

period of the grant is from January 1, 2016 to June 30, 2017. The Group complied with the conditions attached to such government grant, for the three months and nine months ended September 30, 2017, the revenue recognized as other income was \$0 and \$5,758, respectively..

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Tree Valley Foundation	Affiliates
Zhejiang Hengjie Co., Ltd. ("ZH")	Affiliates (Note 1)
Zhejiang Piao Chen environmental Co., Ltd.	Affiliates
Ki Kin Corporation ("KK")	Affiliates (Note 2)
Hangzhou Jinjiang Group Co., Ltd ("HJ")	Affiliates (Note 3)
Shenzhen SAPO Photoelectric Co., Ltd. ("SAPO")	Affiliates (Note 4)
Jun Hong optronics corporation ("JH")	Affiliates

Note 1: It is the subsidiary fully-owned by HJ.

Note 2: KK was acquired on March 3, 2017 and was disposed of on December 25, 2017. For the details of the acquisition and disposal of KK, refer to Note 6 (27).

Note 3: HJ held 47.97% equity of KSCMMT.

Note 4: It has become a related party since September 13, 2018.

(2) Significant related party transactions

A. Operating revenue:

	<u>Three months ended September 30, 2018</u>	<u>Three months ended September 30, 2017</u>
Sales of goods:		
Affiliates	<u>\$ 8,010</u>	<u>\$ -</u>
	<u>Nine months ended September 30, 2018</u>	<u>Nine months ended September 30, 2017</u>
Sales of goods:		
Affiliates	<u>\$ 8,010</u>	<u>\$ 211,891</u>

There is no significant difference between the selling price and payment terms between related parties and non-related parties.

B. Purchases:

	<u>Three months ended September 30, 2018</u>	<u>Three months ended September 30, 2017</u>
Purchases of goods:		
Affiliates	<u>\$ 94,475</u>	<u>\$ -</u>
	<u>Nine months ended September 30, 2018</u>	<u>Nine months ended September 30, 2017</u>
Purchases of goods:		
Affiliates	<u>\$ 94,475</u>	<u>\$ -</u>

There is no significant difference between the purchasing price and payment terms between related parties and non-related parties.