Coxon Precise Industrial Co., Ltd. and Subsidiaries

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

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” (the “Criteria”) 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 Standards No. 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 did not prepare a separate set of consolidated financial statements of affiliates for the reporting purposes under the Criteria.

Very truly yours,

COXON PRECISE INDUSTRIAL CO., LTD.

By:

HONG, HUAN-CHING
Director

March 26, 2021

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Coxon Precise Industrial Co., Ltd.

Opinion

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

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

The key audit matters of the consolidated financial statements for the year ended December 31, 2020 are as follows:

<u>Revenue Recognition of Triangular Trade</u>

The operating revenue of Coxon Precise Industrial Co., Ltd. and its subsidiaries for the year ended December 31, 2020, was $3,322,590 thousand. Based on the consideration of the materiality of the financial statements and the auditing standard bulletin, the revenue recognition was preset as a significant risk. Partial revenue of Coxon Precise Industrial Co., Ltd. and its subsidiaries were generated from triangular trade occurred when production which manufactured in South China and shipped directly to customers. We considered the occurrence of revenue describes as above as a key audit matter. Refer to Notes 4 and 25 to the consolidated financial statements.

Our key audit procedures performed in respect of the operating revenue recognition included the following:

1. We understood, evaluated and tested the effectiveness of the design and implementation of internal control system that is related to revenue recognition.

2. We obtained the details of triangular trade for the year ended December 31, 2020 and we sampled and tested the selected transactions with their original purchase orders and delivery orders, and we compared the amounts to their respective accounts; in addition, we also sampled and tested delivery orders and realative authenticationsin South China within to ensure the occurrence of the sales.

3. We obtained the sales returns details of triangular trade for the subsequent period, sampled and tested the related sales return supporting documents and reviewed the reasonableness of the occurrence of such sales returns.

<u>Other Matters</u>

We have also audited the parent company only financial statements of Coxon Precise Industrial Co., Ltd. as of and for the years ended December 31, 2020 and 2019 on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC and SIC endorsed and issued into effect by the FSC 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 supervisors, 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 users economic decisions 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 statements 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 audit resulting in this independent auditors' report are Ming-Chung Hsieh and Jui-Chuan Chih.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 26, 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.

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)

	2020		2019	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 32)	$ 787,077	17	$ 877,301	18
Financial assets at fair value through profit or loss - current (Notes 7 and 32)	26,189	1	38,677	1
Financial assets at fair value through other comprehensive income - current (Notes 8 and 32)	120,204	3	-	-
Financial assets at amortized cost - current (Notes 9, 32 and 34)	13,400	-	19,928	-
Trade receivables (Notes 10, 25 and 32)	1,281,435	28	938,236	19
Trade receivables from related parties (Notes 10, 25, 32 and 33)	4,573	-	64,266	1
Other receivables (Notes 10, 32 and 33)	49,184	1	121,097	2
Current tax assets (Note 27)	5,251	-	27,736	1
Inventories (Note 11)	334,439	7	393,538	8
Prepayments (Note 35)	153,637	4	201,703	4
Other current assets	134	-	78	-
Total current assets	2,775,523	61	2,682,560	54
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 32)	220,109	5	230,703	5
Investments accounted for using the equity method (Note 14)	3,805	-	4,989	-
Property, plant and equipment (Notes 15 and 34)	1,239,768	27	1,428,586	29
Right-of-use assets (Note 16)	246,264	5	381,748	8
Intangible assets (Note 17)	15,880	-	21,564	-
Deferred tax assets (Note 27)	23,726	1	177,736	4
Prepayments for equipment (Note 35)	15,800	-	15,903	-
Other non-current assets (Notes 10 and 18)	25,478	1	25,380	-
Total non-current assets	1,790,830	39	2,286,609	46
TOTAL	$ 4,566,353	100	$ 4,969,169	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Notes 25 and 33)	$ 17,998	-	$ 53,770	1
Notes and trade payables (Notes 20 and 32)	757,432	17	550,650	11
Payables on equipment (Note 32)	51,346	1	18,036	-
Other payables (Notes 21 and 32)	473,482	10	470,761	10
Provisions - current (Note 22)	17,001	-	18,965	-
Lease liabilities - current (Notes 16 and 32)	127,787	3	152,635	3
Current portion of long-term borrowings (Notes 19, 30, 32 and 34)	37,500	1	136,364	3
Other current liabilities (Note 21)	2,880	-	1,227	-
Total current liabilities	1,485,426	32	1,402,408	28
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 19, 30, 32 and 34)	162,500	4	63,636	1
Deferred tax liabilities (Note 27)	5,529	-	16,871	1
Lease liabilities - non-current (Notes 16 and 32)	113,537	3	203,449	4
Net defined benefit liabilities - non-current (Note 23)	45,228	1	46,869	1
Other non-current liabilities (Note 21)	17,125	-	7,187	-
Total non-current liabilities	343,919	8	338,012	7
Total liabilities	1,829,345	40	1,740,420	35
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)				
Share capital				
Ordinary shares	1,216,622	27	1,216,622	24
Capital surplus	2,564,158	56	2,588,754	52
(Accumulated deficits) retained earnings				
Legal reserve	-	-	211,361	5
Special reserve	-	-	354,252	7
Accumulated deficits	(402,691)	(9)	(590,209)	(12)
Total accumulated deficits	(402,691)	(9)	(24,596)	-
Other equity	(688,275)	(15)	(627,902)	(13)
Total equity attributable to owners of the Company	2,689,814	59	3,152,878	63
NON-CONTROLLING INTERESTS	47,194	1	75,871	2
Total equity	2,737,008	60	3,228,749	65
TOTAL	$ 4,566,353	100	$ 4,969,169	100

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

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars, Except Losses Per Share)

	2020		2019	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 25, 33 and 39)	$ 3,322,590	100	$ 4,313,919	100
OPERATING COSTS (Notes 11 and 26)	(3,311,774)	(100)	(4,368,005)	(101)
OPERATING PROFIT (LOSS)	10,816	-	(54,086)	(1)
OPERATING EXPENSES (Note 26)				
Selling and marketing expenses	(131,608)	(4)	(180,916)	(4)
General and administrative expenses	(335,003)	(10)	(515,258)	(12)
Research and development expenses	(15,321)	-	(11,021)	(1)
Expected credit loss	12,100	-	(3,575)	-
Total operating expenses	(469,832)	(14)	(710,770)	(17)
LOSS FROM OPERATIONS	(459,016)	(14)	(764,856)	(18)
NON-OPERATING INCOME AND EXPENSES (Note 26)				
Other income	2,605	-	4,334	-
Other gains and losses	58,022	2	247,924	6
Finance costs	(23,578)	(1)	(55,338)	(1)
Share of loss of associates and joint ventures	(1,115)	-	(33,417)	(1)
Total non-operating income and expenses	35,934	1	163,503	4
LOSS BEFORE INCOME TAX FROM CONTINUING OPERATIONS	(423,082)	(13)	(601,353)	(14)
INCOME TAX EXPENSE (Note 27)	(1,392)	-	(35,028)	(1)
NET LOSS FROM DISCONTINUING OPERATIONS	-	-	44,980	1
NET LOSS FOR THE YEAR	(424,474)	(13)	(591,401)	(14)

(Continued)

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars, Except Losses Per Share)

	2020		2019	
	Amount	**%**	**Amount**	**%**
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 24 and 27)				
Items that subsequently to profit or loss:				
Actuarial loss arising from defined benefit plans	$ 1,168	-	$ (25,789)	(1)
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	99,597	3	(58,484)	(1)
Income tax relating to items that will not be reclassified subsequently to profit or loss	(233)	-	5,158	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(16,117)	(1)	(276,058)	(6)
Income tax relating to item that may be reclassified subsequently to profit or loss	(142,106)	(4)	54,471	1
Other comprehensive loss for the year, net of income tax	(57,691)	(2)	(300,702)	(7)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	$ (482,165)	(15)	$ (892,103)	(21)
NET LOSS ATTRIBUTABLE TO:				
Owners of the Company	$ (403,626)	(12)	$ (566,859)	(13)
Non-controlling interests	(20,848)	(1)	(24,542)	(1)
	$ (424,474)	(13)	$ (591,401)	(14)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:				
Owners of the Company	$ (463,064)	(14)	$ (863,859)	(20)
Non-controlling interests	(19,101)	(1)	(28,244)	(1)
	$ (482,165)	(15)	$ (892,103)	(21)
LOSSES PER SHARE (Note 28)				
From continuing and discontinued operations				
Basic	$ (3.32)		$ (4.66)	
From continuing operations				
Basic	$ (3.32)		$ (5.03)	

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

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company										
							Other Equity				
	Ordinary Shares			Retained Earnings							
	Shares Issued (In Thousands)	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Accumulated Deficits	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
BALANCE AT JANAURY 1, 2019	121,622	$ 1,216,622	$ 2,649,585	$ 671,798	$ 221,728	$ (327,913)	$ (350,534)	$ (3,718)	$ 4,077,568	$ 104,115	$ 4,181,683
Appropriation of the 2018 earnings											
Special reserve	-	-	-	-	132,524	(132,524)	-	-	-	-	-
Legal reserves used to compensate deficit	-	-	-	(460,437)	-	460,437	-	-	-	-	-
Cash dividends from capital surplus	-	-	(60,831)	-	-	-	-	-	(60,831)	-	(60,831)
Net loss for the year ended December 31, 2019	-	-	-	-	-	(566,859)	-	-	(566,859)	(24,542)	(591,401)
Other comprehensive income (loss) or the year ended December 31, 2019, net of income tax	-	-	-	-	-	(20,631)	(217,885)	(58,484)	(297,000)	(3,702)	(300,702)
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	-	(587,490)	(217,885)	(58,484)	(863,859)	(28,244)	(892,103)
Disposals of investments in equity instruments designated as at fair value through other comprehensive	-	-	-	-	-	(2,719)	-	2,719	-	-	-
BALANCE AT DECEMBER 31, 2019	121,622	1,216,622	2,588,754	211,361	354,252	(590,209)	(568,419)	(59,483)	3,152,878	75,871	3,228,749
Appropriation of the 2019 earnings											
Legal reserves used to compensate deficit	-	-	-	(211,361)	-	211,361	-	-	-	-	-
Special reserves used to compensate deficit	-	-	-	-	(354,252)	354,252	-	-	-	-	-
Capital surplus used to compensate deficit	-	-	(24,596)	-	-	24,596	-	-	-	-	-
Changes in non-controlling interest	-	-	-	-	-	-	-	-	-	(9,576)	(9,576)
Net loss for the year ended December 31, 2020	-	-	-	-	-	(403,626)	-	-	(403,626)	(20,848)	(424,474)
Other comprehensive income (loss) or the year ended December 31, 2020, net of income tax	-	-	-	-	-	935	(159,970)	99,597	(59,438)	1,747	(57,691)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	(402,691)	(159,970)	99,597	(463,064)	(19,101)	(482,165)
BALANCE AT DECEMBER 31, 2020	121,622	$ 1,216,622	$ 2,564,158	$ -	$ -	$ (402,691)	$ (728,389)	$ 40,114	$ 2,689,814	$ 47,194	$ 2,737,008

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

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

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

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax from continuing operations	$ (423,082)	$ (601,353)
Income before income tax from discontinued operations	-	44,976
Loss before income tax	(423,082)	(556,377)
Adjustments for:		
Depreciation expenses	376,281	556,908
Amortization expenses	9,168	16,886
Expected credit loss recognized on trade receivables	(12,100)	3,575
Net gain on fair value changes of financial assets and liabilities as at fair value through profit or loss	(560)	(3,012)
Finance costs	23,578	55,338
Interest income	(2,605)	(4,334)
Dividend income	(45)	-
Share of loss of associates and joint ventures	1,115	33,417
(Gain) loss on disposal of property, plant and equipment	(13,831)	7,308
Gain on disposal of investments	(1,865)	(55,369)
Impairment loss recognized on financial assets	16,519	-
Impairment loss recognized on property, plant and equipment	28,349	271,616
Reversal of inventories	(21,167)	(88,620)
Gain on disposal of right-of use assets	(3,641)	-
Unrealized gain on the foreign currency exchange	(31,126)	(19,458)
Gain on modification of lease	(2,694)	(5,098)
Gain on disposal of subsidiaries	-	(430,318)
Changes in operating assets and liabilities		
Notes and trade receivables	(276,708)	565,048
Other receivables	(3,347)	(13,790)
Inventories	100,773	233,238
Prepayments	48,066	(71,130)
Other current assets	(56)	36,485
Contract liabilities	(35,772)	9,516
Notes and trade payables	243,124	(445,342)
Other payables	17,603	(112,175)
Provisions	(1,964)	2,114
Other current liabilities	1,653	(729)
Deferred revenue	(259)	(325)
Net defined benefit liabilities	(473)	(21,092)
Cash generated from (used in) operations	34,934	(35,720)
Interest received	3,165	7,346
Dividends received	45	-
Interest paid	(38,460)	(46,404)
Income tax received (paid)	21,422	(17,183)
Net cash generated from (used in) operating activities	21,106	(91,961)

