Beijing) Investment Limited Chin-Chuan Chen Zhiqiang Yan Chi-Ruei Chen Chen Zu-Yin Huang Shi-Gu	RMB 100,000 thousand*	100.00
125	Xiaogan Yufeng Automobile Sales Service Co., Ltd.	Chairman Director Director Supervisors	Wuhan Yu Hsin Automobiles Sales & Service Limited Chin-Chuan Chen Zhiqiang Yan Chi-Ruei Chen Huang Shi-Gu	RMB 32,000 thousand*	100.00
126	NanJing HanHong Automobiles Trading Limited	Chairman Director Director Supervisors	Sheng Qing (Beijing) Investment Limited Chin-Chuan Chen Zhiqiang Yan Chi-Ruei Chen Huang Shi-Gu	RMB 131,000 thousand*	100.00
127	Nanjing YuShang Automobile Sales & Service Limited	Chairman Director Director Supervisors	NanJing HanHong Automobiles Trading Limited Chi-Ruei Chen Chin-Chuan Chen Zhiqiang Yan Huang Shi-Gu	RMB 38,000 thousand*	100.00
128	Nanjing HanHong Automobile Sales & Service Limited	Chairman Director Director Supervisors	NanJing HanHong Automobiles Trading Limited Chin-Chuan Chen Chi-Ruei Chen Zhiqiang Yan Huang Shi-Gu	RMB 44,000 thousand*	100.00
129	HangZhou Yu Zhong Trading Limited	Managing director President Supervisors	Sheng Qing (Beijing) Investment Limited Chin-Chuan Chen Chun-Chung Li Qi-hong Tasi	RMB 10,000 thousand*	100.00
130	Hangzhou HuaZhi Automobile Sales & Service Limited	Chairman Supervisors Director Director	DengfengYulon Motor Co.Ltd Tsai Wei-Feng Shi-hao Fang Sheng Qing (Beijing) Investment Limited Chin-Chuan Chen Tian-Shiang Su	RMB 8,000 thousand* RMB 12,000 thousand*	40.00 60.00
131	Hangzhou HuaYou Automobile Sales & Service Limited	Managing director Supervisors	Hangzhou HuaZhi Automobile Sales & Service Limited Tsai Wei-Feng Shi-hao Fang	RMB 8,000 thousand*	100.00
132	Jiangmen Junxing Automobile Sales Service Co., Ltd.	Chairman (and President)	Sheng Qing (Beijing) Investment Limited Jung-Fu Cheng	RMB 12,000 thousand*	60.00

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Director Director Supervisors Director	Wu Xin-Fa Zhiqiang Yan Wen-Cheng Lin Zhang Zhicong Sanli Holdings Limited Zhenlong Lin	RMB 3,000 thousand* RMB 5,000 thousand*	15.00 25.00
133	Jiangmen YuLi Automobiles Sales & Service Limited	Chairman Director Director Director Director Supervisors	Jiangmen Junxing Automobile Sales Service Co., Ltd. Chin-Chuan Chen Tian-Shiang Su Zhiqiang Yan Zhang Zhicong Zhenlong Lin Wen-Cheng Lin	RMB 10,000 thousand*	100.00
134	Changsha Yulu Automobile Sales & Service Limited	Chairman Director Director Supervisors	Sheng Qing (Beijing) Investment Limited Chi-Ruei Chen Chin-Chuan Chen Po-An Lai Wen-Cheng Lin	RMB 31,800 thousand*	100.00
135	Ningbo Yu Chang Automobile Sales Service Co., Ltd.	Chairman Director Director Supervisors	Sheng Qing (Beijing) Investment Limited Chin-Chuan Chen Tian-Shiang Su Zhiqiang Yan Wen-Cheng Lin	RMB 44,700 thousand*	100.00
136	Fujian YuXin Automobiles Sales & Service Limited	Director Director Supervisors Chairman	Sheng Qing (Beijing) Investment Limited Chin-Chuan Chen Zhiqiang Yan Wen-Cheng Lin YU SHIN Investment Ltd. Shih-Hao Tseng	RMB 26,250 thousand* RMB 25,480 thousand*	51.00 49.00
137	Shanghai Yumin Automobiles Sales & Service Limited	Director Supervisors Chairman Director	Sheng Qing (Beijing) Investment Limited Chin-Chuan Chen Wen-Cheng Lin Hongyan Automobile Co., Ltd. Chin-Feng Kao Zhiqiang Yan	RMB 37,124 thousand* RMB 35,668 thousand*	51.00 49.00
138	ChiaHsing YuTa Automobiles Sales & Service Limited	Chairman Director Director Supervisors	Shanghai Yumin Automobiles Sales & Service Limited Chin-Feng Kao Chin-Chuan Chen Zhiqiang Yan Wen-Cheng Lin	RMB 18,000 thousand*	100.00
139	Y-Teks Co., Ltd.	Chairman Director Director Director Director Director Director Supervisor Supervisor	YULON MOTOR CO.,LTD Chun-Hung Chen Chin-Chu Lin Kasai Kogyo Co., Ltd. Yasushi Ishii Sandou Shouichi Yue Sheng Industrial Co., Ltd. Tseng Guo-Feng Sanlong Asset Management Co., Ltd. Chung-Hsien Chen Changyu Industrial Co., Ltd. Shang-Hui Chen Chia-Ching Chen Li-Hsiung Cheng	602,124 591,185 212,388 93,948 213,299 - -	34.00 33.38 11.99 5.30 12.04 - -

