

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES

IMPORTANT: You must read the following before continuing. The following applies to the offering circular following this page (the “**Offering Circular**”), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, OR IN CERTAIN CIRCUMSTANCES, TO U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THIS OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY ADDRESS IN THE UNITED STATES. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: In order to be eligible to view this Offering Circular or make an investment decision with respect to the securities, investors must not be located in the United States. This Offering Circular is being sent at your request and by accepting the e-mail and accessing this Offering Circular, you shall be deemed to have represented to us that: (1) you are not in the United States, and the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States and (2) you consent to delivery of such Offering Circular by electronic transmission. To the extent you purchase the securities described in the attached document, you will be doing so in an offshore transaction as defined in regulations under the Securities Act in compliance with Regulation S under the Securities Act (“**Regulation S**”).

You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to forward, deliver or otherwise provide access of this Offering Circular to any other person.

The materials relating to the offering of securities to which this Offering Circular relates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licenced broker or dealer and the underwriters or any affiliate of the underwriters is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuers (as defined below) in such jurisdiction.

This Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of Foxconn (Far East) Limited, Competition Team Technologies Limited, Foxconn Singapore Pte Ltd, ECMMS Precision Singapore Pte. Ltd. and Falcon Precision Trading Pte. Ltd. (together, the “**Issuers**” and each a “**Relevant Issuer**”), Hon Hai Precision Industry Co., Ltd. (the “**Guarantor**”), Mizuho Securities (Singapore) Pte. Ltd. (the “**Arranger**”), Mizuho Securities (Singapore) Pte. Ltd., Bank of China (Hong Kong) Limited, Citigroup Global Markets Limited, The Hongkong and Shanghai Banking Corporation Limited and J.P. Morgan Securities plc (the “**Dealers**”), any person who controls the Arranger or the Dealers, any director, officer, employee nor agent of the Issuers or the Guarantor or the Arranger or the Dealers, or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any such alteration or change to the Offering Circular distributed to you in electronic format or any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Arranger or the Dealers.

Restrictions: Nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of any of the Issuers, the Guarantor, the Arranger or the Dealers to subscribe or purchase any of the securities described therein. Any securities to be issued will not be registered under the Securities Act and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from such registration. Access has been limited so that it shall not constitute a general solicitation in the United States or elsewhere. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

If you receive the Offering Circular by e-mail, you should not reply by e-mail to the Offering Circular, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected. You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Offering Circular dated 12 November 2021



Foxconn (Far East) Limited

(incorporated under the laws of the Cayman Islands with limited liability)

Competition Team Technologies Limited

(incorporated under the laws of The Bahamas with limited liability)

Foxconn Singapore Pte Ltd

(incorporated under the laws of Singapore with limited liability)

ECMMS Precision Singapore Pte. Ltd.

(incorporated under the laws of Singapore with limited liability)

Falcon Precision Trading Pte. Ltd.

(incorporated under the laws of Singapore with limited liability)

(as Issuers)

U.S.\$5,000,000,000

Medium Term Note Programme

Unconditionally and Irrevocably Guaranteed by

Hon Hai Precision Industry Co., Ltd.

(incorporated as a company limited by shares in the Republic of China)

(as Guarantor)

Under the U.S.\$5,000,000,000 Medium Term Note Programme described in this Offering Circular (the “**Programme**”), Foxconn (Far East) Limited (“**FFE**”), Competition Team Technologies Limited (“**CTT**”), Foxconn Singapore Pte Ltd (“**Foxsin**”), ECMMS Precision Singapore Pte. Ltd. (“**ECMMS SG**”) and Falcon Precision Trading Pte. Ltd. (“**Falcon**”) (each an “**Issuer**” or “**Relevant Issuer**” (as applicable and as specified in the relevant pricing supplement) and together the “**Issuers**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue medium term notes (the “**Notes**”) unconditionally and irrevocably guaranteed (the “**Guarantee**”) by Hon Hai Precision Industry Co., Ltd. (the “**Guarantor**” or the “**Company**”). Notes may be issued in bearer or registered form. With effect from 13 November 2014, the size of the Programme was increased from U.S.\$2,000,000,000 to U.S.\$3,500,000,000 in accordance with the terms of the Programme and with effect from 3 July 2017, the size of the Programme was further increased from U.S.\$3,500,000,000 to U.S.\$5,000,000,000 in accordance with the terms of the Programme. The aggregate principal amount of Notes outstanding will not at any time exceed U.S.\$5,000,000,000 (or its equivalent in other currencies), subject to increase as described herein. The Notes may be issued on a continuing basis to one or more of the Dealers specified under “Summary of the Programme” and any additional Dealer appointed under the Programme from time to time by the Issuers (each a “**Dealer**” and together the “**Dealers**”), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the “**relevant Dealer**” shall, in the case of an issue of Notes being (or intended to be) subscribed for by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in, and quotation for any Notes that may be issued pursuant to the Programme and which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Programme, the Issuers, the Guarantor, their subsidiary companies (if any), their associated companies (if any) or such Notes. Unlisted series of Notes may also be issued pursuant to the Programme. The relevant Pricing Supplement (as defined herein) in respect of any series of Notes will specify whether or not such Notes will be listed on the SGX-ST (or any other stock exchange). There is no assurance that the application will be approved. Notice of the aggregate principal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under “Terms and Conditions of the Notes”) of Notes will be set out in a final terms (the “**Pricing Supplement**”) which, with respect to Notes to be listed on the Official List of the SGX-ST, will be delivered to the SGX-ST, on or before the date of issue of the Notes of such Tranche. This offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (the “**MAS**”). Please see the transfer restrictions set out under the section “Selling Restrictions” on page 160 of this Offering Circular.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or market(s) as may be agreed between the relevant Issuer, the Guarantor and the relevant Dealer(s).