(Continued)

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

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

	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	$ (19,171)	$ (28,706)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	27,993
Proceeds from disposal of financial assets at amortized cost	6,506	97,289
Proceeds from sale of financial assets at fair value through profit or loss	12,848	44,822
Purchase of investments accounted for using the equity method	-	(9,136)
Net cash inflow on disposal of subsidiaries	58,894	699,735
Payments for property, plant and equipment	(74,717)	(92,290)
Proceeds from disposal of property, plant and equipment	44,492	33,445
Increase in refundable deposits	(98)	(10,465)
Payments for intangible assets	(3,303)	(5,806)
(Increase) decrease in prepayments for equipment	(5,366)	1,772
Proceeds from disposal of right-of-use assets	13,652	-
Net cash generated from investing activities	33,737	758,653
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	272,581	707,196
Repayments of long-term borrowings	(272,581)	(1,498,863)
Increase (decrease) in guarantee deposits received	10,197	(2,947)
Repayment of the principal portion of lease liabilities	(138,258)	(185,912)
Dividends paid to owners of the Company	-	(60,831)
Changes in non-controlling interests	(9,576)	-
Net cash used in financing activities	(137,637)	(1,041,357)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(7,430)	18,949
NET DECREASE IN CASH AND CASH EQUIVALENTS	(90,224)	(355,716)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	877,301	1,233,017
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 787,077	$ 877,301

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

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

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

1. GENERAL INFORMATION

Coxon Precise Industrial Co., Ltd. (the "Company") was incorporated in the Republic of China (ROC) in June 1989. The Company mainly manufactures, packages and sells all kinds of molds, metal and plastic components and makes relevant investments.

The Company's shares were previously listed on the Taipei Exchange (formerly the Taiwan GreTai Securities Market) since January 2008 and has now been listed on the Taiwan Stock Exchange (TWSE) since October 2009.

The consolidated financial statements of the Company and its subsidiaries, collectively referred to as the "Group", are presented in the Company's functional currency, New Taiwan dollars.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors and authorized for issue on March 26, 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 Group's accounting policies:

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

   The Group resolved adapting the amendment, which the Group negotiate rent concessions with lessee. Relative accounting policies please refer to Note c. Before adapting this amendment, the Group shall determine whether the negotiation is applicable the amendment.

   Upon initial application of the aforementioned amendments, the Group restates comparative information and recognizes the cumulative effect affects only the year of 2020. Retrospective application does not effect retaining earnings of 2021.

b. The IFRSs endorsed by 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	Annual reporting periods beginning on or after January 1, 2021

As of the date the consolidated financial statements were authorized for issue, the Group assessed there is no material impact in the application of other standards and interpretations.

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.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation

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

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

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

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

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

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

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

d. 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).

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 dates of acquisitions up to the effective dates of disposals, as appropriate.

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

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of an investment in an associate or a jointly controlled venture.

See Note 13, Tables 5 and 6 for detailed information on subsidiaries (including the percentages of ownership and main businesses).

e. Foreign currencies

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

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

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction (i.e., not retranslated).

For the purpose of presenting consolidated financial statements, the functional currencies of the Group and its foreign operations (including subsidiaries, associates, joint ventures and branches in other countries that use currencies which are different from the currency of the Company) are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the year. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

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

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to the non-controlling interests of the subsidiary but 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.

f. Inventories

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

g. Investments in associates

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

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

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

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 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.

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

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

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

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value 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 on the same basis as would be required had that associate directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

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

h. Property, plant and equipment

Property, plant and equipment including assets held under finance leases and bearer plants are measured at cost less accumulated depreciation and accumulated impairment loss.

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

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

i. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Derecognition of intangible assets

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

j. Impairment of property, plant and equipment, right-of-use asset, assets related to contract costs and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, and intangible assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

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

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

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

k. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i. Financial assets at FVTPL

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

Financial assets at FVTPL are subsequently measured at fair value, 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 dividends or interest earned on such a financial asset.

ii. Financial assets at amortized cost

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

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

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

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

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

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

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

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

iii. Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets

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

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

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

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

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, 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.

2) Equity instruments

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

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

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

3) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method:

b) Derecognition of financial liabilities

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

l. 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.

m. Revenue recognition

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

For contracts where the period between the date on which the Group transfers a promised good or service to a customer and the date on which the customer pays for that good or service is one year or less, the Group does not adjust the promised amount of consideration for the effects of a significant financing component.

<u>Revenue from the sale of goods</u>

Revenue from the sale of goods comes from manufacturing, processing, and sales of molds, an parts and plastic molding fixtures. Sales of goods are recognized as revenue when the goods are shipped since it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently. Receipts in advance are recognized as contract liabilities before the goods are shipped.

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

n. Leases

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

For a contract that contains a lease component and non-lease components, the Group allocates the consideration in the contract to each component on the basis of the relative stand-alone price and accounts for each component separately.

1) The Group as lessor

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

   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 a lease includes both land and building elements, the Group assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Group as lessee

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

   Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities 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 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 Group 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 receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee’s incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, 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.

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.

o. Borrowing costs

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

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

Other than that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

p. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

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

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group’s defined benefit plans. 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.

3) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plans except that remeasurement is recognized in profit or loss.

4) 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.

q. Taxation

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

1) Current tax

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

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

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

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary 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 assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred 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.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The Group considers the economic implications of the COVID-19 when making its critical accounting estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2020	2019
Cash on hand	$ 930	$ 969
Checking accounts and demand deposits	786,147	874,613
Cash equivalents (with original maturities less than three months)		
Bank acceptances	-	1,719
	$ 787,077	$ 877,301

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2020	2019
Financial assets mandatorily classified as at FVTPL - current		
Structured deposits	$ 26,189	$ 38,677

The Group entered into a short-term structured time deposit contract with bank. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract. The contract was designated as at FVTPL under IAS 39. But under IFRS 9, the entire contract is assessed and mandatorily classified as at FVTPL since it contained a host that is an asset within the scope of IFRS 9.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	December 31	
	2020	**2019**
Current		
Foreign investments		
Listed shares and emerging market shares		
Ordinary shares - Fuji Seiki Co., Ltd.	$ 12,204	$ -
Unlisted shares		
Ordinary shares - Halo Neuro Inc.	-	-
Ordinary shares - Yougang Electronic Technology (Shanghai) Co., Ltd.	-	-
	$ 12,204	$ -
Non-current		
Domestic investments		
Unlisted shares		
Ordinary shares - Simpla Biotech Co., Ltd.	$ 12,197	$ 12,308
Ordinary shares - Kin Tin Optotronic Co., Ltd.	-	-
Foreign investments		
Unlisted shares		
Ordinary shares - Toyo Precision Appliance (Kunshan) Co., Ltd.	189,539	175,149
Ordinary shares - CGK International Co., Ltd.	9,490	23,236
Ordinary shares - PT. Fuji Seiki Indonesia	8,883	20,010
	$ 220,109	$ 230,703

These investments in equity instruments 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. These investments in equity instruments were classified as designated these investment as at FVTOCI.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2020	**2019**
Current		
Domestic investments		
Time deposits with original maturities of more than three months	$ -	$ 6,446
Bank deposits pledged as collateral	13,400	13,482
	$ 13,400	$ 19,928

Refer to Note 34 for information relating to bank deposits pledged as collateral.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2020	2019
Notes receivables		
Unrelated parties	$ 39	$ -
Less: Allowance for impairment loss	-	-
	$ 39	$ -
Trade receivables		
Unrelated parties	$ 1,288,770	$ 952,915
Less: Allowance for impairment loss	(7,374)	(14,679)
	$ 1,281,396	$ 938,236
Related parties	$ 4,573	$ 64,266
Other receivables		
Receivables from disposal of subsidiaries	$ 16,519	$ 75,413
Others	48,106	43,464
Related parties	1,078	2,220
Less: Allowance for impairment loss	(16,519)	-
	$ 49,184	$ 121,097

a. Trade receivables at amorized cost

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

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group’s historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group’s different customer base.

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

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

December 31, 2020

	Not Past Due	0-30 Days	31-90 Days	91-180 Days	Over 180 Days	Total	Overdue Receivables Over 365 Days
Gross carrying amount	$ 1,242,724	$ 28,785	$ 13,286	$ 6,968	$ 1,580	$ 1,293,343	$ 17,595
Loss allowance (lifetime ECL)	(4,288)	(828)	(530)	(148)	(1,580)	(7,374)	(17,595)
Amortized cost	$ 1,238,436	$ 27,957	$ 12,756	$ 6,820	$ -	$ 1,285,969	$ -

December 31, 2019

	Not Past Due	0-30 Days	31-90 Days	91-180 Days	Over 180 Days	Total	Overdue Receivables Over 365 Days
Gross carrying amount	$ 878,799	$ 71,708	$ 49,519	$ 17,074	$ 81	$ 1,017,181	$ 24,256
Loss allowance (lifetime ECL)	(4,331)	(6,246)	(1,921)	(2,100)	(81)	(14,679)	(24,256)
Amortized cost	$ 874,468	$ 65,462	$ 47,598	$ 14,974	$ -	$ 1,002,502	$ -

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

	For the Year Ended December 31			
	2020		2019	
	Trade Receivables	Overdue Receivables	Trade Receivables	Overdue Receivables
Balance at January 1	$ 14,679	$ 24,256	$ 17,745	$ 19,085
Add: Impairment losses recognized	-	-	-	6,118
Less: Amounts written off	(2,172)	-	-	-
Less: Net remeasurement of loss allowance	(5,214)	(6,886)	(2,543)	-
Foreign exchange losses	81	225	(523)	(947)
Balance at December 31	$ 7,374	$ 17,595	$ 14,679	$ 24,256

b. Other receivables

1) Receivables from disposal of subsidiaries were the disposal of 100% voting shares of the Group's subsidiaries - Teckyork Enterprise Co., Ltd. and Shanghai Teckyork Enterprise Co., Ltd. which executed in 2020. As of December 31, 2020 partial payments had not received; thus, the expected credit losses were properly assessed based on its credit risk.

2) Others are mainly receivables to employee reimbursement

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

	Oher Receivables
Balance at January 1, 2020	$ -
Add: Impairment loss recognized	16,519
Balance at December 31, 2020	$ 16,519

11. INVENTORIES

	December 31	
	2020	2019
Raw materials	$ 23,059	$ 55,832
Materials	16,093	29,017
Work in progress (including molds)	154,170	155,934
Semifinished products	24,959	27,979
Finished goods	115,158	124,776
	$ 334,439	$ 393,538

The loss allowance of inventory as of December 31, 2020 and 2019 was $256,182 thousand and $273,551 thousand, respectively.

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2020 and 2019 was $3,311,774 thousand and $4,368,005 thousand, respectively.

The cost of goods sold including the amounts of written-off the inventory and recognized as expenses were as follows:

	For the Year Ended December 31	
	2020	2019
Inventory (reversed) write-downs	$ (21,167)	$ (88,620)
Unallocated production overhead	236,015	230,429
	$ 214,848	$ 141,809

12. NON-CURRENT ASSETS AND DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE

a. Non-Current assets/disposal groups held for sale

On March 26, 2021, the board of directors of the Group authorized the president to dispose 100% of the share held in Toyo Precision Appliance (Kunshan) Co., Ltd., Coxon Medical Limited, and its subsidiary Shanahai Coxon, Medical Limited.

b. Discontinued operations

On July 19, 2018 and November 14, 2018, the board of directors of the Group resolved to dispose 100% of the shares of Teckyork Enterprise Co., Ltd. and its subsidiaries - Shanghai Teckyork Enterprise Co., Ltd. and Shanghai Sonor Enterprise Co., Ltd. - to stop the production of plastic products.