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
140	YU HSIN INT'L INVESTMENT (BVI) CO., LTD.	Director	Y-Teks Co., Ltd. Sandou Shouichi Chun-Hung Chen Chin-Chu Lin	USD 2,231 thousand*	66.66
		Director	YU SHIN Investment Ltd. Li-Hsiung Cheng	USD 558 thousand*	16.67
		Director	SAMOA Fangbang Investment Co., Ltd.	USD 558 thousand*	16.67
		Director	Li-Tai Kuo		
141	YU HSIN INT'L INVESTMENT (HK) CO., LTD.	Director Director Director Director Director	YU HSIN INT'L INVESTMENT (BVI) CO., LTD. Chun-Hung Chen Sandou Shouichi Chin-Chu Lin Li-Hsiung Cheng Li-Tai Kuo	USD 12,391 thousand*	100.00
142	Changzhou Y-Teks Automotive Trim Parts Limited	Director Director Director (and President)	YU HSIN INT'L INVESTMENT (HK) CO., LTD. Li-Sung Cheng Imamura Hitoshi Chung-Kun Hsueh	USD 714 thousand*	51.00
		Chairman Director Supervisors	Jiangsu Changbian Integration Technology Co., Ltd. Pin-Gang Ruei Chien-Min Kuo Wun-Long Li	USD 462 thousand*	33.00
		Director Supervisors	China National Machinery International Cooperation Co., Ltd. Jyun-Min Mao Li-Tai Kuo	USD 224 thousand*	16.00
143	Hangzhou Y-teks Automotive Trim Parts Lt	Chairman President Director Director Director	YU HSIN INT'L INVESTMENT (HK) CO., LTD. Chin-Chu Lin Sun Dong-Yu Li-Tai Kuo Imamura Hitoshi Zhao-Zhi Lu	USD 9,000 thousand*	86.12
		Director Supervisors	Qing Yi Investment Co., Ltd. Shih-Ming Jhuang Li-Hsiung Cheng	USD 1,450 thousand*	13.88
144	Uni Auto Parts Manufacture Co., Ltd	Chairman Director Director (and President)	YULON MOTOR CO.,LTD Zhen-Xiang Yao Tsan-Huang Lin Teng-Hung Yang	21,728,516	25.01
		Managing Director Director	Xinchang Machinery Factory Co., Ltd. Chih-Hsiung His Chin-Ming His	17,377,154	20.00
		Director	China Motor Corporation Wu Jian-Xi	13,032,137	15.00
		Managing Director	Quanxing Investment Development Co., Ltd. Chungsin-Wu	5,211,979	6.00
		Director	Japan Clockwork Co., Ltd. Shinichi Kanzawa	13,033,833	15.00
		Director	British Channel Islands Merchant Adient Global Holdings Ltd. Chien Huang	8,688,921	10.00

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Supervisor Supervisor	Yulon-Administered Enterprises Company Limited Wen-Yi Lo Kuei-Fen Tien	1,000 -	- -
145	Uni Investment Co., Ltd.	Director Director	Uni Auto Parts Manufacture Co., Ltd Teng-Hung Yang Chih-Hsiung His	USD 8,403 thousand*	100.00
146	Fuzhou Lianghong Motor Parts Limited	Chairman Director Director Director Director Supervisor Supervisor Director Director Director	Uni Investment Co., Ltd. Teng-Hung Yang Deng Ji-Xiong Chih-Hsiung His HUANG JIANJAMES Chungsin-Wu Wu Jian-Xi Chang Shun-Xian Chiu Qiong-Kuan Namba Press Industry Co., Ltd. Namba Chikako Junichi Namba Namba Kurihara	USD 9,320 thousand* USD 4,660 thousand*	66.67 33.33
147	HANG ZHOU LIAN RUN MOTOR PARTS CO.,LTD	Chairman Director Director Director Director Director Supervisor Director	Uni Investment Co., Ltd. Teng-Hung Yang Deng Ji-Xiong Chang Shun-Xian Chih-Hsiung His Chungsin-Wu Chien Huang Chiu Qiong-Kuan Qing Yi Investment Co., Ltd. Yuming Zhuang	USD 17,885 thousand* USD 4,615 thousand*	79.49 20.51
148	Luxgen Motor Co., Ltd.	Chairman Director Director (and President) Supervisor	YULON MOTOR CO.,LTD Zhen-Xiang Yao Chen-Hung Huang Wen-Jung Tsai Yuan-long Chen	605,000,000	100.00
149	Luxgen Taipei Motor Co., Ltd.	Chairman Director Director Director Director Supervisor	Luxgen Motor Co., Ltd. Wen-Jung Tsai Chung-Yung Tsao Meng-Fen Hsiao Wen-Yuan Li Qing-yuan Bai Yulon-Administered Enterprises Company Limited Yuan-long Chen	18,499,000 1,000	99.99 0.01
150	Luxgen Taoyuan Motor Co., Ltd.	Chairman Director Director Director Director Supervisor	Luxgen Motor Co., Ltd. Wen-Jung Tsai Chung-Yung Tsao Meng-Fen Hsiao Yushin Motor Co., Ltd. Shih-Hao Tseng Hui Feng Automobile Co., Ltd. Chi-Feng Tsai Yulon-Administered Enterprises Company Limited Yuan-long Chen	6,299,000 2,100,000 2,100,000 1,000	59.99 20.00 20.00 0.01
151	Luxgen Taichung Motor Co., Ltd.	Chairman Director Director	Luxgen Motor Co., Ltd. Wen-Jung Tsai Chung-Yung Tsao Meng-Fen Hsiao	10,359,000	97.73