The Notes of each Series issued in bearer form (“**Bearer Notes**”) will be represented on issue by a temporary global note in bearer form (each a “**Temporary Global Note**”) or a permanent global note in bearer form (each a “**Permanent Global Note**”) (collectively, the “**Global Notes**”). Bearer Notes that are issued in compliance with rules in substantially the same form as U.S. Treasury Regulations § 1.163-5(c)(2)(i)(D) for purposes of Section 4701 of the U.S. Internal Revenue Code (the “**Code**”) (“**TEFRA D**”) must be initially represented by a Temporary Global Note and interests in a Temporary Global Note will be exchangeable, in whole or in part, for interests in a Permanent Global Note on or after the date 40 days after the later of the commencement of the offering and the relevant issue date (the “**Exchange Date**”), upon certification as to non-U.S. beneficial ownership. Notes in registered form (“**Registered Notes**”) will be represented by registered certificates (each a “**Certificate**”), one Certificate being issued in respect of each Noteholder’s entire holding of Notes in registered form of one Series. Global Notes and Certificates may be deposited on the relevant issue date with a common depository on behalf of Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”), with The Central Depository (Pte) Limited (“**CDP**”), or with a sub-custodian for the Central Money Markets Unit Service (“**CMU**”) operated by the Hong Kong Monetary Authority. Until the expiration of 40 days after the later of the commencement of the offering of a Tranche of a registered Series and the issue date thereof, beneficial interests in a Global Note or Global Certificate may be held only through Euroclear or Clearstream, CDP or the CMU. The provisions governing the exchange of interests in Global Notes for other Global Notes and Notes in definitive form (“**Definitive Notes**”) are described in “Summary of Provisions Relating to the Notes while in Global Form”.

The Notes and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include Bearer Notes (as defined herein) that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes and the Guarantee may not be offered, sold, or in the case of Bearer Notes, delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”). Registered Notes are subject to certain restrictions on transfer, see “Subscription and Sale”.

The Issuers and the Guarantor may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplementary Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Investing in Notes issued under the Programme involves certain risks and may not be suitable for all investors. Investors should have sufficient knowledge and experience in financial and business matters to evaluate the information contained in this Offering Circular and in the applicable Pricing Supplement and the merits and risks of investing in a particular issue of Notes in the context of their financial position and particular circumstances. Investors also should have the financial capacity to bear the risks associated with an investment in Notes. Investors should not purchase Notes unless they understand and are able to bear risks associated with Notes. The principal risk factors that may affect the ability of the Issuers and the Guarantor to fulfil their respective obligations in respect of the Notes are discussed under “Risk Factors” below.

S&P Global Ratings, a division of the McGraw Hill Companies Inc., has assigned a rating of A- to the Programme. The rating is only correct as of the date of this Offering Circular. Notes issued under the Programme may be rated or unrated. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Arranger

Mizuho Securities

Dealers

**Bank of China
(Hong Kong)**

Citigroup

HSBC

J.P. Morgan

Mizuho Securities

NOTICE TO INVESTORS

Each of the Issuers and the Guarantor, having made all reasonable enquiries, confirms that (i) this Offering Circular contains all information with respect to the Issuers, the Guarantor and their respective subsidiaries (collectively, the “**Group**”), the Notes and the Guarantee, which is material in the context of the issue and offering of the Notes, (ii) the statements contained in it relating to the Issuers, the Guarantor and the Group are in every material respect true and accurate and not misleading, (iii) the opinions and intentions expressed in this Offering Circular with regard to the Issuers, the Guarantor and the Group are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, (iv) there are no other facts in relation to the Issuers, the Guarantor, the Group, the Notes or the Guarantee the omission of which would, in the context of the issue and offering of the Notes and the Guarantee, make any statement in this Offering Circular misleading in any material respect and (v) all reasonable enquiries have been made by the Issuers and the Guarantor to ascertain such facts and to verify the accuracy of all such information and statements. In addition, the Issuers and the Guarantor accept full responsibility for the accuracy of the information contained in this Offering Circular.

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under “Terms and Conditions of the Notes” (the “**Conditions**”) as amended and/or supplemented by the Pricing Supplement specific to such Tranche. This Offering Circular must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes, must be read and construed together with the relevant Pricing Supplement.

The distribution of this Offering Circular and any Pricing Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuers, the Guarantor, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. None of the Issuers, the Guarantor, the Arranger or the Dealers represents that this Offering Circular or any Pricing Supplement may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuers, the Guarantor, the Arranger or the Dealers which would permit a public offering of any Notes or distribution of this Offering Circular or any Pricing Supplement in any jurisdiction where action for such purposes is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and none of this Offering Circular, any Pricing Supplement or any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

There are restrictions on the offer and sale of the Notes and the circulation of documents relating thereto, in certain jurisdictions including, but not limited to, the United States of America, the European Economic Area, the United Kingdom, the ROC, the PRC, Hong Kong, Japan, Singapore, the Cayman Islands and The Bahamas, and to persons connected therewith. The Notes and the Guarantee have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or, in the case of Bearer Notes, delivered within the United States or, in certain circumstances, to, or for the account or benefit of U.S. Persons (as defined in Regulation S). The Notes are being offered and sold outside the United States in reliance on Regulation S. For a description of certain restrictions on offers, sales and transfers of Notes and on the distribution of this Offering Circular, see “Subscription and Sale”.

MiFID II product governance/target market – The Pricing Supplement in respect of any Notes may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR product governance/target market – The Pricing Supplement in respect of any Notes may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PRIIPs REGULATION – PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPs REGULATION – PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a

professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”). Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

***Singapore SFA Product Classification** – In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), unless otherwise specified before an offer of Notes, the Issuers have determined, and hereby notify all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Information Incorporated by Reference*”). This Offering Circular shall be read and construed on the basis that such documents are incorporated in and form part of this Offering Circular.

Listing of the Notes on the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuers, the Guarantor, the Group or the Notes. In making an investment decision, investors must rely on their own examination of the Issuers, the Guarantor, the Group and the terms of the offering, including the merits and risks involved. See “Risk Factors” for a discussion of certain factors to be considered in connection with an investment in the Notes.

The contents of this Offering Circular have not been reviewed by any regulatory authority in Singapore. Investors are advised to exercise caution in relation to the offer. If any investor is in any doubt about any of the contents of this Offering Circular, that investor should obtain independent professional advice.

No person has been or is authorised by the Issuers and the Guarantor to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other document entered into in relation to the Programme and the sale of Notes and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuers, the Guarantor, any Dealer, the Arranger or their respective affiliates.

Neither the delivery of this Offering Circular or any Pricing Supplement nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Offering Circular is true subsequent to the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuers, the Guarantor or the Group since the date thereof or, if later, the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither this Offering Circular nor any Pricing Supplement constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuers, the Guarantor, the Arranger, the Dealers, Citicorp International Limited (the “**Trustee**”), the Agents (as defined in this Offering Circular) or any director, officer, employee, agent or affiliate of any such person or any of them that any recipient of this Offering Circular or any Pricing Supplement should subscribe for or purchase any Notes. Each potential purchaser of the Notes should determine for itself the relevance of the information contained in this Offering Circular or any Pricing Supplement and its purchase of the Notes should be based upon such investigations with its own tax, legal and business advisers as it deems necessary.