The above transaction was in compliance with the requirements of “non-current assets held for sale and discontinued operations” under IFRS 5, and the disposed assets are classified as non-current assets for sale. In addition, the non-current assets for sale meets the definition of discontinued operation and is therefore expressed as discontinued operation.

Profit (loss) from discontinued operations was as follows:

	For the Year Ended December 31, 2019
Net profit (loss) for the year	$ 44,976
Income tax benefit (expense)	4
	$ 44,980

The details of profit (loss) from discontinued operations and the related cash flow information were as follows:

	For the Year Ended December 31, 2019
Operating revenue	$ 1,904
Operating costs	(2,812)
Gross loss	(908)
Selling and marketing expenses	-
General and administrative expenses	(19,941)
Expected credit loss	4,513
Loss from operations	(16,336)
Other operating income and expenses	5,499
Other income	62
Other gains and losses	55,751
Finance costs	-
Profit before tax	44,976
Income tax benefit	4
Net profit for the year	$ 44,980
Profit from discontinued operations attributable to:	
Owners of the Company	$ 44,980
Non-controlling interests	-
	$ 44,980
Net cash used in operating activities	$ (780,389)
Net cash generated from investing activities	821,466
Net cash generated from financing activities	-
Net cash inflows	$ 41,077

The board of directors of the Group resolved to dispose the entire shareholdings of Teckyork Enterprise Co., Ltd. and its subsidiaries - Shanghai Teckyork Enterprise Co., Ltd. and Shanghai Sonor Enterprise Co., Ltd. on July 19, 2018 and November 14 2018. On March 14, 2019, the Group signed an equity transfer agreement with Magical Fountain Limited (Samoa), and the settlement was agreed to be date on June 19, 2019.

The total selling price was agreed to be $806,464 thousand (US$25,641 thousand). As of December 31, 2020, the Group had received $787,311 thousand (US$25,115 thousand), and the remaining amount of $16,519 thousand (US$526 thousand) was classified as other receivables. The expected credit losses on other receivables are properly assessed based on its credit risk. Please refer to Note 10.

13. SUBSIDIARY

a. Subsidiary included in consolidated financial statements

			Proportion of Ownership (%)	
			December 31	
Investor	**Investee**	**Main Business**	**2020**	**2019**
Coxon Precise Industrial Co., Ltd.	Coxon Industry Ltd.	Global investing activities	100	100
Coxon Industrial Ltd.	Dong Guan Chensong Plastic Co., Ltd.	Manufacturing and sale of nonmetal molding and automotive hardware	100	100
Coxon Precise Industrial Co., Ltd.	Sun Can International Ltd.	Global investing activities	100	100
Sun Can International Ltd.	Sinxon Plastic (Dong Guan) Ltd.	Manufacturing and sale of nonmetal molding and automotive hardware	100	100
Coxon Precise Industrial Co., Ltd.	Cheng Yee Enterprise Ltd.	Global investing activities	100	100
Cheng Yee Enterprise Ltd.	Coxon Precise International Ltd.	Global investing activities	100	100
Cheng Yee Enterprise Ltd.	Hang Yuan Enterprise Ltd.	Global investing activities	100	100
Hang Yuan Enterprise Ltd.	Coxon Industry (Changshu) Co., Ltd.	Manufacturing and sale of nonmetal molding, precision plastic injection parts, related semi-finished goods and components	100	100
Hang Yuan Enterprise Ltd.	Changshu Huaxon Industry Co., Ltd. (Note)	Leasehold estate	100	100
Cheng Yee Enterprise Ltd.	Coxon Medical Limited	Global investing activities	80	80
Coxon Medical Limited	Shanghai Coxon Medical Limited	Manufacturing of medical materials	100	100
Coxon Precise Industrial Co., Ltd.	Cheng Da Industry Ltd.	Global investing activities	100	100
Cheng Da Industry Ltd.	Dong Guan Cheng Da Metal Product Company Limited	Manufacturing optical instrument, electronic products and plastic products	100	100
Coxon Precise Industrial Co., Ltd.	Plenty Link Technology Co., Ltd.	Global investing activities	65	65
Plenty Link Technology Co., Ltd.	Dongguan Shuang-Ying Photoelectric Technology Co., Ltd.	Manufacturing of optical instrument and electronic components	100	100
Plenty Link Technology Co., Ltd.	Shuang-Ying Science and Technology, Ltd.	Manufacturing of optical instrument and electronic components	100	100

b. Subsidiary not included in consolidated financial statements: None

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in Associates

	December 31	
	2020	**2019**
Associates that are not individually material		
Guangdong Tonly Precision Structure Co., Ltd.	$ -	$ 214
Siix Coxon Precision Phils., Inc.	-	-
Wuhan Resin-Hill Co., Ltd.	3,805	4,775
	$ 3,805	$ 4,989

	December 31	
Name of Associate	**2020**	**2019**
Guangdong Tonly Precision Structure Co., Ltd.	-	30%
Siix Coxon Precision Phils., Inc.	45%	45%
Wuhan Resin-Hill Co., Ltd.	40%	40%

Refer to Table 5 “Information on Investees” and Table 6 “Information on Investments in Mainland China” for the nature of activities, principal places of business and countries of incorporation of the associates.

The liquidation process of Guanddong Tonly Precision Structure Co., Ltd. had been completed on June 29, 2020.

The summarized financial information in respect of the Group's associates is set out below:

	December 31	
	2020	2019
Total assets	$ 287,238	$ 276,343
Total liabilities	$ 355,933	$ 280,333

	For the Year Ended December 31	
	2020	2019
Revenue	$ 272,313	$ 416,231
Loss for the year	$ (67,302)	$ (110,673)

Investments accounted for using the equity method as well as the share of profit or loss and other comprehensive gains and losses of the Group during 2020 and 2019, were calculated based on the financial reports without audited by the auditor. However, management of the Group believed that the 2020 and 2019 annual financial reports of the above subsidiaries would not be subject to major adjustments if they were verified by the auditor.

15. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Machinery	Transportation Equipment	Office Equipment	Leasehold Improvement	Other Equipment	Construction in Progress	Total
Cost									
Balance at January 1, 2020	$ 79,244	$ 1,157,358	$ 3,306,113	$ 43,509	$ 51,721	$ 591,574	$ 537,019	$ 29,759	$ 5,796,297
Additions	-	214	93,171	-	707	8,400	3,512	2,023	108,027
Disposals	-	-	(409,087)	(1,537)	(657)	-	(16,693)	-	(427,974)
Reclassification	-	-	4,544	-	-	999	522	(30,253)	(24,188)
Effect of exchange rate changes	-	7,667	34,110	385	(85)	(8,110)	6,160	(75)	40,052
Balance at January 1, 2020	$ 79,244	$ 1,165,239	$ 3,028,851	$ 42,357	$ 51,686	$ 592,863	$ 530,520	$ 1,454	$ 5,492,214
Accumulated depreciation and impairment									
Balance at January 1, 2020	$ 18,812	$ 607,693	$ 2,753,280	$ 34,764	$ 47,951	$ 434,763	$ 470,448	$ -	$ 4,367,711
Depreciation expense	-	42,935	131,066	2,852	1,124	23,345	26,527	-	227,849
Impairment losses (Reversal)	-	-	27,546	-	118	-	685	-	28,349
Disposals	-	-	(378,951)	(1,461)	(656)	-	(16,245)	-	(397,313)
Reclassification	-	-	(4)	-	-	-	4	-	-
Effect of exchange rate changes	-	306	28,216	139	(110)	(8,001)	5,300	-	25,850
Balance at January 1, 2020	$ 18,812	$ 650,934	$ 2,561,153	$ 36,294	$ 48,427	$ 450,107	$ 486,719	$ -	$ 4,252,446
Carry amounts value at December 31, 2019 and January 1, 2020	$ 60,432	$ 549,665	$ 552,833	$ 8,745	$ 3,770	$ 156,811	$ 66,571	$ 29,759	$ 1,428,586
Carry amounts value at December 31, 2020	$ 60,432	$ 514,305	$ 467,698	$ 6,063	$ 3,259	$ 142,756	$ 43,801	$ 1,454	$ 1,239,768
Cost									
Balance at January 1, 2019	$ 79,244	$ 1,198,357	$ 3,663,718	$ 41,098	$ 52,969	$ 608,886	$ 546,106	$ 21,520	$ 6,211,898
Additions	-	430	30,125	4,556	1,138	10,916	24,712	17,787	89,664
Disposals	-	-	(304,230)	(1,065)	(1,544)	(36,843)	(15,167)	-	(358,849)
Reclassification	-	-	42,779	-	-	28,382	1,297	(8,301)	64,157
Effect of exchange rate changes	-	(41,429)	(126,279)	(1,080)	(842)	(19,767)	(19,929)	(1,247)	(210,573)
Balance at December 31, 2019	$ 79,244	$ 1,157,358	$ 3,306,113	$ 43,509	$ 51,721	$ 591,574	$ 537,019	$ 29,759	$ 5,796,297
Accumulated depreciation and impairment									
Balance at January 1, 2019	$ 18,812	$ 536,628	$ 2,743,330	$ 33,044	$ 47,458	$ 378,200	$ 435,826	$ -	$ 4,193,298
Depreciation expense	-	52,344	219,276	3,306	2,065	31,790	47,389	-	356,170
Impairment losses (Reversal)	-	38,975	139,363	(3)	260	72,990	20,031	-	271,616
Disposals	-	-	(272,500)	(781)	(1,048)	(18,078)	(15,061)	-	(307,468)
Reclassification	-	-	16,238	-	-	(15,664)	(574)	-	-
Effect of exchange rate changes	-	(20,254)	(92,427)	(802)	(784)	(14,475)	(17,163)	-	(145,905)
Balance at December 31, 2019	$ 18,812	$ 607,693	$ 2,753,280	$ 34,764	$ 47,951	$ 434,763	$ 470,448	$ -	$ 4,367,711
Carry amounts value at December 31, 2018 and January 1, 2019	$ 60,432	$ 661,729	$ 920,388	$ 8,054	$ 5,511	$ 230,686	$ 110,280	$ 21,520	$ 2,018,600
Carry amounts value at December 31, 2019	$ 60,432	$ 549,665	$ 552,833	$ 8,745	$ 3,770	$ 156,811	$ 66,571	$ 29,759	$ 1,428,586

Due to the decline in sales of plastic component products of the Group in the South China area, the Group expects that the future economic benefits of the equipment used to produce such products in the South China area would be reduced, and the recoverable amount would be less than the carrying amount. Therefore, as of December 31, 2020 and 2019 the impairment losses of $28,349 thousand and $271,616 thousand were recognized, respectively. The impairment losses have been included in other benefits and losses of the consolidated income statements.

The Group recognized the recoverable amount of the machine and equipment based on the fair value less the disposal cost. The relevant fair value is measured using the market method; the main assumption of fair value includes the estimated sale value, which is level 2 of fair value measurement.

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

Building	
Main buildings	10-50 years
Engineering systems	5-20 years
Machinery	1-10 years
Transportation equipment	1-10 years
Office equipment	1-10 years
Leasehold improvement	2-20 years
Other equipment	2-20 years

Refer to Note 34 for the carrying amount of property, plant and equipment pledged by the group to secure borrowings/general banking facilities granted to the Group.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2020	2019
Carrying amounts		
Land	$ 22,760	$ 33,232
Buildings	221,576	345,787
Machinery	550	1,164
Transportation equipment	-	1,565
Other equipment	1,378	-
	$ 246,264	$ 381,748

	For the Year Ended December 31	
	2020	2019
Additions to right-of-use assets	$ 72,904	$ 113,309
Remeasurement of right-of-use assets	$ (44,650)	$ (33,914)
Disposal to right-of-use assets	$ (47,649)	$ (218,313)
Net exchange differences right-of-use assets	$ 32,343	$ (14,381)

(Continued)

	For the Year Ended December 31	
	2020	**2019**
Depreciation charge for right-of-use assets		
Land	$ 739	$ 914
Buildings	146,674	197,414
Machinery	598	628
Transportation equipment	318	1,782
Other equipment	103	-
	$ 148,432	$ 200,738

(Concluded)

Except for additions and disposal to right-of-use assets mentioned above, there were not any major sublease nor impairment occurred for year 2020 and 2019.

b. Lease liabilities

	December 31	
	2020	**2019**
Carrying amounts		
Current	$ 127,787	$ 152,635
Non-current	$ 113,537	$ 203,449

Range of discount rate for lease liabilities was as follows:

	December 31	
	2020	**2019**
Land	7.13%	7.13%
Buildings	1.35%-7.13%	1.35%-7.13%
Machinery	7.13%	7.13%
Transportation equipment	-	1.35%-7.13%
Other equipment	1.35%	-

c. Material lease-in activities and terms

The Group leases certain machinery and transportation equipment for the use of product manufacturing and transporting with lease terms of 2 to 3 years. These arrangements do not contain renewal or purchase options.