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Director	EMPOWER MOTORS CO.,LTD. Chin-Feng Kao	120,000	1.13
		Director	Huifeng Automobile Co., Ltd. Zicheng Huang	120,000	1.13
		Supervisor	Yulon-Administered Enterprises Company Limited Yuan-long Chen	1,000	0.01
152	Luxgen Tainan Motor Co., Ltd.	Chairman	Luxgen Motor Co., Ltd. Wen-Jung Tsai	9,889,000	94.18
		Director	Chung-Yung Tsao		
		Director	Meng-Fen Hsiao		
		Director	Qing-yuan Bai		
		Director	Huifeng Automobile Co., Ltd. Chi-Feng Tsai	610,000	5.81
		Supervisor	Yulon-Administered Enterprises Company Limited Yuan-long Chen	1,000	0.01
153	Luxgen Kaohsiung Motor Co., Ltd.	Chairman	Luxgen Motor Co., Ltd. Wen-Jung Tsai	6,599,000	92.944
		Director	Chung-Yung Tsao		
		Director	Meng-Fen Hsiao		
		Director	Yu Chang Motor Co., Ltd. Yao-Hsin Kuo	250,000	3.521
		Director	Huifeng Automobile Co., Ltd. Kelong Bi	250,000	3.521
		Supervisor	Yulon-Administered Enterprises Company Limited Yuan-long Chen	1,000	0.014
154	EMPOWER MOTORS CO.,LTD.	Chairman	Yupu Enterprise Co., Ltd. Chin-Feng Kao	15,900,000	53.00
		Director	His-Kun Liu		
		Director	Kuo-Lung Lai		
		Director	Mei-Chang Hsu YULON MOTOR CO.,LTD	5,998,780	19.996
		Director	Fang-Zhong Lai		
		Director	Yu-Cho Hsieh		
		Director	Meng-Fen Hsiao Taiwan Acceptance Corporation	8,100,000	27.00
		Director	Fa-ke Chen		
		Director	Mingde Lo Yulon-Administered Enterprises Company Limited	1,220	0.004
		Supervisor	Yuan-long Chen		
		Supervisor	Nan-Cheng Pan	-	-
		Supervisor	Shu-hua Liao	-	-
155	Chi Min Business Co., Ltd.	Chairman	EMPOWER MOTORS CO.,LTD. Chin-Feng Kao	800,000	100.00
		Director	His-Kun Liu		
		Director	Fang-Zhong Lai		
		Director	Meng-Fen Hsiao		
		Director	Fa-ke Chen		
		Supervisor	Mei-Chang Hsu		
		Supervisor	Qi-hong Tasi		
156	Hongyan Automobile Co., Ltd.	Chairman	EMPOWER MOTORS CO.,LTD. Chin-Feng Kao	19,006,262	100.00
157	Yumin Insurance Broker Co., Ltd	Chairman	EMPOWER MOTORS CO.,LTD. Chin-Feng Kao	500,000	100.00
		Director	Meng-Fen Hsiao		
		Director	Fang-Zhong Lai		
		Director	His-Kun Liu		
		Director	Fa-ke Chen		
		Supervisor	Qi-hong Tasi		
		Supervisor	Mei-Chang Hsu		
158	Minxiang Leasing	Chairman	EMPOWER MOTORS CO.,LTD. Chin-Feng Kao	3,000,000	100.00
		Director	His-Kun Liu		
		Director	Fang-Zhong Lai		
		Director	Meng-Fen Hsiao		

Item No.	Enterprise Name	Title	Name or Representative	Shareholding (shares) (Investment amount, thousands of NTD*)	Shareholdings (%)
		Director Supervisor Supervisor	Fa-ke Chen Mei-Chang Hsu Qi-hong Tasi		
159	Hna-Chuang Automobile Information Technical Center Co., Ltd.	Chairman Director Director Director Supervisor	YULON MOTOR CO.,LTD Tsai Wen-Jung Qiu Minhui Wen-Yi Lo Sun Wen-Ling Luxgen Motor Co., Ltd. Yuan-long Chen	747,400,170 522,700,000	58.84 41.15
160	Sin Etke Technology Co., Ltd..	Chairman (and President) Director Director Supervisor	Hna-Chuang Automobile Information Technical Center Co., Ltd. Kan-Lin Chu Rao Xian-Qiu Ronggui Chen Hong Yao Jian	50,000	100.00
161	Hua-Chuang Overseas Investment Co., Ltd.	Director	Hna-Chuang Automobile Information Technical Center Co., Ltd. Chun-Chung Li	490,393,020	100.00
162	Hua-chuang China Investment Co., Ltd.	Director Director Director	Hua-Chuang Overseas Investment Co., Ltd. Chun-Chung Li Qingya Chen Chin-Chuan Chen	NTD 461,709 thousand*	100.00
163	Hangzhou Hua-chuang Automobile Informati	Chairman Director Director Supervisor	Hua-chuang China Investment Co., Ltd. Chen-Hung Huang Qingya Chen Yulon Automotive (China) Investment Limited Chin-Chuan Chen Hong Yao Jian	USD 15,000 thousand* USD 500 thousand*	96.77 3.23

6. Operating overview of affiliated companies (as of December 31, 2020)

(In Thousands of NTD Except Earnings Per Share in NTD)