The maximum aggregate principal amount of Notes outstanding and guaranteed at any one time under the Programme will not exceed U.S.\$5,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into U.S. dollars at the date of the agreement to issue such Notes calculated in accordance with the provisions of the Dealer Agreement). The maximum aggregate principal amount of Notes which may be outstanding and guaranteed at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under “Subscription and Sale”.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilisation manager(s) (the “Stabilisation Manager(s)”) (or any person acting on behalf of any Stabilisation Manager(s)) may, to the extent permitted by applicable laws and rules, over-allot the Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

None of the Arranger, the Dealers, the Trustee and the Agents has separately verified the information contained in this Offering Circular. To the fullest extent permitted by law, none of the Arranger, the Dealers, the Trustee, the Agents or any of their respective directors, officers, employees, agents, advisers, representatives or affiliates makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Circular. To the fullest extent permitted by law, none of the Arranger, the Dealers, the Trustee or the Agents or their respective directors, officers, employees, agents, advisers, representatives or affiliates accepts any responsibility for the contents of this Offering Circular or for any other statement made or purported to be made by the Arranger, the Dealers, the Trustee, an Agent or any directors, officers, employees, agents or affiliates of any such person or on its behalf in connection with the Issuers, the Guarantor, the Group or the issue and offering of the Notes. Each of the Arranger, the Dealers, the Trustee and the Agents and their respective directors, officers, employees, agents, advisers, representatives and affiliates accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement.

This Offering Circular does not describe all of the risks and investment considerations (including those relating to each investor's particular circumstances) of an investment in Notes of a particular issue. Each potential purchaser of Notes should refer to and carefully consider the relevant Pricing Supplement for each particular issue of Notes, which may describe additional risks and investment considerations associated with such Notes. The risks and investment considerations identified in this Offering Circular and the applicable Pricing Supplement are provided as general information only. Investors should consult their own financial and legal advisors as to the risks and investment considerations arising from an investment in an issue of Notes and should possess the appropriate resources to analyse such investment and the suitability of such investment in their particular circumstances.

Neither this Offering Circular nor any other information provided or incorporated by reference in connection with the Programme is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuers, the Guarantor, the Arranger, the Dealers, the Trustee or the Agents, or any of their respective directors, officers, employees, agents, advisers, representatives or affiliates that any recipient of this Offering Circular or of any such information should purchase the Notes. Each potential purchaser of Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuers, the Guarantor and the Group. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Arranger, the Dealers, the Trustee or the Agents or their respective directors, officers, employees, agents, advisers, representatives or affiliates undertakes to review the financial condition or affairs of the Issuers, the Guarantor or the Group during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arranger, the Dealers, the Trustee or the Agents or any of them.

In this Offering Circular, where information has been presented in thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding.

Except as otherwise indicated in this Offering Circular, all non-company specific statistics and data relating to the industries in which the Group operates in and the economic development of certain regions within the PRC have been extracted or derived from publicly available information and industry publications. The information has not been independently verified by the Issuers, the Guarantor, the Arranger, the Dealers, the Trustee, the Agents or by their respective directors, officers, employees, affiliates, agents, representatives and advisers, and none of the Issuers, the Guarantor, the Arranger, the Dealers or the Trustee or their respective directors, officers, employees, affiliates, agents, representatives and advisers make any representation as to the correctness, accuracy or completeness of that information. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified.

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to "U.S.\$", "USD" and "U.S. dollars" are to the currency of the United States of America; all references to "NT dollars", "NTD" and "NT\$" are to New Taiwan dollars; all references to "Renminbi" and "RMB" are to the currency of the PRC; all references to "S\$", "SGD" and "Singapore dollars" are to the currency of the Republic of Singapore; all references to "HK\$", "HKD" and "Hong Kong dollar" are to the currency of the Hong Kong Special Administrative Region; all references to "£" are to the currency of the United Kingdom; all references to "Euro", "EUR" and "€" are to the currency introduced at the start of the third stage of the European economic and monetary union, and as defined in Article 2 of Council

Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro as amended from time to time; all references to “JPY” and “Japanese Yen” are to the currency of Japan; all references to “United States” or “U.S.” are to the United States of America; references to “China”, “Mainland China” and the “PRC” in this Offering Circular are to the People’s Republic of China and for geographical reference only (unless otherwise stated) exclude Taiwan, Macau and Hong Kong; references to “PRC Government” are to the government of the PRC; references to “Taiwan” or the “ROC” are to the island of Taiwan and other areas under the effective control of the Republic of China; references to “European Union” are to the territory comprised by the member states of the European Community as constituted from time to time; references to “United Kingdom” are to the United Kingdom of Great Britain and Northern Ireland; references to “CMU Notes” are to Global Notes or Certificates that will be deposited with a sub-custodian for the CMU; and references to “CDP Notes” are to Global Notes or Certificates that will be deposited with CDP.

For convenience only and unless otherwise specified, in this Offering Circular, where information contained in this Offering Circular has been translated into U.S. Dollars, it has been so translated, for convenience only, at the rate of NT\$27.9100 = US\$1.00 or at the rate of RMB6.4566 = U.S.\$1.00, the noon buying rate as certified for customs purposes by the Federal Reserve Bank of New York on 30 June 2021. All amounts translated into United States Dollars as described above are provided solely for the convenience of the reader, and no representation is made that the NT\$ or U.S.\$ amounts referred to herein could have been or could be converted into U.S.\$ or NT\$, as the case may be, at any particular rate, the above rates or at all. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding. The convenience translation is not audited and is not prepared in accordance with Taiwan IFRS (as defined below). No representation is made that the NT dollar amounts, Singapore dollar or Renminbi amounts referred to in this Offering Circular could have been or could be converted into U.S. dollars at any particular rate or at all. All amounts in the consolidated financial statements of the Group expressed in U.S. dollars are provided solely for the convenience of the reader and such amounts do not form part of such financial statements.

CAYMAN ISLANDS DATA PROTECTION

FFE has certain duties under the Data Protection Act (As Revised) of the Cayman Islands (the “DPA”) based on internationally accepted principles of data privacy.