The Group also leases land and buildings for the use of plants and dormitory with lease terms of 1 to 10 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

	For the Year Ended December 31	
	2020	**2019**
Expenses relating to short-term leases	$ 102	$ 102
Expenses relating to low-value asset leases	$ 488	$ 511
Total cash outflow for leases	$ (158,615)	$ (229,143)

The Group leases certain office equipment which qualified as short-term leases and qualified 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.

17. INTANGIBLE ASSETS

	For the Year Ended December 31	
	2020	2019
Cost		
Balance at January 1	$ 144,636	$ 142,474
Additions	3,303	5,806
Effect of exchange rate changes	(1,159)	(3,644)
Balance at December 31	$ 146,780	$ 144,636
Accumulated amortization		
Balance at January 1	$ 123,072	$ 109,199
Amortization expense	9,168	16,886
Effect of exchange rate changes	(1,340)	(3,013)
Balance at December 31	$ 130,900	$ 123,072
Carrying amounts at January, 1	$ 21,564	$ 33,275
Carrying amounts at December, 31	$ 15,880	$ 21,564

The above items of other intangible assets are amortized on a straight-line basis at the following rates per annum:

Computer software	1-10 years

18. OTHER ASSETS

	December 31	
	2020	2019
Refundable deposits	$ 25,478	$ 25,380
Overdue receivable	17,595	24,256
Less: Allowance for impairment loss	(17,595)	(24,256)
	$ 25,478	$ 25,380

19. BORROWINGS

Long-term Borrowings

	December 31	
	2020	**2019**
Secured borrowings (Note 34)		
Bank loans		
Hua Nan Bank		
Medium-term working capital loan with a credit line of $800,000 thousand and interest rate of 1.10% for the year ended December 31, 2020; loan period from January 20, 2020 to January 20, 2022. Principal lump-sum payment at maturity and interest payment monthly.	$ 50,000	$ -
Hua Nan Bank		
Medium-term working capital loan with a credit line of $800,000 thousand and interest rate of 1.35% for the years ended December 31, 2020 and 2019; loan period from November 6, 2018 to November 6, 2020. Principal lump-sum payment at maturity and interest payment monthly.	-	50,000
Unsecured borrowings		
Bank loans		
ChinaTrust Commercial Bank		
Medium-term working capital loan with a credit line of $350,000 thousand and interest rate of 1.13% for the year ended December 31, 2020; loan period from January 10, 2020 to January 10, 2022. Principal lump-sum payment at maturity and interest payment monthly.	50,000	-
Medium-term working capital loan with a credit line of $500,000 thousand which had changed from $700,000 thousand on January 4, 2019. Interest rate of 1.31% for the year ended December 31, 2019; loan period from January 12, 2018 to January 10, 2020. Principal lump-sum payment at maturity and interest payment monthly.	-	50,000
Shanghai Commercial Savings Bank		
Medium-term working capital loan with a credit line of $200,000 thousand and interest rate of 1.35% for the year ended December 31, 2020; loan period from March 10, 2020 to March 10, 2023. Principal lump-sum payment at maturity and interest payment monthly.	100,000	-
Medium-term working capital loan with a credit line of $200,000 thousand and interest rate of 1.35% for the year ended December 31, 2019; loan period from March 10, 2020 to March 10, 2023. Principal lump-sum payment at maturity and interest payment monthly.	-	50,000

(Continued)

	December 31	
	2020	**2019**
Taiwan Cooperative Bank		
Medium-term working capital loan with a credit line of $300,000 thousand and interest rate of 1.52% for the year ended December 31, 2019; loan period from December 31, 2019 to January 8, 2022. Interest payment monthly paid from December 3, 2019 to January 8, 2021 while principle amortized in 12 installments from January 8, 2021 to January 8, 2022 and interest paid monthly. It was paid off in advance.	$ -	$ 50,000
	200,000	200,000
Less: Current portion	(37,500)	(136,364)
	$ 162,500	$ 63,636

(Concluded)

20. NOTES PAYABLE AND TRADE PAYABLES

	December 31	
	2020	**2019**
Notes payable to unrelated parties		
Operating	$ 7	$ 10
Trade payables - operating		
Unrelated parties	$ 757,425	$ 550,640

Trade payables were paid according to the condition of contract or billings from the suppliers. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

21. OTHER LIABILITIES

	December 31	
	2020	**2019**
Current		
Other payables		
Salaries or bonuses	$ 95,832	$ 113,044
Payable for processing fees	123,838	84,445
Others	253,812	273,272
	$ 473,482	$ 470,761
Other liabilities		
Others	$ 2,880	$ 1,227

(Continued)

	December 31	
	2020	2019
Non-current		
Guarantee deposits	$ 16,367	$ 6,170
Others	758	1,017
	$ 17,125	$ 7,187

(Concluded)

22. PROVISIONS

	December 31	
	2020	2019
Employee benefits	$ 17,001	$ 18,965

The provision for employee benefits represents annual vacations taken by employees.

23. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

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

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

	December 31	
	2020	2019
Present value of defined benefit obligation	$ 74,285	$ 91,279
Fair value of plan assets	(29,057)	(44,410)
Deficit	45,228	46,869
Net defined benefit liabilities	$ 45,228	$ 46,869

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance at January 1, 2020	$ 91,279	$ (44,410)	$ 46,869
Current service cost	363	-	363
Net interest expense (income)	685	(338)	347
Recognized in profit or loss	1,048	(338)	710
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(1,206)	(1,206)
Actuarial gain - changes in financial assumptions	2,144	-	2,144
Actuarial loss - changes in demographic assumptions	1,240	-	1,240
Actuarial loss - experience adjustments	(3,346)	-	(3,346)
Recognized in other comprehensive income	38	(1,206)	(1,168)
Contributions from the employer	-	(1,183)	(1,183)
Benefits paid	(18,081)	18,081	-
Balance at December 31, 2020	$ 74,284	$ (29,056)	$ 45,228
Balance at January 1, 2019	$ 79,187	$ (37,015)	$ 42,172
Current service cost	701	-	701
Net interest expense (income)	792	(376)	416
Recognized in profit or loss	1,493	(376)	1,117
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(1,350)	(1,350)
Actuarial gain - changes in financial assumptions	2,337	-	2,337
Actuarial loss - changes in demographic assumptions	1,422	-	1,422
Actuarial loss - experience adjustments	23,380	-	23,380
Recognized in other comprehensive income	27,139	(1,350)	25,789
Contributions from the employer	-	(22,209)	(22,209)
Benefits paid	(16,540)	16,540	-
Balance at December 31, 2019	$ 91,279	$ (44,410)	$ 46,869

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

1) Investment risk: The plan assets are invested in 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 plans' debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2020	2019
Discount rate(s)	0.500%	0.750%
Expected rate(s) of salary increase	2.000%	2.000%

If possible reasonable changes 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 decrease/increase as follows:

	December 31	
	2020	2019
Discount rate(s)		
0.25% increase	$ (2,164)	$ (2,359)
0.25% decrease	$ 2,252	$ 2,453
Expected rate(s) of salary increase		
0.25% increase	$ 2,179	$ 2,380
0.25% decrease	$ (2,105)	$ (2,301)

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

	December 31	
	2020	2019
Expected contributions to the plans for the next year	$ 339	$ 710
Average duration of the defined benefit obligation	11.9 years	10.5 years

24. EQUITY

a. Ordinary shares

	December 31	
	2020	2019
Number of shares authorized (in thousands)	210,000	210,000
Shares authorized	$ 2,100,000	$ 2,100,000
Number of shares issued and fully paid (in thousands)	121,662	121,662
Shares issued	$ 1,216,622	$ 1,216,622

Fully paid ordinary shares, which have a par value of $10, carry one vote and one dividend per share.

There were 12,000 thousand shares of the Company’s shares authorized which were reserved for the issuance of employee share options.

b. Capital surplus

	December 31	
	2020	2019
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)		
Issuance of ordinary shares	$ 1,753,223	$ 1,777,819
Conversion of bonds	496,427	496,427
Conversion of employee share options	133,054	133,054
May be used to offset a deficit only		
Share of changes in capital surplus of associates	68,616	68,616
Invalidation of employee share options	112,838	112,838
	$ 2,564,158	$ 2,588,754

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

The shareholders' meeting of the Company resolved to offset its deficit from capital surplus of $24,596 thousand on June 9, 2020,

c. Retained earnings and dividends policy

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 6, 2016 and, in that meeting, 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 the distribution of employees' compensation.

Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors and supervisors after the amendment, refer to "employees' compensation and remuneration of directors and supervisors" in Note 28-f.

To ensure that the Company has funds for its present and future expansion plans, the Company prefers to distribute mixed share dividends and cash dividends as shareholders' bonus among which share dividend is distributed from 0% to 50% and cash dividends from 100% to 50%. The distribution policy would be adjusted depending on the operating conditions, industry developments, capital requirement and so forth.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. 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.

Items referred to under Rule No. 1010012865, Rule No. 1010047490 and Rule No. 1030006415 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs" should be appropriated to or reversed from special reserve by the Company.

The appropriations of deficit offsetting proposal for 2019 and 2018 were approved in the shareholders' meetings on June 9, 2020 and June 6, 2019, respectively, were as follows:

	Appropriation of Earnings		**Dividends Per Share (NT$)**	
	For 2019	**For 2018**	**For 2019**	**For 2018**
Legal reserves used to compensate deficit	$ (211,361)	$ (460,437)	$ -	$ -
Special reserves used to compensate deficit	(354,252)	132,524	-	-

The Company's shareholders also resolved to issue cash dividends from capital surplus of $60,831 thousand in the shareholders' meeting on June 6, 2019.

The appropriation of deficit offsetting proposal for 2020 was proposed by the Company's board of directors on March 26, 2021 were as follows:

	Appropriation of Earnings	**Dividends Per Share (NT$)**
Capital surplus	$ (402,691)	$ -

The appropriation of deficit offsetting proposal for 2020 are subject to resolution in the shareholders' meeting to be held on June 28, 2021.

d. Special reserves

	For the Year Ended December 31	
	2020	**2019**
Beginning at January 1	$ 354,252	$ 221,728
Appropriation in respect of:		
Debit to other equity items	-	132,524
Reversals		
Special reserves offset deficits	(354,252)	-
Balance at December 31	$ -	$ 354,252

e. Other equity items

1) Exchange differences on translating foreign operations

	For the Year Ended December 31	
	2020	**2019**
Balance at January 1	$ (568,419)	$ (350,534)
Effect of change in tax rate	(17,864)	(165,503)
Disposal of subsidiaries	-	(106,853)

(Continued)

	For the Year Ended December 31	
	2020	2019
Recognized for the year		
Income tax related to gains on translating foreign operations	$ (142,106)	$ 54,471
Balance at December 31	$ (728,389)	$ (568,419)

(Concluded)

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

	For the Year Ended December 31	
	2020	2019
Balance at January 1	$ (59,483)	$ (3,718)
Recognized for the year		
Unrealized gain (loss) - equity instruments	99,597	(58,484)
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	-	2,719
Balance at December 31	$ 40,114	$ (59,483)

f. Non-controlling interests

	December 31	
	2020	2019
Balance at January 1	$ 75,871	$ 104,115
Attributable to non-controlling interests:		
Cash capital reduction	(9,576)	-
Share of loss for the year	(20,848)	(24,542)
Exchange differences on translating foreign operations	1,747	(3,702)
Balance at December 31	$ 47,194	$ 75,871

25. REVENUE

	For the Year Ended December 31	
	2020	2019
Revenue from contracts with customers		
Plastic components	$ 2,785,254	$ 3,643,907
Molds	141,496	130,574
Others	395,840	541,342
Less: Discontinued operations (Note 12)	-	(1,904)
	$ 3,322,590	$ 4,313,919

Contact Balances

	December 31	
	2020	2019
Trade receivables	$ 1,281,396	$ 938,236
Trade receivables from related parties	$ 4,573	$ 64,266
Contract liabilities		
Receipts in advance	$ 17,998	$ 53,770

Among contract revenue from customers for the years ended December 31, 2020 and 2019, contract liabilities of $44,973 thousand and $10,560 thousand were reclassified as revenue, respectively.

26. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations contains the following items:

a. Other income

	For the Year Ended December 31	
	2020	2019
Interest income	$ 2,605	$ 4,396
Add: Interest income from discontinued operations (Note 12)	-	(62)
	$ 2,605	$ 4,334

b. Other gains and losses

	For the Year Ended December 31	
	2020	2019
Net foreign exchange (loss) gains	$ (2,754)	$ 11,889
Fair value changes of financial assets mandatorily classified as at FVTPL	560	3,012
Dividends	45	-
Miscellaneous income	95,359	58,513
Miscellaneous expenses	(34,265)	(6,706)
Gain on disposal of investments	1,865	485,687
Gain on lease modification	2,694	5,098
Technical service Income	-	3,214
Lease revenue	21,914	27,391
Impairment loss on property, plant and equipment	(28,349)	(271,616)
Gain/(loss) on disposal of property, plant and equipment	13,831	(7,308)
Gain on disposal of right-of-use assets	3,641	-
Impairment loss on financial assets (Note 10)	(16,519)	-
Add: Discontinued operations (Note 12)	-	(61,250)
	$ 58,022	$ 247,924

c. Finance costs

	For the Year Ended December 31	
	2020	2019
Interest on bank loans	$ 2,969	$ 12,279
Interest on lease liabilities	19,767	42,618
Other finance costs	842	441
	$ 23,578	$ 55,338

d. Depreciation and amortization

	For the Year Ended December 31	
	2020	2019
Property, plant and equipment	$ 227,849	$ 356,170
Right-of-use assets	148,432	$ 200,738
	$ 376,281	$ 556,908
Intangible assets	$ 9,168	$ 16,886
An analysis of depreciation by function		
Operating costs	$ 255,691	$ 374,752
Operating expenses	120,590	182,156
	$ 376,281	$ 556,908
An analysis of amortization by function		
Operating costs	$ 3,478	$ 5,133
Operating expenses	5,690	11,753
	$ 9,168	$ 16,886

e. Employee benefits expense

	For the Year Ended December 31	
	2020	2019
Short-term benefits	$ 715,450	$ 1,045,999
Post-employment benefits		
Defined contribution plans	10,437	6,399
Defined benefit plans	710	1,117
Less: Discontinued operations (Note 12)	-	(2,311)
	$ 726,597	$ 1,051,204
An analysis of employee benefits expense by function		
Operating costs	$ 544,905	$ 775,856
Operating expenses	181,692	277,659
Less: Discontinued operations (Note 12)	-	(2,311)
	$ 726,597	$ 1,051,204

f. Employees' compensation and remuneration of directors and supervisors

The Company accrued employees' compensation and remuneration of directors and supervisors at the rates of between 3% and 12% and no higher than 3%, respectively, of net profit before income tax, employees' compensation and remuneration of directors and supervisors.

Since the Group has net loss during 2020 and 2019, the estimated employee's benefit and remuneration of directors and supervisors were both $0.

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 the accounting estimate.

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

Information on the employees' compensation 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.

27. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Major components of tax expense 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	$ -	$ 222
Adjustments for prior years' tax	1,063	1,877
Deferred tax		
In respect of the current year	329	32,933
Less: Discontinued operations	-	(4)
Income tax (benefit) expense recognized in profit or loss	$ 1,392	$ 35,028

A reconciliation of accounting income and current income tax expense is as follows:

	For the Year Ended December 31	
	2020	**2019**
Loss before income tax	$ (423,082)	$ (601,353)
Income tax benefit at the statutory rate	$ (164,312)	$ (312,716)
Tax effect of adjusting items:		
Nondeductible expenses and losses	87	197
Unrecognized loss carryforwards/deductible temporary differences	164,554	345,047
Adjustments for prior years' tax	1,063	2,500
Income tax expense recognized in profit or loss	$ 1,392	$ 35,028

b. Income tax recognized in other comprehensive income

	For the Year Ended December 31	
	2020	2019
Deferred tax		
In respect of the current year:		
Translation of foreign operations	$ 142,106	$ (54,471)
Actuarial gains and losses on defined benefit plan	233	(5,158)
Total income tax recognized in other comprehensive income	$ 142,339	$ (59,629)

c. Current tax assets and liabilities

	December 31	
	2020	2019
Current tax assets - income tax payable		
Tax refund receivable	$ 5,251	$ 27,736

d. 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

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Right-of-use assets	$ 55	$ (55)	$ -	$ -
Defined benefit obligation	9,372	(94)	(233)	9,045
Allowance for impaired receivables	6,332	(6,332)	-	-
Write-down of inventories	886	146	-	1,032
Impairment loss	6,929	(5,819)	-	1,110
Exchange differences on translating foreign operations	142,106	-	(142,106)	-
Others	12,056	483	-	12,539
	$ 177,736	$ (11,671)	$ (142,339)	$ 23,726
Deferred tax liabilities				
Temporary differences				
Property, plant and equipment	$ 1,113	$ (1,113)	$ -	$ -
Others	15,758	(10,229)	-	5,529
	$ 16,871	$ (11,342)	$ -	$ 5,529

For the year ended December 31, 2019

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehen-sive Income	Exchange Differences	Closing Balance
Deferred tax assets					
Temporary differences					
Property, plant and equipment	$ 5,990	$ (5,999)	$ -	$ 9	$ -
Right-of-use assets	-	55	-	-	55
Defined benefit obligation	8,434	(4,220)	5,158	-	9,372
Allowance for impaired receivables	6,219	112	-	1	6,332
Write-down of inventories	10,827	(9,952)	-	11	886
Impairment loss	7,029	(100)	-	-	6,929
Share of the loss of subsidiaries	1,712	(1,714)	-	2	-
Exchange differences on translating foreign operations	87,635	-	54,471	-	142,106
Others	21,703	(9,647)	-	-	12,056
	$ 149,549	$ (31,465)	$ 59,629	$ 23	$ 177,736
Deferred tax liabilities					
Temporary differences					
Property, plant and equipment	$ -	$ 1,160	$ -	$ (47)	$ 1,113
Others	15,979	308	-	(529)	15,758
	$ 15,979	$ 1,468	$ -	$ (576)	$ 16,871

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

	December 31 2020	December 31 2019
Loss carryforwards		
Expiry in 2021	$ 461,510	$ 454,389
Expiry in 2022	657,403	657,403
Expiry in 2023	323,358	323,358
Expiry in 2024	563,479	563,479
Expiry in 2025	572,783	-
Expiry in 2026	-	4,121
Expiry in 2027	1,335	1,396
Expiry in 2028	9,585	9,585
Expiry in 2029	53,575	53,575
Expiry in 2030	65,575	-
	$ 2,708,603	$ 2,067,306
Deductible temporary differences	$ 2,377,555	$ 1,706,821

f. Income tax assessments

The income tax returns of the Company and Shuang-Ying Science and Technology, Ltd. through 2018 had been assessed by the tax authorities.

28. LOSSES PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2020	**2019**
Basic loss per share		
From continuing operations	$ (3.32)	$ (5.03)
From discontinued operations	-	0.37
Total basic loss per share	$ (3.32)	$ (4.66)

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

Net Losses for the Year

	For the Year Ended December 31	
	2020	**2019**
Losses used in the computation of basic losses per share	$ (403,626)	$ (566,859)
Less: Losses for the year from discontinued operation used in the computation of basic earnings per share from discontinued operations	-	44,980
Losses used in the computation of basic earnings (losses) per share	$ (403,626)	$ (611,839)

Weighted average number of ordinary shares outstanding (in thousand shares):

	For the Year Ended December 31	
	2020	**2019**
Weighted average number of ordinary shares in the computation of basic losses per share	121,662	121,662

29. DISPOSAL OF SUBSIDIARIES

On July 19, 2018 and November 14, 2018, the board of directors of the Group resolved to dispose 100% shares of Teckyork Enterprise Co., Ltd. and its subsidiaries-Shanghai Teckyork Enterprise Co., Ltd. and Shanghai Sonor Enterprise Co., Ltd. The Group completed the termination of liquidation of Shanghai Sonor Enterprise Co., Ltd. on May 9, 2019 and sold Teckyork Enterprise Co., Ltd and its subsidiary - Shanghai Teckyork Enterprise Co., Ltd. for $806,464 thousand (US$25,641 thousand). As of September 30, 2020, the Group has received the amount of $789,945 thousand (US$25,115 thousand) and the remaining 10% balance amounted $16,519 thousand (US$526 thousand) is classified as other receivables. Please refer to Note 10.

a. Consideration received from disposals

	Teckyork Enterprise Co., Ltd. and Subsidiaries
Consideration received in cash and cash equivalents	$ 811,231

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

	Teckyork Enterprise Co., Ltd and Subsidiaries
Current assets	
Cash and cash equivalents	$ 41,077
Financial assets at fair value through profit or loss - current	125,179
Trade receivables	1,793
Other receivables	5,878
Prepayment	3,266
Inventories	73
Non-current assets	
Property, plant and equipment	245,310
Right-of-use assets	13,928
Refundable deposits	273
Current liabilities	
Trade payables	(4,483)
Other payables	(11,293)
Receipts in advance	(135)
Other current liabilities	(640)
Non-current liabilities	
Long-term deferred income	(3,193)
Net assets disposed of	$ 417,033

c. Gain or loss on disposals of subsidiaries

	Teckyork Enterprise Co., Ltd and Subsidiaries
Consideration received	$ 811,231
Net assets disposed of	(417,033)
Non-controlling interests	
Reclassification of other comprehensive income in respect of subsidiaries	106,853
Related expenditures	(65,652)
Gain on disposals	$ 435,399

The gain or loss on disposal is included in the gain or loss on disposal of subsidiaries.

d. Net cash inflow on disposals of subsidiaries

	Teckyork Enterprise Co., Ltd and Subsidiaries
Consideration received in cash and cash equivalents	$ 811,231
Less: Cash and cash equivalent balances disposed of	(41,077)
Related expenditures	(65,652)
	$ 704,502

30. NON-CASH TRANSACTIONS

As of December 31, 2020 and 2019, the Group reclassified long-term borrowings and bonds payable of $37,500 thousand and $136,364 thousand, respectively, under current portion of long-term borrowings.

31. CAPITAL MANAGEMENT

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

The Group adopts prudent risk management strategy and performs audit on a regular basis. The capital structure of the Group is determined according to the business development strategies and operational requirements.

32. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value: None

b. Fair value of 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 FVTOCI				
Invest in equity instruments				
Listed shares and emerging market shares	$ 120,204	$ -	$ -	$ 120,204
Unlisted shares	-	-	220,109	220,109
	$ 120,204	$ -	$ 220,109	$ 340,313
Invest in equity instruments				
Unlisted shares	$ -	$ -	$ 230,703	$ 230,703

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

2) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

Financial Instrument	**Valuation Technique and Inputs**
Unlisted ordinary shares - ROC	Market approach.
	The measurement is base on maximising the use of relevant observable inputs at the year end

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

For the year ended December 31, 2020

	Financial Liabilities at Fair Value Through Other Comprehensive Income
Balance at January 1, 2020	$ 230,703
Recognized in comprehensive income	(1,436)
Exchange rate fluctuation	(9,158)
Balance at December 31, 2020	$ 220,109

For the year ended December 31, 2019

	Financial Liabilities at Fair Value Through Other Comprehensive Income
Balance at January 1, 2019	$ 256,821
Recognized in comprehensive income	(58,484)
Reclassification	30,000
Purchases	28,706
Disposal	(25,987)
Exchange rate fluctuation	(353)
Balance at December 31, 2019	$ 230,703

c. Categories of financial instruments

	December 31	
	2019	**2020**
<u>Financial assets</u>		
FVTPL		
Designated as at FVTPL	$ 26,189	$ 38,677
Financial assets at amortized cost		
Cash and cash equivalents	787,077	877,301
Financial assets at amortized cost - current	13,400	19,928
Trade receivables from unrelated parties	1,281,435	938,236
Notes and trade receivables	4,573	64,266
Other receivables	49,184	121,097
Financial assets at FVTOCI		
Equity instruments - current	120,204	-
Equity instruments - non-current	220,109	230,703
<u>Financial liabilities</u>		
Financial liabilities at amortized cost		
Notes and trade payables	757,432	550,650
Payables on equipment	51,346	18,036
Other payables	473,482	470,761
Current portion of long-term borrowings	37,500	136,364
Long-term borrowings	162,500	63,636

d. Financial risk management objectives and policies

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis.