Company code	Company name	Paid-up Capital	Total assets	Total liabilities	Net Worth	Operating revenues	Operating profits	Gain or loss in current period	Earnings per share
22010001	Taiwan Acceptance Corporation	4,323,013	95,471,899	76,208,346	19,263,553	7,162,335	2,502,026	3,139,301	8.85
22010002	Yu Ching Business Co., Ltd.	1,211,522	1,464,010	1,397	1,462,613	13,868	(289)	88,545	0.73
22010004	Yu Pong Business Co., Ltd.	284,704	878,791	33,896	844,895	46,356	(13,035)	35,129	1.23
22010005	Yung Hang Investment Co., Ltd.	776,220	813,551	2,665	810,886	103,093	100,882	27,181	0.35
22010008	Yue Sheng Industrial Co., Ltd.	288,000	555,615	103,210	452,405	382,386	(9,463)	(1,246)	(0.04)
22010010	Yueki Industrial Co., Ltd.	194,670	1,605,214	932,788	672,426	985,810	(17,984)	(36,575)	(1.88)
22010012	China Cast Iron Pipe Co., Ltd.	32,000	120,618	34,203	86,415	19,152	15,061	12,353	3.86
22010014	Yu Chang Motor Co., Ltd.	215,385	1,286,896	1,170,157	116,739	5,192,884	(61,655)	29,254	1.36
22010017	Yushin Motor Co., Ltd.	200,000	983,044	771,922	211,122	3,011,775	(78,621)	3,046	0.15
22010020	Yu Chia Motor Co., Ltd.	26,000	30,453	1,308	29,145	186	(277)	154	0.06
22010022	Sin Etke Technology Co., Ltd..	500	11,481	2,585	8,896	20,827	1,050	(785)	(15.70)
22010023	Singan Co., Ltd.	286,700	1,087,612	621,479	466,133	238,899	(39,509)	116,541	4.06
22010024	Sinqual Technology Co.,Ltd.	130,000	314,727	139,939	174,788	476,382	25,379	5,036	0.39
22010027	Yulon Construction Co., Ltd.	1,221,000	5,789,026	909,182	4,879,844	206,242	79,437	178,025	1.46
22010034	EMPOWER MOTORS CO.,LTD.	300,000	1,286,465	899,791	386,674	3,764,979	(65,264)	10,648	0.35
22010035	Tian Wang Co., Ltd.	17,000	56,988	28,273	28,715	143,151	8,863	7,442	4.38
22010036	Yupu Enterprise Co., Ltd.	10,000	65,646	14,293	51,353	109,883	4,522	6,727	6.73
22010042	Yulon It Solutiions Inc.	190,000	49,323	10,687	38,636	28,449	(2,029)	(1,926)	(0.10)
22010047	STA. CRUZ ISLAND CORPORATION	154,720	335,895	3,416	332,478	8,006	5,158	(12,231)	(5.73)
22010051	Xiamen Y.C. Invest. Consulting Limited	67,539	663,854	171,963	491,891	0	(1,071)	(50,746)	Note
22010053	Sin Chi Co., Ltd.	1,080,000	1,284,165	30,343	1,253,822	56,945	35,269	103,608	0.96
22010054	Esinn Co., Ltd	180,000	1,204,163	1,060,392	143,771	4,567,624	(181,487)	(9,431)	(0.52)
22010055	Y-Teks Co., Ltd.	177,100	1,276,382	338,911	937,471	324,754	31,142	83,931	47.39
22010060	YU HSIN INT'L INVESTMENT (BVI) CO., LTD.	95,323	1,392,514	147	1,392,367	0	(9,596)	90,054	Note
22010063	Yulon Overseas Investment Co., Ltd.	30,846,631	8,077,997	97	7,936,718	180,825	(339)	2,621,431	24.20
22010067	Yulon China Investment Co., Ltd.	30,133,862	7,961,990	399	7,961,705	0	(1,602)	2,620,017	24.76
22010068	Yulon Philippines Investment Co., Ltd.	1,017,904	97,644	268	97,375	0	(828)	1,617	0.48
22010070	Uni Auto Parts Manufacture Co., Ltd	868,892	3,310,588	942,564	2,368,024	1,683,072	6,800	119	0.00
22010073	Shinshin Credit Corporation	2,218,333	39,066,461	35,284,622	3,781,839	2,232,118	1,011,888	591,295	2.67
22010076	Carplus Auto Leasing Corporation	941,618	20,114,865	18,056,614	2,058,251	10,104,413	536,146	245,067	2.60