Prospective investors should note that, by virtue of making investments in the Notes and the associated interactions with FFE and its affiliates and/or delegates, or by virtue of providing FFE with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals will be providing FFE and its affiliates and/or delegates with certain personal information which constitutes personal data within the meaning of the DPA. FFE shall act as a data controller in respect of this personal data and its affiliates and/or delegates, may act as data processors (or data controllers in their own right in some circumstances).

By investing in the Notes, the Noteholders shall be deemed to acknowledge that they have read in detail and understood the Privacy Notice set out below and that such Privacy Notice provides an outline of their data protection rights and obligations as they relate to the investment in the Notes.

Oversight of the DPA is the responsibility of the Ombudsman’s office of the Cayman Islands. Breach of the DPA by FFE could lead to enforcement action by the Ombudsman, including the imposition of remediation orders, monetary penalties or referral for criminal prosecution.

PRIVACY NOTICE

Introduction

The purpose of this notice is to provide Noteholders with information on FFE's use of their personal data in accordance with DPA.

In the following discussion, "FFE" refers to FFE and its affiliates and/or delegates, except where the context requires otherwise.

Investor Data

By virtue of making an investment in FFE and a Noteholder's associated interactions with FFE (including any subscription (whether past, present or future), including the recording of electronic communications or phone calls where applicable) or by virtue of a Noteholder otherwise providing FFE with personal information on individuals connected with the Noteholder as an investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents), the Noteholder will provide FFE with certain personal information which constitutes personal data within the meaning of the DPA ("**Investor Data**"). FFE may also obtain Investor Data from other public sources. Investor Data includes, without limitation, the following information relating to a Noteholder and/or any individuals connected with a Noteholder as an investor: name, residential address, email address, contact details, corporate contact information, signature, nationality, place of birth, date of birth, tax identification, credit history, correspondence records, passport number, bank account details, source of funds details and details relating to the Noteholder's investment activity.

In FFE's use of Investor Data, FFE will be characterised as a "data controller" for the purposes of the DPA. FFE's affiliates and delegates may act as "data processors" for the purposes of the DPA.

Who this Affects

If a Noteholder is a natural person, this will affect such Noteholder directly. If a Noteholder is a corporate investor (including, for these purposes, legal arrangements such as trusts or exempted limited partnerships) that provides FFE with Investor Data on individuals connected to such Noteholder for any reason in relation to such Noteholder's investment with FFE, this will be relevant for those individuals and such Noteholder should transmit the content of this Privacy Notice to such individuals or otherwise advise them of its content.

How FFE May Use a Noteholder's Personal Data

FFE, as the data controller, may collect, store and use Investor Data for lawful purposes, including, in particular:

- (i) where this is necessary for the performance of FFE's rights and obligations under any subscription agreements, trust deed, dealer agreement, agency agreement or any other agreement entered into in connection with the Notes;
- (ii) where this is necessary for compliance with a legal and regulatory obligation to which FFE is subject (such as compliance with anti-money laundering and, the Foreign Account Tax Compliance Act or the Common Reporting Standard requirements); and/or
- (iii) where this is necessary for the purposes of FFE's legitimate interests and such interests are not overridden by the Noteholder's interests, fundamental rights or freedoms.

Should FFE wish to use Investor Data for other specific purposes (including, if applicable, any purpose that requires a Noteholder's consent), FFE will contact the applicable Noteholders.

Why FFE May Transfer a Noteholder's Personal Data

In certain circumstances FFE and/or its authorised affiliates or delegates may be legally obliged to share Investor Data and other information with respect to a Noteholder's interest in FFE with the relevant regulatory authorities such as the Cayman Islands Monetary Authority or the Tax Information Authority. They, in turn, may exchange this information with foreign authorities, including tax authorities.

FFE anticipates disclosing Investor Data to others who provide services to FFE and their respective affiliates (which may include certain entities located outside the Cayman Islands or the European Economic Area), who will process a Noteholder's personal data on FFE's behalf.

The Data Protection Measures FFE Takes

Any transfer of Investor Data by FFE or its duly authorised affiliates and/or delegates outside of the Cayman Islands shall be in accordance with the requirements of the DPA.

FFE and its duly authorised affiliates and/or delegates shall apply appropriate technical and organisational information security measures designed to protect against unauthorised or unlawful processing of Investor Data, and against accidental loss or destruction of, or damage to, Investor Data.

FFE shall notify a Noteholder of any Investor Data breach that is reasonably likely to result in a risk to the interests, fundamental rights or freedoms of either such Noteholder or those data subjects to whom the relevant Investor Data relates.

FORWARD LOOKING STATEMENTS

Certain statements under "Risk Factors", "Description of the Company" and elsewhere in this Offering Circular constitute "forward-looking statements". The words including "believe", "expect", "plan", "anticipate", "schedule", "estimate" and similar words or expressions identify forward-looking statements. In addition, all statements other than statements of historical facts included in this Offering Circular, including, but without limitation, those regarding the financial position, business strategies, prospects, capital expenditure and investment plans of the Group and the plans and objectives of the Group's management for its future operations (including development plans and objectives relating to the Group's operations), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results or performance of the Group to differ materially from those expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Although the Issuers and the Guarantor believe that the expectations reflected in the forward-looking statements are reasonable, no assurance is given that such expectations will prove correct.

The Issuers and the Guarantor expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Issuers', the Guarantor's or the Group's expectations with regard thereto or any change of events, conditions or circumstances, on which any such statements were based. This Offering Circular discloses, under "Risk Factors" and elsewhere, important factors that could cause actual results to differ materially from the Issuers' or the Guarantor's expectations. The forward-looking events in this Offering Circular are no guarantee of future performance and might not occur. All subsequent written and forward-looking statements attributable to the Issuers or the Guarantor or persons acting on behalf of the Issuers or the Guarantor are expressly qualified in their entirety by such cautionary statements.

INFORMATION INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with each relevant Pricing Supplement, the most recently published audited consolidated annual accounts of the Guarantor and any unaudited consolidated interim accounts of the Guarantor, including the English translations thereof, published from time to time (if any) after the date of this Offering Circular and in each case, together with any audit or review reports prepared in connection therewith, and all amendments and supplements from time to time to this Offering Circular, which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents. Unaudited consolidated interim accounts which have not been audited by the auditors of the Guarantor or any other person are not necessarily indicative of the results that may be expected for the full financial year or any period thereafter. Consequently, potential investors must exercise caution when using such data to evaluate the Group's financial condition and results of operations.