The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including:

a) Foreign currency risk

The Group use foreign exchange forward contracts to eliminate currency exposure in foreign currency risk. The change of rate eliminated by the profit and loss of the terms of the hedge derivatives so the market price risk is not martial.

The following table details the Group's sensitivity to a 1% increase and decrease in New Taiwan dollars (i.e. the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items and foreign currency forward contracts designated as cash flow hedges. For a 1% weakening of New Taiwan dollars against the relevant currency, there would be a decrease of $1,922 thousand and $6,634 thousand for the years ended December 31, 2020 and 2019, respectively, in post-tax income.

b) Interest rate risk

The Group was exposed to fair value interest rate risk in relation to fixed-rate bank borrowings. The bonds payable are fixed-rate and measured at amortized cost, so changes in rate will not have effect on the cash flow in the future.

The sensitivity analysis assumed bank borrowings were held for the whole reporting period and there was a 1% change in rates; it would result in a decrease of $1,600 thousand and $1,600 thousand for the years ended December 31, 2020 and 2019, respectively, in post-tax income.

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments. The Group manages this exposure by maintaining a portfolio of investments with different risks.

The sensitivity analysis assumed the listed equity securities were outstanding for the whole reporting period and there was a 5% change in price; it would result in a decrease of $17,016 thousand and $11,535 thousand for the years ended December 31, 2020 and 2019, respectively, in comprehensive income.

2) Credit risk

Credit risk refers to the risk that 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 the carrying amount of the respective recognized financial assets as stated in the balance sheets.

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

3) Liquidity risk

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

For the years ended December 31, 2020 and 2019, the unused bank borrowings were $950,000 thousand and $1,600,000 thousand, respectively.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table was drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

December 31, 2020

	Up to 1 Year	Later Than 1 Year and Up to 2 Years	Later Than 2 Years and Up to 3 Years	Over 3 Years	Total
Non-derivative financial liabilities					
Notes and trade payables	$ 757,432	$ -	$ -	$ -	$ 757,432
Payables on equipment	51,346	-	-	-	51,346
Other payables	473,482	-	-	-	473,482
Lease liabilities	127,787	48,491	22,362	42,684	241,324
Long-term borrowings	37,500	162,500	-	-	200,000

December 31, 2019

	Up to 1 Year	Later Than 1 Year and Up to 2 Years	Later Than 2 Years and Up to 3 Years	Over 3 Years	Total
Non-derivative financial liabilities					
Notes and trade payables	$ 550,650	$ -	$ -	$ -	$ 550,650
Payables on equipment	18,036	-	-	-	18,036
Other payables	470,761	-	-	-	470,761
Lease liabilities	152,635	203,449	-	-	356,084
Long-term borrowings	136,364	63,636	-	-	200,000

35. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which were related parties of the Company, had been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Company and related parties are disclosed below.

a. Related party name and categories

Related Party Name	Related Party Categories
Siix Coxon Precision Phils., Inc.	Associates - equity-method investments
Guangdong Tonly Precision Structure Co., Ltd.	Associates - equity-method investments (Note 1)
Tonly Electronic (Huizhou) Co., Ltd.	Others - the parent of Guangdong Tongli Precision Structure Co., Ltd. (Note 2)
Wuhan Resin-hill Co., Ltd.	Associates - equity-method investments
Quanta Computer Inc.	Other - the third joint venture party of Plenty Link Technology Co., Ltd.

Note 1: Guangdong Tonly Precision Structure Co., Ltd. had been liquidated as of June 29, 2020.

Note 2: Tonly Electronic (Huizhoa) Co., Ltd. was not an associate as of December July 31, 2020.

b. Sales of goods

Line Item	Related Party Category/Name	For the Year Ended December 31 2020	2019
Sales	Associates		
	Siix Coxon Precision Phils., Inc.	$ 131	$ 3,645
	Guangdong Tonly Precision Structure Co., Ltd.	-	3,225
	Others		
	Quanta Computer Inc.	7,189	2,311
	Tonly Electronic (Huizhou) Co., Ltd.	69,197	295,283
		$ 76,517	$ 304,464

Terms of sales among related parties were similar to those among third parties

c. Receivable from related parties (excluding loans to related parties)

Line Item	Related Party Category/Name	December 31 2020	2019
Trade receivables	Associates		
	Siix Coxon Precision Phils., Inc.	$ -	$ 1,865
	Others		
	Quanta Computer Inc.	4,573	1,385
	Tonly Electronic (Huizhou) Co., Ltd.	-	61,016
		$ 4,573	$ 64,266
Other receivables	Associates		
	QUANTA Computer Inc.	$ 307	$ -
	Wuhan Resin-hill Co., Ltd.	771	1,968
	Others		
	Tonly Electronic (Huizhou) Co., Ltd.	-	252
		$ 1,078	$ 2,220

For the years ended December 31, 2020 and 2019, no impairment loss was recognized for trade receivables from related parties.

d. Other transactions with related parties

Line Item	Related Party Category/Name	For the Year Ended December 31 2020	2019
Miscellaneous income	Associates		
	Wuhan Resin-hill Co., Ltd.	$ -	$ 45
	Others		
	Quanta Computer Inc.	815	2,277
	Tonly Electronic (Huizhou) Co., Ltd.	1,330	3,234
		$ 2,145	$ 5,556
Contract liabilities	Associates		
	Siix Coxon Precision Phils., Inc.	$ -	$ 560

e. Disposal of property, plant and equipment

	Proceeds		Gain (Loss) on Disposal	
	For the Year Ended December 31		For the Year Ended December 31	
Related Party Category/Name	**2020**	**2019**	**2020**	**2019**
Associates				
Wuhan Resin-hill Co., Ltd.	$ -	$ 3,525	$ -	$ 2,871

f. Compensation of key management personnel

The remuneration of directors and other members of key management personnel for the years ended December 31, 2020 and 2019 were as follows:

	For the Year Ended December 31	
	2020	**2019**
Short-term benefits	$ 24,087	$ 38,471
Post-employment benefits	1,045	1,189
	$ 25,132	$ 39,660

The remuneration of directors and key executives was determined by the remuneration committee with regard to the performance of individuals and market trends.

34. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings, the tariff of imported raw materials guarantees or the deposit for court guarantees:

	December 31	
	2020	**2019**
Financial assets at amortized cost	$ 13,400	$ 13,482
Property, plant and equipment - land	79,244	79,244
Property, plant and equipment - buildings	36,775	37,828
	$ 129,419	$ 130,554

35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

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

a. Coxon Industry (Changshu) Co., Ltd. had commitments to buy machinery and equipment and to comply with repair construction contracts which amounted to $4,582 thousand, of which $2,390 thousand has been paid and recorded under prepayments for equipment.

b. Sinxon Plastic (Dong Guan) Ltd. had commitments to buy machinery and equipment and to comply with repair construction contracts which amounted to $21,583 thousand, of which $9,394 thousand has been paid and recorded under prepayments for equipment.

c. Dong Guan Chensong Plastic Co., Ltd. had commitments to buy machinery and equipment and to comply with repair construction contracts which amounted to $2,803 thousand, of which $2,242 thousand has been paid and recorded under prepayments for equipment.

d. Dongguan Shuang-Ying Photoelectric Technology Co., Ltd. had commitments to buy machinery and equipment and to comply with repair construction contracts which amounted to $2,233 thousand, of which $1,617 thousand has been paid and recorded under prepayments for equipment.

e. Dong Guan Cheng Da Metal Product Co., Ltd. had commitments to buy machinery and equipment and to comply with repair construction contracts which amounted to $286 thousand, of which $157 thousand has been paid and recorded under prepayments for equipment.

f. The digital camera lawsuit between JCD Corporation (hereinafter referred to as “JCD”) and the Group is summarized as below.

   1) Lawsuit matters: JCD applied to the Japan Commercial Arbitration Association for a tort arbitration in relation to its forbidding of the Company from producing and selling the digital camera lenses designed by JCD as well as its demand for payment of US$2,662 thousand, JPY635 thousand and RMB393 thousand as compensation in 2010.

   2) Lawsuit status up to report date: According to the verdict of the Japan Commercial Arbitration Association, Tokyo No. 10-11 on January 16, 2012, was summarized as below.

      a) The Company (the defendant) should pay JCD US$1,441 thousand, JPY1,270 thousand and the related accrued interests accrued from November 24, 2010 up to the date on which the total compensation is made using a 6% annual interest rate.

      b) The Company cannot manufacture and sell the suspended category of digital camera zooms.

      c) The Company shall pay the plaintiff a litigation fee of JPY1,562 thousand.

      In accordance with the Japanese arbitration judgment and the Taiwan Taoyuan District Court’s recognized ruling, JCD filed a claim to the company for an enforcement amount, including $43,901 thousand compensation for creditor’s rights, a 6% annual interest rate from November 24, 2010 to the settlement date and an execution fee of $351 thousand. Currently, the case has executed. Yet, the Company. Had objections to the interest claimed by JCD The case is in process at Taiwan Taoyuan District Court. The company requested the Taiwan Taoyuan District Court to suspend the enforcement process and obtained the approval, and provided a 13,400 thousand bearer negotiable certificate of deposit as a guarantee (accounted for under “financial assets measured at amortized cost - current” on December 31, 2018). The enforcement procedure has been temporarily suspended.

      Moreover, the suspension of enforcement which had been requested by the Company was approved by Taiwan Taoyuan District Court The total amount of $13,400 thousand CD which had transferred among 2013 and 2015 was pledged as guarantee. Thus, the Company requested the returned as of December 31, 2020 the application was still processed by the court; therefore, the amount was accounted as “financial assets measured at amortized cost”.

36. OTHER ITEMS

Due to the impact of the COVID-19 pandemic, portion of clients’ orders had adjusted which led to sales revenue decreased in 2021 compared to 2020. The management team of the Group will continuously pay close attention to the influence on operation affected by COVID-19 and adjust operational policy accordingly. Besides the above mentioned, as of the date of financial reporting date, COVID-19 has no material effects on the Group’s financial situation.

37. EXCHANGE RATE OF FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

December 31, 2020

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 16,361	6.52 (USD:RMB)	$ 465,957
USD	19,551	28.48 (USD:NTD)	556,801
EUR	2	35.02 (EUR:NTD)	86
JPY	12,430	0.01 (JPY:USD)	3,434
JPY	37,138	0.28 (JYP:NTD)	10,261
HKD	160	0.13 (HKD:USD)	587
RMB	7,189	0.15 (RMB:USD)	31,466
CHF	9	1.13 (CHF:USD)	248
			$ 1,068,840
Financial assets			
Non-monetary items			
Investments accounted for using equity method			
RMB	871	4.377 (RMB:NTD)	$ 3,805
Financial liabilities			
Monetary items			
USD	2,789	6.52 (USD:RMB)	$ 79,419
USD	26,241	28.48 (USD:NTD)	747,334
JPY	469	0.06 (JPY:RMB)	130
JPY	414	0.01 (JYP:USD)	114
HKD	16	0.84 (HKD:RMB)	58
HKD	3	0.13 (HKD:USD)	11
HKD	3	3.67 (HKD:NTD)	11
RMB	332	0.15 (RMB:USD)	1,453
			$ 828,530

December 31, 2019

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 13,743	6.98 (USD:RMB)	$ 426,586
USD	19,410	29.98 (USD:NTD)	602,475
EUR	11	1.12 (EUR:USD)	373
EUR	2	33.59 (EUR:NTD)	84
JPY	6,326	0.01 (JPY:RMB)	1,821
JPY	82,397	0.28 (JPY:USD)	23,714
HKD	213	0.13 (HKD:RMB)	841
HKD	2,705	3.85 (HKD:USD)	10,706
RMB	5,295	0.14 (RMB:USD)	23,031
CHF	9	0.13 (CHF:USD)	240
			$ 1,089,871
Financial assets			
Non-monetary items			
Investments accounted for using equity method			
RMB	1,158	4.31 (RMB:USD)	$ 4,989
Financial liabilities			
Monetary items			
USD	4,858	6.98 (USD:RMB)	$ 150,804
USD	3,349	29.98 (USD:NTD)	103,940
EUR	9	7.82 (EUR:RMB)	314
JPY	1,497	0.06 (JPY:RMB)	431
JPY	12,350	0.01 (JPY:USD)	3,554
HKD	84	0.90 (HKD:RMB)	332
HKD	35	0.13 (HKD:USD)	138
RMB	243	0.14 (RMB:NTD)	1,057
			$ 260,570

For the years ended December 31, 2020 and 2019, (realized and unrealized) net foreign exchange loss and gains were $2,754 thousand and $11,889 thousand, respectively. It is impractical to disclose net foreign exchange gain or losses by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the Group.

38. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Financing provided to others: (Table 1)

2) Endorsements/guarantees provided: None

3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures): (Table 2)

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

5)Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: None

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital: None

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: (Table 3)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: (Table 4)

9) Trading in derivative instruments: (Notes 7 and 34)

10) Intercompany relationships and significant intercompany transactions: (Table 7)

11) Information on investees: (Table 5)

b. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: (Table 6)

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

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

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

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

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

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

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

c. Information of major shareholders

Information of major shareholders: list all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 8)

39. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments under IFRS 8 "Operating Segments" were as follows:

- Taiwan and South China
- South China (the chief operating range are domestic sales)
- Shanghai
- Changshu
- Others

a. Segment revenues and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segment.

	For the Year Ended December 31, 2020					
	Taiwan and South China	South China	Changshu	Others	Adjustments and Elimination	Total
Segment revenue and results						
Revenue from external customers	$ 851,281	$ 1,430,687	$ 1,000,036	$ 40,586	$ -	$ 3,322,590
Inter-segment revenue	316,035	349,421	1,750	33,455	(700,661)	-
Segment revenue	$ 1,167,316	$ 1,780,108	$ 1,001,786	$ 74,041	$ (700,661)	$ 3,322,590
Segment income	$ (104,181)	$ (368,480)	$ 30,973	$ (12,681)	$ 17,269	$ (437,100)
Interest income						2,605
Other income						83,728
Finance costs						(23,578)
Other expense and loss						(48,737)
Income from continuing operations before income tax						$ (423,082)
Segment assets						
Assets	$ 1,719,552	$ 1,739,286	$ 2,081,207	$ 207,229	$ (1,580,205)	$ 4,167,069
Investments						517,368
Current tax assets						5,251
Deferred tax assets						23,726
Total assets						$ 4,713,414
Depreciation and amortization	$ 62,439	$ 240,836	$ 70,527	$ 11,647		$ 385,449
Acquisition of property, plant and equipment	$ 25,658	$ 58,500	$ 23,869	$ -		$ 108,027

	For the Year Ended December 31, 2019					
	Taiwan and South China	South China	Changshu	Others	Adjustments and Elimination	Total
Segment revenue and results						
Revenue from external customers	$ 1,812,664	$ 1,499,441	$ 935,130	$ 66,684	$ -	$ 4,313,919
Inter-segment revenue	1,201,498	1,274,811	31,093	55,482	(2,562,884)	-
Segment revenue	$ 3,014,162	$ 2,774,252	$ 966,223	$ 122,166	$ (2,562,884)	$ 4,313,919
Segment income	$ (231,825)	$ (517,806)	$ (44,458)	$ 12,381	$ 41,607	$ (740,101)
Interest income						4,334
Other income						502,052
Finance costs						(55,338)
Other expense and loss						(312,300)
Income from continuing operations before income tax						$ (601,353)
Segment assets						
Assets	$ 2,068,682	$ 2,215,151	$ 2,158,200	$ 243,098	$ (2,195,803)	$ 4,489,328
Investments						274,369
Current tax assets						27,736
Deferred tax assets						177,736
Total assets						$ 4,969,169
Depreciation and amortization	$ 98,711	$ 388,535	$ 76,155	$ 10,393		$ 573,794
Acquisition of property, plant and equipment	$ 8,720	$ 46,284	$ 20,751	$ 3,287		$ 79,042

Segment profit represented the profit before tax earned by each segment without gain or loss on disposal of property, plant and equipment, interest income, dividend income, gain on disposal of investments, share of profit or loss of associates, net exchange gain or loss, net profit or loss of financial assets measured at FVTPL, finance costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Revenue from major products and services

The following is an analysis of the Group's revenue from continuing operations from its major products and services.

	For the Year Ended December 31	
	2020	2019
Plastic components	$ 2,785,254	$ 3,643,825
Molds	141,496	128,752
Others	395,840	541,342
	$ 3,322,590	$ 4,313,919

c. Geographical information

The Group operates in three principal geographical areas - Taiwan and China.

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

	Revenue from External Customers		Non-current Assets December 31	
	2020	**2019**	**2020**	**2019**
Taiwan	$ 553,478	$ 294,367	$ 123,000	$ 118,908
China	2,618,127	2,688,073	1,394,712	1,728,893
America	22,271	23,078	-	-
Japan	14,916	387,001	-	-
Others	11,3798	921,400	-	-
	$ 3,322,590	$ 4,313,919	$ 1,517,712	$ 1,847,801

Non-current assets exclude non-current assets classified as held for sale, financial instruments, and deferred tax assets.

d. Information about major customers

Individual customers accounting for at least 10% of net sales for the years ended December 31, 2020 and 2019 were as follows:

	For the Year Ended December 31	
Customer	**2020**	**2019**
Customer A	$ 368,078	$ 639,720

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

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 Year	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Account and Amounts	Reasons for Short-term Financing	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits
												Item	Value		
1	Coxon Industry (Changshu) Co., Ltd.	Sinxon Plastic (Dong Guan) Ltd.	Other receivables	Yes	$ 300,215	$ 284,505	$ 284,505	-	Financing	Interest income $ -	Working capital	-	$ -	$ 802,431	$ 802,431
2	Sun Can International Ltd.	Sinxon Plastic (Dong Guan) Ltd.	Other receivables	Yes	297,400	284,800	142,400	-	Financing	Interest income -	Working capital	-	-	396,502	396,502
3	Changshu Huaxon Industry Co., Ltd.	Sinxon Plastic (Dong Guan) Ltd.	Other receivables	Yes	184,880	175,080	175,080	-	Financing	Interest expense -	Working capital	-	-	764,492	764,492
		Coxon Industry (Changshu) Co., Ltd.	Other receivables	Yes	43,790	43,770	43,770	-	Financing	Interest expense -	Working capital	-	-	764,492	764,492
4	Coxon Precise International Limited	Coxon Industry Ltd.	Other receivables	Yes	50,560	45,568	45,568	1.5	Financing	Interest income 709	Working capital	-	-	239,300	239,300
5	Coxon Industry (Changshu) Co., Ltd.	Dong Guan Chensong Plastic Co., Ltd.	Other receivables	Yes	167,310	166,326	166,326	-	Financing	Interest income -	Working capital	-	-	802,431	802,431

Note: The limits on loans to others are handled by the Company's invested company in accordance with the letter referenced (91) Tai-Tsai-Cheng (VI) No. 0910161919 from the Securities and Futures Bureau of the Financial Supervision Commission on December 18, 2002. The total amount of loans to others shall not exceed 40% of the net value in the latest audited financial statement by the accountant, and the loan to a single enterprise shall not exceed 30% of the net value in the latest audited financial statement by the accountant. However, the limits above shall not apply if, due to the group’s capital requirement, the object of the loan extension is an affiliated company of Coxon Precise Industrial Co., Ltd., which is the ultimate parent company, and a resolution is passed by the board of directors. However, the loan amount shall not exceed the net value in the latest audited financial statement by the accountant.

TABLE 2

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Issuer of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note
				Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Coxon Industry (Changshu) Co., Ltd.	Financial instruments							
	Structured deposits	None	Financial assets at FVTPL - current	6,000,000	$ 26,189		$ 26,189	
Coxon Precise Industrial Co., Ltd.	Shares							
	Halo Neuro Inc.	None	Financial assets at FVTOCI - current	306,720	$ -	-	$ -	
	Fuji Seiki Co., Ltd.	None	Financial assets at FVTOCI - current	350,000	120,204	-	120,204	
	Youyang Electronic Technology (Shanghai) Co., Ltd.	None	Financial assets at FVTOCI - current	300,000	-	30	-	
					$ 120,204		$ 120,204	
	CGK International Co., Ltd.	None	Financial assets at FVTOCI - non-current	1,800,000	$ 9,490	5	$ 9,490	
	Simpla Biotech Co., Ltd.	None	Financial assets at FVTOCI - non-current	1,500,000	12,197	11	12,197	
	PT. Fuji Seiki Indonesia	None	Financial assets at FVTOCI - non-current	1,500,000	8,883	18	8,883	
	Kin Tin Optotronic Co., Ltd.	None	Financial assets at FVTOCI - non-current	2,255,193	-	6	-	
Coxon Precise International Limited	Toyo Precision Appliance (Kunshan) Co., Ltd.	Other related party	Financial assets at FVTOCI - non-current	153,360	189,539	15	189,539	
					$ 220,109		$ 220,109	

Note 1: The financial assets measured at cost are unlisted shares. The assets were assessed as impaired with a small chance of recovery, so impairment loss was recognized.

Note 2: Please refer to Schedule 5 and 6 for information on invested subsidiaries, affiliates and joint-venture interests.

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade (Payables) Receivables		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Financial Statement Account and Ending Balance	% of Total	
Coxon Precise Industrial Co., Ltd.	Coxon Industry Ltd.	Parent and subsidiary	Purchases	$ 104,377	16	120 days	In accordance with mutual agreements	120 days	Trade payables $ 186,182	25	
	Sun Can International Ltd.	Parent and subsidiary	Purchases	169,838	26	120 days	In accordance with mutual agreements	120 days	Trade payables 333,039	44	
Coxon Industry Ltd.	Dong Guan Chensong Plastic Co., Ltd.	Parent and subsidiary	Purchases	101,941	97	120 days	In accordance with mutual agreements	120 days	Trade payables 44,982	100	
Sun Can International Ltd.	Sinxon Plastic (Dong Guan) Ltd.	Parent and subsidiary	Purchases	166,200	97	120 days	In accordance with mutual agreements	120 days	Trade payables 17,952	100	
Coxon Industry Ltd.	Coxon Precise Industrial Co., Ltd.	Parent and subsidiary	Sales	104,377	100	120 days	In accordance with mutual agreements	120 days	Trade receivables 186,182	100	
Sun Can International Ltd.	Coxon Precise Industrial Co., Ltd.	Parent and subsidiary	Sales	169,838	100	120 days	In accordance with mutual agreements	120 days	Trade receivables 333,039	100	
Dong Guan Chensong Plastic Co., Ltd.	Coxon Industry Ltd.	Parent and subsidiary	Sales	101,941	15	120 days	In accordance with mutual agreements	120 days	Trade receivables 44,982	25	
Sinxon Plastic (Dong Guan) Ltd.	Sun Can International Ltd.	Parent and subsidiary	Sales	166,200	15	120 days	In accordance with mutual agreements	120 days	Trade receivables 17,952	5	

Note: The related party transactions between subsidiaries have been eliminated upon consolidation.