22010077	Chi Min Business Co., Ltd.	8,000	30,709	19,341	11,367	92,335	(275)	190	0.24
22010079	Diamond Auto Service Co., Ltd.	85,000	502,690	391,962	110,728	445,817	15,680	15,927	1.87
22010081	Yu Rich Financial Services Co., Ltd.	1,382,092	17,541,464	15,386,080	2,155,384	1,652,741	601,688	481,496	3.48
22010085	Uni Investment Co., Ltd.	289,287	1,913,633	17,693	1,895,940	0	(4,304)	4,245	Note
22010086	Fuzhou Lianghong Motor Parts Limited	453,783	1,190,491	426,669	763,822	1,205,798	(2,744)	38,451	Note
22010087	Yue Ki Industrial (Samoa) Co., Ltd.	142,811	448,493	0	448,493	0	(1)	(2,108)	(0.01)
22010093	Qinton Motor Co., Ltd.	67,459	123,876	90,350	33,526	185,584	(19,311)	(19,964)	(2.96)
22010096	Hna-Chuang Automobile Information Technical Center Co., Ltd.	12,701,001	13,090,732	13,390,280	(299,548)	661,632	(1,415,910)	(3,873,434)	(3.05)
22010098	Wen Yang Investment (Samoa) Co., Ltd.	844,432	1,387,924	603,075	784,849	0	(185)	(20,158)	(6.80)
22010099	Qing Yi Investment (Samoa) Co., Ltd.	436,427	78,093	0	78,097	0	(227)	(17,266)	(11.27)
22010100	KeYu (Nanjing) Information Technology Limited	785,798	655,665	0	655,665	0	(455)	1,400	Note
22010101	TaiFeng ((Nanjing) Software Technology Limited	498,520	566,159	207,206	358,953	0	(264)	(1,186)	Note
22010102	QingTai (NanJing) Technology Limited	524,934	369,058	0	369,058	0	(213)	(20,330)	Note
22010104	Xie Guan Manpower Service Co., Ltd.	10,000	25,057	4,686	20,371	49,322	5,680	4,594	4.59
22010105	Zhangzhou Development Zone Yi Ding Investment Co., Ltd.	247,874	235,918	52,378	183,540	0	(195)	(2,326)	Note
22010106	Zhangzhou Development Zone Mei De Investment Co., Ltd.	356,991	321,782	0	321,782	0	(238)	1,726	Note
22010107	Zhangzhou Development Shi Cheng Investment Co., Ltd.	325,229	300,514	148,403	152,111	0	(170)	(19,850)	Note
22010108	Zhangzhou Development Zone Jin Ce Investment Co., Ltd.	88,328	70,570	0	70,570	0	(129)	(1,537)	Note
22010109	GaoTe (Beijing) Investment Limited	260,447	208,643	827	207,816	2	(4,598)	(2,639)	Note
22010111	DongTai (Beijing) Investment Limited	331,381	288,294	133,483	154,811	19,493	12,712	(22,060)	Note
22010112	SuZhou FengShen Automobiles. Sale & Service Limited	215,542	1,051,493	226,239	825,254	1,446,888	47,019	150,845	Note
22010113	Suzhou FengShun Automobiles Sales & Service Limited	112,898	423,049	181,140	241,909	1,485,599	52,285	71,898	Note
22010114	Guangzhou YuanDou Automobile Sales & Service Limited	157,166	324,776	200,759	124,017	676,871	12,068	(8,317)	Note
22010116	Zhu Hai FuTeEn Industry & Trade Limited	154,269	398,416	155,880	242,536	1,257,315	28,845	848	Note
22010117	TAC Global Investment (Samoa)Co., Ltd	3,099,564	4,377,206	0	4,377,206	0	0	88,675	Note
22010118	CAR-PLUS China Investment (Samoa) Co.,Ltd	284,800	605,226	0	605,226	0	(16)	(13,467)	Note
22010119	CAR-PLUS Auto Leasing (Suzhou) Limited	318,194	3,370,421	2,766,283	604,141	1,476,462	(33,472)	(13,454)	Note
22010121	CAR-PLUS Global Investment (Samoa) Co., Ltd	888,576	790,208	0	790,208	0	(20)	(243,120)	Note
22010122	Changzhou Y-Teks Automotive Trim Parts Limited	50,825	158,424	15,330	143,094	33,128	(3,132)	(7,344)	Note