Copies of all such documents which are so deemed to be incorporated in, and to form part of, this Offering Circular will be available free of charge at all reasonable times during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the office of the Trustee, set out at the end of this Offering Circular.

As of the date of this Offering Circular, each of the Issuers has not publicly published and does not propose to publicly publish, any financial statements.

PRESENTATION OF FINANCIAL INFORMATION

The Guarantor has prepared consolidated financial statements as of and for the years ended 31 December 2019 and 2020 in accordance with the reporting requirements of Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards, International Accounting Standards, and relevant interpretations and interpretative bulletins recognized by the Financial Supervisory Commission, ROC (the “FSC”) and the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” (“**Taiwan IFRS**”), which have been audited by PricewaterhouseCoopers, Taiwan, and included in this Offering Circular. Taiwan IFRS differs in certain material respects with the International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”). The Company has identified the differences between Taiwan IFRS and IFRS, see “*Risk Factors – Risks Relating to the ROC – Financial reporting requirements and accounting standards in the ROC differ from those of other countries*”.

The Guarantor has also prepared consolidated interim financial statements as of and for the six months ended 30 June 2020 and 2021 in accordance with the reporting requirements of Taiwan IFRS, which have been reviewed by PricewaterhouseCoopers, Taiwan in accordance with the Statement of Auditing Standards No. 65, “Review of Financial Information Performed by the Independent Auditor of the Entity” in the Republic of China, and included in this Offering Circular. Such unaudited consolidated interim financial information should not be relied upon to provide the same quality of information associated with information that has been subject to an audit and should not be taken as an indication of the expected financial condition and results of operations for the Guarantor and the Group for the full financial year ending 31 December 2021. Potential investors must exercise caution when using such data to evaluate the Group's financial condition and results of operations.

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SUMMARY OF THE PROGRAMME

This summary must be read as an introduction to this Offering Circular and any decision to invest in the Notes should be based on a consideration of the Offering Circular as a whole, including any information incorporated by reference. Words and expressions defined in the “Terms and Conditions of the Notes” below or elsewhere in this Offering Circular have the same meanings in this summary.

Issuers	Foxconn (Far East) Limited Competition Team Technologies Limited Foxconn Singapore Pte Ltd ECMMS Precision Singapore Pte. Ltd. Falcon Precision Trading Pte. Ltd.
Guarantor	Hon Hai Precision Industry Co., Ltd.
Programme Size	Up to U.S.\$5,000,000,000 (or the equivalent in other currencies calculated as described in the Dealer Agreement) outstanding at any time. The Issuers and the Guarantor may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
Risk Factors	Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuers and the Guarantor to fulfil their respective obligations in respect of the Notes are discussed under the section “Risk Factors” below.
Arranger	Mizuho Securities (Singapore) Pte. Ltd.
Dealers	Mizuho Securities (Singapore) Pte. Ltd., Bank of China (Hong Kong) Limited, Citigroup Global Markets Limited, The Hongkong and Shanghai Banking Corporation Limited and J.P. Morgan Securities plc
Trustee	Citicorp International Limited
Issuing and Paying Agent and Transfer Agent for Notes other than CMU Notes and CDP Notes	Citibank, N.A., London Branch
Registrar for Notes other than CDP Notes	Citigroup Global Markets Europe AG
CDP Paying Agent, Registrar and Transfer Agent for CDP Notes	Citicorp Investment Bank (Singapore) Limited

**CMU Lodging and Paying Agent
and Transfer Agent for
CMU Notes**

Citicorp International Limited

Method of Issue

The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “**Series**”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment date of interest and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the Pricing Supplement.

Clearing Systems

Euroclear, Clearstream, Luxembourg, CDP and/or the CMU and, in relation to any Tranche, such other clearing system as may be agreed between the Relevant Issuer, the Guarantor, the Trustee (or the CMU Lodging and Paying Agent or the CDP Paying Agent, as the case may be), and the relevant Dealer.

Form of Notes

Notes may be issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”). Registered Notes will not be exchangeable for Bearer Notes and vice versa.

Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Pricing Supplement. Each Global Note will be deposited on or around the relevant issue date with a common depositary for Euroclear, Clearstream, Luxembourg, with CDP and/or with a sub-custodian for the Hong Kong Monetary Authority (“**HKMA**”) as operator of the CMU and/or any other relevant clearing system, as the case may be. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Pricing Supplement, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Pricing Supplement as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Registered Notes will initially be represented by Registered Global Notes. Registered Global Notes representing Registered Notes will be registered in the name of a nominee for one or more of Euroclear, Clearstream, Luxembourg, CDP and the CMU.

Currencies

Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.

Status of the Notes

The obligations of the Relevant Issuer under the Notes and the Receipts and Coupons relating to them constitute direct, unconditional, unsubordinated and (subject to Condition 4 (Negative Pledge)) unsecured obligations of the Relevant Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Relevant Issuer under the Notes and the Receipts and the Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4 (Negative Pledge), at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Relevant Issuer, present and future.

Status of the Guarantee

The payment obligations of the Guarantor under the Guarantee shall at all time rank at least equally with all its other present and future unsecured and unsubordinated indebtedness and monetary obligations, save for such exceptions as may be provided by applicable legislation and subject to Condition 4 (Negative Pledge).

Issue Price

Notes may be issued at their principal amount or at a discount or premium to their principal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.

Maturities

Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Redemption

Notes may be redeemable at par or at such other Redemption Amount (detailed in a formula, index or otherwise) as may be specified in the relevant Pricing Supplement. Notes may also be redeemable in two or more instalments on such dates and in such manner as may be specified in the relevant Pricing Supplement. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Relevant Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies). See Condition 6(a) (Redemption, Purchase and Options – Redemption by Instalments and Final Redemption).

Optional Redemption

Notes may be redeemed before their stated maturity at the option of the Relevant Issuer (either in whole or in part) and/or the Noteholders to the extent (if at all) specified in the relevant Pricing Supplement. See Condition 6(d) (Redemption, Purchase and Options – Redemption at the Option of the Issuer) and Condition 6(f) (Redemption, Purchase and Options – Redemption at the Option of Noteholders).

Change of Control Redemption

Notes may be redeemed before their stated maturity at the option of the Noteholders to the extent (if at all) specified in the relevant Pricing Supplement upon the occurrence of a Change of Control, as further described in Condition 6(e) (Redemption, Purchase and Options – Redemption following Change of Control).