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2020
(In Thousands 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	Actions Taken		
Coxon Industry Ltd.	Coxon Precise Industrial Co., Ltd.	Ultimate parent company	$ 186,182	0.49	$ 124,730	-	$ -	$ -
Sun Can International Ltd.	Coxon Precise Industrial Co., Ltd.	Ultimate parent company	333,039	0.43	223,770	-	-	-
	Sinxon Plastic (Dong Guan) Ltd.	Associate	142,400 (Note 1)	-	-	-	-	-
Coxon Industry (Changshu) Co., Ltd.	Sinxon Plastic (Dong Guan) Ltd.	Associate	284,505 (Note 1)	-	-	-	-	-
Changshu Huaxon Industry Co., Ltd.	Sinxon Plastic (Dong Guan) Ltd.	Associate	175,080 (Note 1)	-	-	-	-	-
Coxon Industry (Changshu) Co., Ltd.	Dong Guan Chensong Plastic Co., Ltd.	Associate	166,326 (Note 1)	-	-	-	-	-

Note 1: Recognized on other receivables.

Note 2: The related party transactions between subsidiaries had been eliminated upon consolidation.

TABLE 5

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of December 31, 2020			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2020	December 31, 2019	Shares	%	Carrying Amount			
Coxon Precise Industrial Co., Ltd.	Sun Can International Ltd.	Samoa	Global investing activities	$ 551,004	$ 551,004	16,932,762	100	$ 396,502	$ (174,736)	$ (174,736)	
	Coxon Industry Ltd.	Samoa	Global investing activities	1,371,321	1,371,321	42,870,000	100	237,982	(75,695)	(75,695)	
	Cheng Da Industry	Samoa	Global investing activities	1,098,824	1,098,824	35,769,500	100	159,843	(77,387)	(77,387)	
	Cheng Yee Enterprise Ltd.	Samoa	Global investing activities	1,037,910	1,074,180	21,800,000	100	1,937,440	31,632	31,632	Note 3
	Plenty Link Technology Co., Ltd.	Cayman Islands	Global investing activities	368,107	368,107	11,700,000	65	58,826	(49,475)	(32,159)	
Cheng Yee Enterprise Ltd.	Hang Yuan Enterprise Ltd.	Samoa	Global investing activities	714,760	714,760	20,000,000	100	1,634,948	53,818	53,818	
	Coxon Precise International Limited	Virgin Islands	Global investing activities	91,020	91,020	3,000,000	100	239,300	594	594	
	Coxon Medical Limited	Samoa	Global investing activities	59,490	95,760	1,800,000	80	62,074	(17,193)	(13,754)	Note 4
Coxon Industry Ltd.	Siix Coxon Precision Phils, Inc.	Philippines	Manufacturing and sale of nonmetal molding	121,642	121,642	4,050,000	45	-	(65,032)	-	Note 3
Plenty Link Technology Co., Ltd.	Shuang Ying Science and Technology Ltd.	Taiwan	Manufacturing of optical instrument and electronic components	19,500	19,500	1,950,000	65 (Note 2)	4,263	4,887	3,177	

Note 1: All investments and equity of the investee company are eliminated upon consolidation.

Note 2: Coxon Precise Industrial Co., Ltd. holds directly 65% of the voting shares of Plenty Link Technology Co., Ltd., Plenty Link Technology Co., Ltd. holds directly 100% of the voting shares of Sun Can International Ltd. and Coxon Precise Industrial Co., Ltd. holds indirectly 65% of the voting shares of Shuang Ying Science and Technology Ltd.

Note 3: Because Coxon Industry Co., Ltd. only holds 45% of the voting shares of Siix Coxon Precision Phils, Inc. not the largest shareholder, the Group recognized share of loss to the amount of zero.

Note 4: On December 26, 2019 the board of directors had resolved to cash deduction of Coxon Medical Limited and Cheng Yee Enterprise Ltd. amounted US$1,500 thousand and US$1,200 thousand, respectively. Funds was transferred to the Group as of March 26, 2020.

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars and U.S. 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: Outward	Remittance of Funds: Inward	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)	Carrying Amount as of December 31, 2020	Accumulated Repatriation of Investment Income as of December 31, 2020	Note
Shanghai Teckyork Enterprise Co., Ltd. (Note 1)	Manufacturing and sale of nonmetal molding, precision plastic injection parts and optical lens	$ -	Investment through third party	$ 667,893	$ -	$ 667,893	$ -	$ -	-	$ -	$ -	$ -	
Shanghai Sonor Enterprise Co., Ltd. (Note 2)	Manufacturing and sale of nonmetal molding, precision plastic injection parts, related semi-finished goods and components	-	Investment through third party	95,094	-	-	95,094	-	-	-	-	-	
Vastech Plastic (Shanghai) Industrial Co., Ltd. (Note 2)	Manufacturing and sale of nonmetal molding, precision plastic injection parts and optical lens	-	Investment through third party	42,786	-	-	42,786	-	-	-	-	-	
Changshu Huaxon Industry Co., Ltd. (Note 3)	Leasehold estate	938,525	Investment through third party	64,270	-	-	64,270	(5,566)	100	(5,566)	764,492	-	
Sinxon Plastic (Dong Guan) Ltd. (Note 4)	Manufacturing and sale of nonmetal molding and automobile parts	550,844	Investment through third party	320,818	-	-	320,818	(172,806)	100	(172,806)	(77,975)	-	
Coxon Industry (Changshu) Co., Ltd. (Note 3)	Manufacturing and sale of nonmetal molding, precision plastic injection parts, related semi-finished goods and components	1,211,000	Investment through third party	863,138	-	-	863,138	30,590	100	30,590	802,431	-	
Toyo Precision Appliance (Kunshan) Co., Ltd. (Note 3)	Manufacturing and processing of sheet metal-press work parts	936,141	Investment through third party	194,278	-	-	194,278	-	-	-	-	-	
Shanghai Coxon Medical Ltd. (Notes 3 and 5)	Manufacturing of medical materials	149,770	Investment through third party	23,120	-	-	23,120	(20,444)	80	(16,356)	56,653	-	
Dong Guan Cheng Da Metal Product Company Ltd. (Note 6)	Manufacturing instrument, electronic products and plastic products	145,871	Investment through third party	141,448	-	-	141,448	(55,638)	100	(55,638)	101,273	-	
Dong Guan Chensong Plastic Co., Ltd. (Note 7)	Manufacturing and sale of metal and nonmetal molding and automobile parts	1,367,130	Investment through third party	471,320	-	-	471,320	(84,365)	100	(84,365)	139,800	-	
Dong Guan Shuang-Ying Photoelectric Technology Co., Ltd.	Manufacturing of optical instrument and electronic components	465,025	Investment through third party	279,595	-	-	279,595	(62,120)	65	(40,378)	47,177	-	
Guangdong Tonly Precision Structure Co., Ltd.	Design, production, processing and sales of precision plastic products, molds, plastic parts and hardware components; technical advice, technical services; import and export of goods and technology import and export	92,968	Note 9	-	-	-	-	(187)	30	(56)	- (Note 13)	-	
Wuhan Resin-hill Co., Ltd.	Manufacturing of automotive hardware	5,000 (Note 11)	Note 12	-	-	-	-	(2,556)	40	(1,023)	3,805	-	

(Continued)

Accumulated Investment in Mainland China as of December 31, 2020	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
$2,495,867	$5,208,545	Note 10

Note 1: The Company invested in Shanghai Teckyork Enterprise Co., Ltd. and its subsidiaries through Teckyork Enterprise Co., Ltd. in a third region. Yet, Teckyork Enterprise Co., Ltd. and its subsidiaries had been sold in full on June 19, 2019 and the Group had received relevant proceeds. Deregistration was approved by Investment Commission, MOEA on November 17, 2020.

Note 2: The Company invested in Vastech Industrial Co., Ltd. through Teckyork Enterprise Co., Ltd. in a third region, then Vastech Industrial Co., Ltd. invested in Vastech Plastic (Shanghai) Industrial Co., Ltd., which was liquidated in June 2018. Teckyork Enterprise Co., Ltd. and its subsidiaries had been sold in full on June 19, 2019 and the Group had received relevant proceeds. Yet, deregistration for Shanghai Sonor Enterprise Co., Ltd. and Vasetch Plastic (Shanghai) Industrial Co., Ltd. were still approval process by Investment Commission, MOEA.

Note 3: The Company invested in 100% of the equity of Hang Yuan Enterprise Ltd. and Coxon Precise International Limited and 80% of the equity of Coxon Medical Limited through Cheng Yee Enterprise Ltd. in a third region. Hang Yuan Enterprise Ltd., Coxon Precise International Limited and Coxon Medical Limited then respectively invested in 100% of the equity of Coxon Industry (Changshu) Co., Ltd., 30% of the equity of Toyo Precision Appliance (Kunshan) Co., Ltd. and 100% of the equity of Shanghai Coxon Medical Limited. Toyo Precision Appliance (Kunshan) Co., Ltd. has been sold in full on October 9, 2018, and Coxon Precise International Limited has received the relevant proceeds.

Note 4: The Company invested in Sinxon Plastic (Dong Guan) Ltd. through Sun Can International Ltd. in a third region.

Note 5: Investment funds of Shanghai Coxon Medical Limited of US$3,700 thousand came from the own funds of Coxon Medical Limited which Shanghai Coxon Medical Limited invests in.

Note 6: The Company invested in Dong Guan Cheng Da Metal Product Company Limited through Cheng Da Industry Ltd. in a third region.

Note 7: The Company invested in Dong Guan Chensong Plastic Co., Ltd. through Coxon Industry Ltd. in a third region.

Note 8: The Company invested in Dongguan Shuang-Ying Photoelectric Technology Co., Ltd. through Plenty Link Technology Co., Ltd. in a third region.

Note 9: 30% of the equity is invested with own funds of Coxon Industry (Changshu) Co., Ltd.

Note 10: According to the new revised “Principles for Reviewing Investment or Technical Cooperation in Mainland China” on August 29, 2008, the Company has obtained from the Industrial Development Bureau of the Ministry of Economic Affairs the certification regarding its compliance with the operation scope of operational headquarters; therefore, no investment limit shall be applied.

Note 11: Paid-in capital expressed in RMB.

Note 12: 40% of the equity is invested with own funds of

Note 13: Guangdong Tonly Precision Structure Co., Ltd. was liquidated on June 29, 2020.

Significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: See Table 3.

Endorsements/guarantees provided with investee companies in mainland China, either directly or indirectly through a third party: None.

Financing provided with investee companies in mainland China, either directly or indirectly through a third party: Table 1.

Other transactions which significantly affect profit and loss or the financial situation: None.

(Concluded)

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Amounts in Thousands of New Taiwan Dollars)

No. (Note 1)	Investee Company	Counterparty	Flow of Transactions (Note 2)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms (Note 3)	% of Total Sales or Assets (Note 4)
0	Coxon Precise Industrial Co., Ltd.	Coxon Industrial Ltd.	a	Trade payables	$ 186,182	Note	4
			a	Purchases	104,377	Note	3
		Sun Can International Ltd.	a	Trade payables	333,039	Note	7
			a	Purchases	169,838	Note	5
1	Coxon Industrial Ltd.	Dong Guan Chensong Plastic Co., Ltd.	a	Purchases	101,941	Note	3
2	Dong Guan Chensong Plastic Co., Ltd.	Coxon Industry (Changshu) Ltd.	c	Other payable	166,326	Note	4
3	Sun Can International Ltd.	Sinxon Plastic (Dong Guan) Ltd.	a	Other receivables	142,400	Note	3
			a	Purchases	166,200	Note	5
4	Sinxon Plastic (Dong Guan) Ltd.	Coxon Industry (Changshu) Ltd.	c	Other payable	284,505	Note	6
		Changshu Huaxon Industry Co., Ltd.	c	Other payable	175,080	Note	4

Note 1: The numbers above are identified as follows:

a. “0” for the Company.
b. “1” for the subsidiary.

Note 2: The flow of transactions was as follows:

a. From the Company to the subsidiary.
b. From the subsidiary to the Company.
c. Between subsidiaries.

Note 3: The transaction terms with the related party are not significantly different from those to third parties.

Note 4: For assets and liabilities, the amount is shown as a percentage to consolidated total assets as of December 31, 2020, while revenue, costs and expenses are shown as a percentage to consolidated total operating revenue for the year ended December 31, 2020.

Note 5: The transactions among related parties were disclosed based on the standard which purchases (costs), sales revenue, trade receivables from related parties and trade payables to related parties over $100 million or 20% of the paid-in capital. Otherwise, the transaction among related are not disclosed.

TABLE 8

COXON PRECISE INDUSTRIAL CO., LTD. AND SUBSIDIARIES

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2020

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
No shareholders with ownership of 5% or greater		

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