Company code	Company name	Paid-up Capital	Total assets	Total liabilities	Net Worth	Operating revenues	Operating profits	Gain or loss in current period	Earnings per share
22010123	NanJing HanHong Automobiles Trading Limited	581,720	722,009	436,098	285,911	1,033,830	(18,626)	(93,050)	Note
22010124	HangZhou Yu Zhong Trading Limited	44,904	68,126	227	67,899	0	873	728	Note
22010125	HangZhou TangYu Investment Limited	44,904	42,845	0	42,845	0	(46)	(46)	Note
22010126	HangZhou QienYu Investment Limited	44,904	39,178	0	39,178	0	(34)	(69)	Note
22010127	Wuhan Yu Hsin Automobiles Sales & Service Limited	439,999	771,667	377,949	393,718	1,480,027	14,781	34,441	Note
22010128	Wu Jiang Lian Cheng Automobiles Sale & Service Limited	44,904	177,576	92,560	85,016	746,013	31,417	23,872	Note
22010129	HangZhou Hsiao Yu Investment Limited	44,904	56,575	17,459	39,116	0	(38)	(37)	Note
22010130	Hong Shuo Cultural Enterprises Co.,Ltd.	40,500	24,174	8,814	15,360	39,747	4,561	4,865	1.20
22010131	Hsiang Shou Enterprise Co., Ltd.	100,000	370,619	134,181	236,438	591,808	87,369	71,546	7.15
22010138	Yulon China Investment (HK) Co., Ltd.	7,701,419	15,048	122	14,926	0	(475)	14,298	0.53
22010143	Luxgen Motor Co., Ltd.	6,050,000	3,396,027	3,143,167	252,860	4,530,393	(1,209,894)	(2,465,119)	(4.07)
22010146	YU HSIN INTL INVESTMENT (HK) CO., LTD.	352,896	434,688	114,215	320,473	0	(1,539)	(24,806)	Note
22010147	Luxgen Taipei Motor Co., Ltd.	185,000	710,086	577,372	132,714	2,015,537	(87,876)	(49,538)	(2.68)
22010148	Luxgen Taoyuan Motor Co., Ltd.	105,000	286,769	196,629	90,140	986,030	(7,112)	15,425	1.47
22010149	Luxgen Taichung Motor Co., Ltd.	106,000	322,019	202,888	119,131	1,053,315	(19,178)	13,131	1.24
22010150	Luxgen Tainan Motor Co., Ltd.	105,000	211,828	102,726	109,102	668,905	(20,206)	5,753	0.55
22010151	Luxgen Kaohsiung Motor Co., Ltd.	71,000	147,119	93,286	53,833	766,140	(23,210)	(16,681)	(2.35)
22010152	Car-Plus Shanghai Investment (Samoa) co., Ltd.	284,800	411,451	0	411,451	0	(16)	32,464	Note
22010153	CAR-PLUS Auto Leasing (Shanghai) Limited	284,800	751,402	339,955	411,448	237,132	36,214	32,480	Note
22010154	Yulon TOBE Motor Co., Ltd.	28,080	220,405	170	220,235	0	(403)	(420)	(0.15)
22010157	Suzhou YuShun Automobiles Sales & Service Limited	44,904	42,865	8,706	34,159	3,677	(7,379)	(4,921)	Note
22010158	Jiangmen Junxing Automobile Sales Service Co., Ltd.	90,717	173,735	152,718	21,017	867,484	(9,123)	(21,739)	Note
22010163	Hangzhou Y-teks Automotive Trim Parts Lt	305,061	234,055	140,313	93,742	77,286	(17,260)	(21,935)	Note
22010164	YES-Energy Service Co., LTD.	290,000	837,374	616,841	220,534	163,125	2,765	(8,407)	(0.29)
22010165	Hangzhou Yuwan Auto Motive Parts Limited	591,789	352,510	261,546	90,964	170,876	28,081	(18,317)	Note
22010166	Hong Kong Yueki Holdings Co., Ltd.	301,888	51,423	14,244	37,179	0	0	(10,237)	(0.03)
22010167	Yu Rong International Investment (SAMOA) Co., Ltd.	2,491,886	3,841,319	0	3,841,319	0	0	250,607	Note
22010169	Yu-Rong Leasing (Suzhou) Limited	2,182,400	20,363,439	16,451,024	3,912,415	2,147,265	576,139	476,627	Note
22010170	Simjiang Co.,Ltd	428,240	1,078,609	538,683	539,926	440,686	94,455	77,964	1.82
22010174	Hangzhou HuaZhi Automobile Sales & Service Limited	89,809	2,077	357,709	(355,632)	3,111	(54,866)	(107,286)	Note
22010175	Feng-hua Investment (HK) Co., Ltd.	192,745	355,090	0	355,090	0	0	27,953	Note
22010176	Fujian YuXin Automobiles Sales & Service Limited	229,483	35,623	11,212	24,411	21,375	(13,503)	(15,897)	Note
22010177	Hangzhou HuaYou Automobile Sales & Service Limited	35,924	129	219,770	(219,641)	2,657	(32,840)	(43,517)	Note
22010179	Xiaogan Yufeng Automobile Sales Service Co., Ltd.	141,684	469,357	244,526	224,831	1,378,535	45,755	28,137	Note
22010180	Ningbo Yu Chang Automobile Sales Service Co., Ltd.	197,620	15,106	152	14,954	750	(8,020)	(15,238)	Note
22010181	Shanghai Yumin Automobiles Sales & Service Limited	325,177	91,091	122,188	(31,097)	10,472	(21,136)	(60,253)	Note
22010182	Qingdao YuanHuang Automobiles Sales & Services Limited	222,010	343,586	383,980	(40,394)	504,768	(2,896)	(23,157)	Note
22010183	Suzhou Chenglong Auto Sales & Service Co.	192,743	453,174	98,080	355,094	1,365,596	41,711	27,954	Note
22010184	Suzhou ChengLi Automobile Sales & Service Limited	67,811	71,940	18,423	53,517	154,249	(753)	6,698	Note
22010185	Shenzhen Yuzhi Automobile Sales & Service Limited	88,552	12,806	1,733	11,073	771	(4,331)	(10,120)	Note
22010186	Nanjing YuShang Automobile Sales & Service Limited	35,924	31,461	25,743	5,718	115,623	(14,885)	(48,656)	Note
22010188	Yulon China Holdings Co. Ltd.	20,439,529	6,284,773	0	6,284,898	0	0	2,582,206	(26.76)
22010189	Yulon Motor Investment (HK) Co., Ltd.	20,439,529	6,284,842	74	6,284,893	0	(332)	2,582,206	Note
22010190	Yulon Automotive (China) Investment Limited	8,247,492	6,861,544	1,308,727	5,552,817	7,929	128,401	3,218,531	Note
22010192	Power Engineering Co., LTD.	2,000	18,106	14,601	3,505	14,368	2,985	2,621	13.11
22010194	Changsha Yulu Automobile Sales & Service Limited	141,314	31,799	27,102	4,697	19,876	(10,809)	(47,487)	Note
22010198	Hongyan Automobile Co., Ltd.	190,063	41,830	0	41,830	0	0	(11,646)	(0.61)
22010199	YU SHIN Investment Ltd.	161,852	64,552	3,577	60,975	0	(16)	(17,005)	Note
22010201	Hangzhou Hua-chuang Automobile Informati	449,428	240,292	652,105	(411,813)	857,835	(128,901)	(132,085)	Note
22010202	Hua-chuang China Investment Co., Ltd.	461,709	(398,320)	0	(398,320)	0	0	(127,818)	(2.77)
22010203	Hua-Chuang Overseas Investment Co., Ltd.	490,393	(398,033)	0	(398,033)	0	0	(108,920)	(2.22)
22010205	Suzhou Eslite Automobiles Sales & Service Limited	181,435	310,924	117,973	192,951	417,718	9,527	5,816	Note
22010206	Suzhou ChengBang Automobiles Sales & Service Limited	44,904	208,826	150,590	58,236	549,161	15,856	10,056	Note