Tax Redemption

Early redemption will be permitted for tax reasons as described in Condition 6(c) (Redemption, Purchase and Options – Redemption for Taxation Reasons).

Interest

Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index linked and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series. All such information will be set out in the relevant Pricing Supplement.

Denominations

Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Use of Proceeds

The net proceeds from each issue of Notes will be on-lent by the Relevant Issuer to the Guarantor and/or its subsidiaries to finance the capital expenditures, refinance existing debt obligations, capital injections, investments and for other general corporate purposes of the Group. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.

Negative Pledge

The Notes will contain a negative pledge provision as described in Condition 4 (Negative Pledge).

Cross Default

The Notes will contain a cross default provision as further described in Condition 10 (Events of Default).

Withholding Tax

All payments of principal and interest by or on behalf of the Relevant Issuer or the Guarantor in respect of the Notes or under the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands (in the case of a payment by FFE), The Bahamas (in the case of payment by CTT), Singapore (in the case of payment by Foxsin, ECMMS SG or Falcon) or the ROC (in the case of a payment by the Guarantor) or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In such event, the Relevant Issuer or, as the case may be, the Guarantor shall, subject to the limited exceptions specified in the Conditions, pay such additional amounts as will result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required.

Listing and Trading

Application has been made to the SGX-ST for permission to deal in, and quotation of any Notes that may be issued pursuant to the Programme and which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes if traded, will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies).

Unlisted Series of Notes may also be issued pursuant to the Programme. The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Relevant Issuer and the relevant Dealer in relation to each series of Notes. The Pricing Supplement relating to each Series of Notes will state whether or not the Notes of such Series will be listed on any stock exchange(s) and, if so, on which stock exchange(s) the Notes are to be listed.

Ratings

S&P Global Ratings, a division of the McGraw Hill Companies Inc., has assigned a rating of A- to the Programme.

Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Governing Law

The Notes, the Guarantee of the Notes and any non-contractual obligations arising out of or in connection with the Notes and the Guarantee of the Notes will be governed by, and construed in accordance with, English law.

Selling Restrictions

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States, the European Economic Area, the United Kingdom, the ROC, the PRC, Hong Kong, Japan, Singapore, The Bahamas and the Cayman Islands, see “Subscription and Sale” below.

Initial Delivery of Notes

On or before the issue date for each Tranche, the Global Note(s) representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg, with CDP or with a sub-custodian for HKMA as operator of the CMU or any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Relevant Issuer, the Trustee and the relevant Dealers. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee or a sub-custodian for, such clearing systems.

SUMMARY FINANCIAL INFORMATION OF THE GUARANTOR

The consolidated financial information for the years ended 31 December 2019 and 2020 and for the six months ended 30 June 2020 and 2021 set forth below (except for amounts presented in U.S. dollars) are derived from the audited consolidated financial statements of the Company as of and for the years ended 31 December 2019 and 2020 and the unaudited consolidated interim financial statements of the Company as of and for the six months ended 30 June 2020 and 2021. These consolidated financial statements are included elsewhere in this Offering Circular and the consolidated financial information set forth below should be read in conjunction with, and are qualified in their entirety by reference to, such financial statements, including the notes thereto. The Company's unaudited consolidated interim financial results as of and for the six months ended 30 June 2020 and 2021 have been reviewed by PricewaterhouseCoopers, Taiwan in accordance with the Statement of Auditing Standards No. 65, "Review of Financial Information Performed by the Independent Auditor of the Entity" in the Republic of China but have not been audited.

Such unaudited consolidated interim financial information should not be relied upon to provide the same quality of information associated with information that has been subject to an audit and should not be taken as an indication of the expected financial condition and results of operations for the Group for the full financial year ending 31 December 2021. Potential investors must exercise caution when using such data to evaluate the Group's financial condition, and results of operations.

The audited consolidated financial statements of the Company as of and for the years ended 31 December 2019 and 2020 and the unaudited consolidated interim financial statements as of and for the six months ended 30 June 2020 and 2021 have been prepared and presented in accordance with Taiwan IFRS. Taiwan IFRS differs in certain material respects from IFRS or the generally accepted accounting principles of certain other countries. All amounts in the consolidated financial statements expressed in U.S. dollars are provided solely for the convenience of the reader and such amounts do not form part of the audited financial statements.

AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the Year Ended 31 December		
	2019	2020	
	NT\$ (Audited) (consolidated) (in thousands, except per share data)	NT\$ (Audited) (consolidated)	US\$ (unaudited)
Operating revenue	5,342,810,995	5,358,023,065	191,975,029
Operating costs	(5,026,942,570)	(5,055,104,342)	(181,121,617)
Net operating margin	315,868,425	302,918,723	10,853,412
Operating expenses			
Selling expenses	(30,129,101)	(27,243,581)	(976,123)
General and administrative expenses	(79,294,289)	(70,737,182)	(2,534,474)
Research and development expenses	(91,548,149)	(94,110,512)	(3,371,928)
Total operating expenses	(200,971,539)	(192,091,275)	(6,882,525)
Operating profit	114,896,886	110,827,448	3,970,887
Non-operating income and expenses			
Interest income	75,819,336	47,934,352	1,717,461
Other income	14,560,918	11,887,533	425,924
Other gains and losses	5,567,450	7,314,465	262,073
Finance costs	(66,600,696)	(40,317,013)	(1,444,536)
Share of profit of associates and joint ventures accounted for under equity method	19,634,053	7,825,449	280,381
Total non-operating income and expenses	48,981,061	34,644,786	1,241,303
Profit before income tax	163,877,947	145,472,234	5,212,190
Income tax expense	(31,692,859)	(31,146,647)	(1,115,967)
Profit for the year	132,185,088	114,325,587	4,096,223
Other comprehensive income Components of other comprehensive income that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans	(7,404)	(47,626)	(1,706)
Unrealized gain on valuation of financial assets at fair value through other comprehensive income	4,720,616	19,999,225	716,561
Share of other comprehensive income of associates and joint ventures accounted for using equity method	3,028,377	497,658	17,831
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	1,481	9,525	341
Other comprehensive income that will not be reclassified to profit or loss	7,743,070	20,458,782	733,027
Components of other comprehensive (loss) income that will be reclassified to profit or loss			
Financial statements translation differences of foreign operations	(51,266,536)	(15,380,879)	(551,088)
Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method	(1,096,843)	2,094,637	75,049
Other comprehensive loss that will be reclassified to profit or loss	(52,363,379)	(13,286,242)	(476,039)
Other comprehensive (loss) income for the year	(44,620,309)	7,172,540	256,988
Total comprehensive income for the year	87,564,779	121,498,127	4,353,211
Profit attributable to:			
Owners of the parent	115,308,736	101,794,807	3,647,252
Non-controlling interest	16,876,352	12,530,780	448,971
	132,185,088	114,325,587	4,096,223
Comprehensive income attributable to:			
Owners of the parent	74,706,141	112,236,799	4,021,383
Non-controlling interest	12,858,638	9,261,328	331,828
	87,564,779	121,498,127	4,353,211
Earnings per share (in dollars)			
Basic earnings per share	8.32	7.34	0.2630
Diluted earnings per share	8.24	7.28	0.2608

AUDITED CONSOLIDATED BALANCE SHEET

	As of 31 December		
	2019	2020	
	NT\$	NT\$	US\$
	(Audited) (consolidated) (in thousands)	(unaudited) (in thousands)	
Current assets			
Cash and cash equivalents	857,864,362	1,232,794,015	44,170,334
Financial assets at fair value through profit or loss – current	2,952,049	6,285,594	225,209
Financial assets at amortised cost, net-current	52,954,877	38,783,566	1,389,594
Accounts receivable, net	987,278,438	903,070,230	32,356,511
Accounts receivable – related parties	44,754,604	39,414,164	1,412,188
Other receivables	67,854,299	58,237,719	2,086,626
Other receivables – related parties	24,366,543	5,285,774	189,386
Inventory	515,772,177	582,113,735	20,856,816
Prepayments	19,895,574	18,664,505	668,739
Total current assets	<u>2,573,692,923</u>	<u>2,884,649,302</u>	<u>103,355,403</u>
Non-current assets			
Financial assets at fair value through profit or loss – non-current	82,660,725	83,681,186	2,998,251
Financial assets at fair value through other comprehensive income – non-current	68,807,217	87,074,089	3,119,817
Financial assets at amortised cost, net – non-current	12,528,569	18,786,030	673,093
Investments accounted for using equity method	168,631,642	175,199,441	6,277,300
Property, plant and equipment	287,523,253	287,091,978	10,286,348
Right-of-use assets	46,760,340	46,268,685	1,657,781
Investment property – net	4,419,912	11,083,273	397,108
Intangible assets	41,380,353	44,760,083	1,603,729
Deferred income tax assets	18,701,465	19,946,852	714,685
Other non-current assets	15,835,299	15,734,671	563,765
Total non-current assets	<u>747,248,775</u>	<u>789,626,288</u>	<u>28,291,877</u>
Total assets	<u>3,320,941,698</u>	<u>3,674,275,590</u>	<u>131,647,280</u>
Current liabilities			
Short-term loans	380,866,050	446,422,100	15,995,059
Short-term notes and bills payable	30,528,296	39,101,893	1,400,999
Financial liabilities at fair value through profit or loss – current	1,881,685	2,291,221	82,093
Accounts payable	870,678,994	1,037,912,518	37,187,837
Accounts payable – related parties	35,509,127	27,680,046	991,761
Other payables	217,732,729	220,177,215	7,888,829
Current tax liabilities	18,531,289	24,004,318	860,062
Provisions for liabilities – current	2,725,293	4,136,517	148,209
Current lease liabilities	7,131,038	9,058,272	324,553
Other current liabilities	91,876,860	105,473,211	3,779,047
Total current liabilities	<u>1,657,461,361</u>	<u>1,916,257,311</u>	<u>68,658,449</u>

	As of 31 December		
	2019	2020	
	NT\$	NT\$	US\$
	(Audited) (consolidated) (in thousands)	(unaudited) (in thousands)	
Non-current liabilities			
Corporate bonds payable	175,505,344	201,691,563	7,226,498
Long-term loans	41,576,252	31,593,197	1,131,967
Provisions for liabilities – non-current	369,953	407,915	14,615
Deferred income tax liabilities	18,261,509	18,805,119	673,777
Non-current lease liabilities	20,875,343	20,390,740	730,589
Other non-current liabilities	7,266,519	10,983,336	393,527
Total non-current liabilities	<u>263,854,920</u>	<u>283,871,870</u>	<u>10,170,973</u>
Total liabilities	<u>1,921,316,281</u>	<u>2,200,129,181</u>	<u>78,829,422</u>
Equity			
Equity attributable to owners of parent			
Share capital			
Common stock	138,629,906	138,629,906	4,967,034
Capital reserve			
Capital surplus	199,383,371	202,645,942	7,260,693
Retained earnings			
Legal reserve	149,512,874	161,043,748	5,770,109
Special reserve	60,309,927	102,451,720	3,670,789
Unappropriated retained earnings	794,615,182	779,836,380	27,941,110
Other equity interest			
Other equity interest	(102,451,720)	(87,315,126)	(3,128,453)
Treasury stocks	(15,194)	(15,194)	(544)
Equity attributable to owners of the parent	<u>1,239,984,346</u>	<u>1,297,277,376</u>	<u>46,480,738</u>
Non-controlling interest	<u>159,641,071</u>	<u>176,869,033</u>	<u>6,337,120</u>
Total equity	<u>1,399,625,417</u>	<u>1,474,146,409</u>	<u>52,817,858</u>
Total liabilities and equity	<u>3,320,941,698</u>	<u>3,674,275,590</u>	<u>131,647,280</u>