Company code	Company name	Paid-up Capital	Total assets	Total liabilities	Net Worth	Operating revenues	Operating profits	Gain or loss in current period	Earnings per share
22010207	Nanjing HanHong Automobile Sales & Service Limited	134,714	186,893	56,364	130,529	10,066	(24,891)	(29,683)	Note
22010208	Yumin Insurance Broker Co., Ltd	5,000	4,900	310	4,590	36	(333)	(339)	(0.68)
22010209	Jiangmen YuLi Automobiles Sales & Service Limited	45,813	107,269	95,563	11,706	304,023	(7,856)	(12,424)	Note
22010210	Yu-Kuo Finance Leasing (Hangzhou) Limited	833,389	2,532,767	2,662,366	(129,599)	480,329	(540,904)	(563,770)	Note
22010211	Sinjang Investment (Samoa) Co., Ltd.	53,372	31,871	3	31,868	0	(33)	546	Note
22010212	Zhejiang Cheng Yi Automobile Technology Service Co., Ltd	87,296	28,616	13,145	15,471	15,953	(15,954)	(31,955)	Note
22010213	ChiaHsing YuTa Automobiles Sales & Service Limited	81,164	23,117	43,383	(20,266)	28,973	(13,923)	(31,731)	Note
22010214	Suzhou Cheng-Hung Auto Sales & Service Limited	45,813	161,728	118,787	42,941	272,735	1,120	844	Note
22010215	Suzhou Cheng-Kuo Auto Sales & Service Limited	89,461	91,073	53,156	37,917	97,018	(556)	(8,861)	Note
22010216	TaiTsang ChengMao Automobiles Sales & Service Limited	45,813	197,194	123,219	73,975	511,577	15,981	12,321	Note
22010218	Anhui Min Tong Automobiles Sales & Service Limited	45,813	25,342	1,785	23,557	3,083	(22,364)	(28,454)	Note
22010219	Anqing Cai Tong Automobiles Sales & Service Limited	120,752	211	362	(151)	0	(8,120)	(6,565)	Note
22010222	Tongling Kuo Tong Automobiles Sales & Services Limited	74,904	11,015	2,866	8,149	299	(11,377)	(7,880)	Note
22010223	Zibo Yu An Automobiles Sales & Services Limited	68,475	546	2,659	(2,113)	0	(1,984)	(7,174)	Note
22010224	UNIVATION MOTOR PHILIPPINES, INC.	639,550	495,513	302,637	192,876	197,832	90,092	2,421	0.51
22010225	Sheng Qing (Beijing) Investment Limited	5,410,916	4,561,732	518,654	4,043,078	1,370	(66,073)	(231,634)	Note
22010226	Jing-Hui (Shanghai) Motor Technology Limited	49,231	67,933	42,109	25,824	0	(14,007)	(15,464)	Note
22010227	ZhuHai Esinn Automobiles Sales & Service Limited	22,452	13,026	595	12,431	387	(5,307)	(14,912)	Note
22010228	HANG ZHOU LIAN RUN MOTOR PARTS CO.,LTD	647,067	516,900	482,542	34,358	141,910	(47,865)	(29,524)	Note
22010229	Shin Shin Investment (Samoa) Co., Ltd.	341,760	(32,547)	0	(32,547)	0	0	(226,022)	Note
22010230	Yulon Motor Finance (China) Limited	4,364,800	15,461,850	11,382,418	4,079,432	1,827,845	(711,511)	(89,115)	Note
22010232	Da Wei Technology Co., Ltd	40,000	43,418	0	43,418	2	(32)	(2,100)	(0.53)
22010233	Hangzhou Cheng Yi second - hand car identification assessment Limited	6,547	2,937	398	2,539	2,332	(3,135)	(3,138)	Note
22010235	Zhejiang Cheng Yi auction Ltd.	8,730	3,697	420	3,277	240	(958)	(873)	Note
22010236	Hangzhou Yujie Real Estate Co., Ltd	2,182,400	2,203,652	188,229	2,015,423	0	(6,021)	1,800	Note
22010237	Ta Teng Transportation Co.,Ltd.	6,000	8,192	1,840	6,352	11,659	(3,198)	(2,645)	Note
22010239	Luxgen (Hangzhou) Motor Sales Co., Ltd	12,862,466	1,099,461	872,256	227,205	135,380	(451,249)	(594,813)	Note
22010240	Yufong Property Management Co., Ltd.	25,000	82,984	33,422	49,562	92,916	7,465	6,090	2.44
22010241	Yulon Finance Overseas Investment (Samoa) Co., Ltd.	427,200	264,695	0	264,695	0	0	(147,846)	Note
22010242	Yulon Finance Philippines Investment (Samoa) Co., Ltd.	427,200	264,695	0	264,695	0	0	(147,846)	Note
22010243	KUEN YOU TRADING CO., LTD.	10,000	52,541	38,730	13,811	163,585	(1,332)	1,603	1.60
22010246	Yulon Finance Philippines Co., Ltd	439,500	1,320,267	1,055,572	264,695	137,024	(147,184)	(147,846)	(19.71)
22010247	Chuang Jie New Energy Vehicle (HZ) Limited	3,448,192	3,072,294	230,146	2,842,148	231,953	(616,196)	(573,192)	Note
22010248	CAR-PLUS Hangzhou Investment (Samoa) Co., Ltd	911,360	300,100	0	300,100	0	0	(424,217)	Note
22010249	CAR-PLUS GO Co., Ltd.	911,360	307,532	7,433	300,100	16,238	(427,246)	(424,218)	Note
22010250	Wuhan TAC Auto Trade Co., Ltd.	8,730	17,621	29,468	(11,847)	1,593	(11,484)	(11,631)	Note
22010252	Dachuan Transportation Co., Ltd.	3,000	1,302	314	988	2,593	(310)	(244)	Note
22010253	Damu Transportation Co., Ltd.	6,000	955	244	711	2,415	283	219	Note
22010254	Dajun Transportation Co., Ltd.	3,000	1,154	288	866	2,199	204	158	Note
22010256	Shanghai YuGuo Auto Trade Co., Ltd.	8,730	5,383	246	5,137	547	(56)	(261)	Note
22010260	Fuzhou YuShin Automobile Technology Co.	51,912	196,704	153,879	42,825	314,474	(5,702)	(9,189)	Note
22010261	Yongxiang Transportation Co., Ltd.	3,000	212	154	58	353	77	58	Note
22010262	Guoma Transportation Co., Ltd.	4,000	64	32	32	263	41	32	Note
22010263	Jinyu Transportation Enterprise Co., Ltd	3,000	323	189	134	311	162	133	Note
22010264	Zhongxing Automobile Co., Ltd.	3,500	169	69	100	218	131	100	Note
22010265	Liyang Automobile Co., Ltd.	9,000	5,480	408	5,072	1,009	91	73	Note
22010266	Heyang Transportation Co., Ltd.	6,000	164	146	18	127	22	18	Note
22010267	Jiayu Transportation Enterprise Co., Ltd	3,000	156	129	27	93	36	27	Note
22010268	Tianyang Transportation Co., Ltd.	6,000	214	160	54	266	73	54	Note
22010269	MINXIANG LEASING CO., LTD	30,000	32,346	2,342	30,004	1,355	(16)	0	0.00
22010270	Advance Power Machinery Co., Ltd.	5,000	45,536	35,155	10,381	68,061	(299)	10,380	20.76

Note 1: Not applicable because it is a limited company.

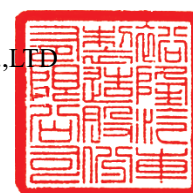
Note 2: For those that are not mandatorily required to adopt IFRSs, the disclosures are still based on financial information prepared in accordance with GAAP.

(II) Consolidated Financial Statements of Affiliates

Statement of Consolidated Financial Statements of Affiliates

The companies to be included by the Bank in the Sale or Contribution of Assets between an Investor and its Associate or Joint Venture of affiliates in accordance with the “Rules Governing the Preparation of Affiliated Company’s Consolidated Business Report, Affiliated Company’s Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and Relationship Report” in 2020 (from January 1 to December 31, 2020) are identical to those to be included in the Sale or Contribution of Assets between an Investor and its Associate or Joint Venture of the Parent Company and subsidiaries in accordance with the International Financial Reporting Standards No. 10. Also, the information to be disclosed in the Sale or Contribution of Assets between an Investor and its Associate or Joint Venture of the affiliated companies has been disclosed in said Sale or Contribution of Assets between an Investor and its Associate or Joint Venture of the Parent Company and subsidiaries. Therefore, the Bank will not separately prepare the Sale or Contribution of Assets between an Investor and its Associate or Joint Venture of the affiliated companies. Hereby declare

Company name: YULON MOTOR CO., LTD



Responsible Person: Yen Chen Li-Lien



March 30, 2021

(III) Relations Report: Not applicable

II. From 2020 up to the publication date of the annual report, private placement of marketable securities:

No such matter.

III. Holding or disposal of shares in the Company by the Company's subsidiaries during the most recent year (2020) or during the current year up to the date of publication of the annual report:Unit: Thousands of NTD; shares; %
As of 2021.4.30

Subsidiary name	Paid-up Capital	Source of capital	The Company's shareholding percentage	Date of acquisition or disposal	Number of shares acquired	Acquisition amount	Number of shares disposed	Disposal amount	Investment Gain or loss	Number of shares as of the publication date of the annual report	Amount as of the publication date of the annual report	Set the pledge Circumstance (Note)	Amount of endorsement and guarantee by the Company for its subsidiaries	Amount funds lending by the Company to subsidiaries
Yu Ching	1,211,522	Operating revenues	100.00	2014.7.28	-	-	-	-	-	7,526,431	341,700	-	-	-
Yu Pong	271,697	Operating Revenues	100.00	2014.7.28	-	-	-	-	-	76	3	-	-	-

Note: Impact on the Company's financial performance and financial position: None.

IV. Other supplementary information: None**V. Any of the situations listed in Subparagraph 2, Paragraph 3 of Article 36 of the Securities and Exchange Act, which might materially affect shareholder equity or the price of the Company's securities, which has occurred during 2020 or during the current year up to the date of publication of the annual report: No such matter.**



 **Yulon Motor Co., Ltd.**
No. 39-1, Bir-Gong-Kong, Shi-Fu Village, Sanyi Town,
Miaoli County