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the Six Months Ended 30 June		
	2020	2021	
	NT\$	NT\$ (Unaudited) (consolidated)	US\$
	(in thousands, except per share data)		
Operating revenue	2,057,470,029	2,698,579,463	96,688,623
Operating costs	(1,949,025,405)	(2,538,904,983)	(90,967,574)
Net operating margin	108,444,624	159,674,480	5,721,049
Operating expenses			
Selling expenses	(10,821,163)	(14,398,684)	(515,897)
General and administrative expenses	(32,079,517)	(35,881,002)	(1,285,597)
Research and development expenses	(38,550,173)	(49,348,241)	(1,768,120)
Total operating expenses	(81,450,853)	(99,627,927)	(3,569,614)
Operating profit	26,993,771	60,046,553	2,151,435
Non-operating income and expenses			
Interest income	27,619,345	17,254,311	618,212
Other income	3,565,782	9,944,908	356,321
Other gains and losses	5,137,380	2,984,622	106,937
Finance costs	(23,256,905)	(12,360,218)	(442,860)
Share of profit of associates and joint ventures accounted for using equity method	706,946	5,547,442	198,762
Total non-operating income and expenses	13,772,548	23,371,065	837,372
Profit before income tax	40,766,319	83,417,618	2,988,807
Income tax expense	(13,217,842)	(20,218,681)	(724,424)
Profit for the period	27,548,477	63,198,937	2,264,383
Other comprehensive income			
Components of other comprehensive (loss) income that will not be reclassified to profit or loss			
Unrealized gain on valuation of financial assets at fair value through other comprehensive income	692,829	26,840,317	961,674
Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method	(3,558,208)	4,277,777	153,270
Other comprehensive (loss) income that will not be reclassified to profit or loss	(2,865,379)	31,118,094	1,114,944
Components of other comprehensive (loss) income that will be reclassified to profit or loss			
Financial statements translation differences of foreign operations	(38,513,051)	(21,710,888)	(777,889)
Gains on hedging instrument	–	167,777	6,011
Share of other comprehensive loss of associates and joint ventures accounted for using equity method	(1,887,169)	(4,965,219)	(177,901)
Aggregated income tax related to components of other comprehensive income	–	(51,581)	(1,848)
Components of other comprehensive income that will be reclassified to profit or loss	(40,400,220)	(26,559,911)	(951,627)
Other comprehensive (loss) income for the period	(43,265,599)	4,558,183	163,317
Total comprehensive (loss) income for the period	(15,717,122)	67,757,120	2,427,700
Profit attributable to:			
Owners of the parent	24,964,263	57,941,327	2,076,006
Non-controlling interest	2,584,214	5,257,610	188,377
	27,548,477	63,198,937	2,264,383
Comprehensive (loss) income attributable to:			
Owners of the parent	(14,478,269)	63,850,870	2,287,741
Non-controlling interest	(1,238,853)	3,906,250	139,959
	(15,717,122)	67,757,120	2,427,700
Earnings per share (in dollars)			
Basic earnings per share	1.80	4.18	0.1498
Diluted earnings per share	1.80	4.15	0.1487

UNAUDITED CONSOLIDATED BALANCE SHEET

	As of 30 June		
	2020	2021	
	NT\$	NT\$ (Unaudited) (consolidated) (in thousands)	US\$
Current assets			
Cash and cash equivalents	953,161,485	1,112,649,267	39,865,613
Financial assets at fair value through profit or loss – current	1,225,746	3,914,931	140,270
Financial assets at amortised cost, net-current	51,665,513	54,639,369	1,957,699
Current financial assets for hedging	–	662,634	23,742
Accounts receivable, net	722,108,923	785,263,404	28,135,557
Accounts receivable – related parties	32,908,483	32,571,758	1,167,028
Other receivables	52,906,729	51,672,076	1,851,382
Other receivables – related parties	10,318,787	8,043,019	288,177
Inventory	504,872,238	531,219,556	19,033,306
Prepayments	18,657,789	20,052,978	718,487
Total current assets	<u>2,347,825,693</u>	<u>2,600,688,992</u>	<u>93,181,261</u>
Non-current assets			
Financial assets at fair value through profit or loss – non-current	90,285,191	91,639,619	3,283,397
Financial assets at fair value through other comprehensive income – non-current	65,485,674	116,252,246	4,165,254
Financial assets at amortised cost, net – non-current	15,217,128	19,139,734	685,766
Investments accounted for using equity method	158,702,923	170,861,904	6,121,888
Property, plant and equipment	269,882,577	287,898,280	10,315,238
Right-of-use assets	46,665,541	44,447,428	1,592,527
Investment property – net	10,485,611	10,645,557	381,425
Intangible assets	40,627,171	45,408,171	1,626,950
Deferred income tax assets	23,414,820	18,033,754	646,140
Other non-current assets	15,301,979	12,246,639	438,790
Total non-current assets	<u>736,068,615</u>	<u>816,573,332</u>	<u>29,257,375</u>
Total assets	<u><u>3,083,894,308</u></u>	<u><u>3,417,262,324</u></u>	<u><u>122,438,636</u></u>
Current liabilities			
Short-term loans	415,824,358	461,186,722	16,524,067
Short-term notes and bills payable	41,071,452	25,547,536	915,354
Financial liabilities at fair value through profit or loss – current	1,424,681	1,643,541	58,887
Financial liabilities for hedging-current	–	101,739	3,645
Accounts payable	648,806,176	735,544,104	26,354,142
Accounts payable – related parties	19,927,481	23,312,254	835,265
Other payables	245,541,777	253,311,916	9,076,027
Current tax liabilities	11,506,054	17,258,512	618,363
Provisions for liabilities – current	2,527,551	3,884,525	139,181
Current lease liabilities	8,572,170	8,714,281	312,228
Other current liabilities	92,815,006	120,353,053	4,312,184
Total current liabilities	<u>1,488,016,706</u>	<u>1,650,858,183</u>	<u>59,149,343</u>

	As of 30 June		
	2020	2021	
	NT\$	NT\$ (Unaudited) (consolidated) (in thousands)	US\$
Non-current liabilities			
Financial liabilities at fair value through profit or loss – non-current	2,250	–	–
Corporate bonds payable	178,431,065	201,898,559	7,233,915
Long-term loans	40,731,361	30,278,063	1,084,846
Provisions for liabilities – non-current	377,714	423,257	15,165
Deferred income tax liabilities	22,583,014	21,161,191	758,194
Non-current lease liabilities	20,915,904	21,228,141	760,593
Other non-current liabilities	7,115,728	10,508,668	376,520
Total non-current liabilities	270,157,036	285,497,879	10,229,233
Total liabilities	1,758,173,742	1,936,356,062	69,378,576
Equity			
Equity attributable to owners of parent			
Share capital			
Common stock	138,629,906	138,629,906	4,967,034
Capital reserve			
Capital surplus	201,732,042	199,294,954	7,140,629
Retained earnings			
Legal reserve	161,043,748	170,755,591	6,118,079
Special reserve	102,451,720	87,315,126	3,128,453
Unappropriated retained earnings	708,370,677	788,733,445	28,259,887
Other equity interest			
Other equity interest	(142,594,893)	(81,404,257)	(2,916,670)
Treasury stocks	(15,194)	(15,194)	(544)
Equity attributable to owners of the parent	1,169,618,006	1,303,309,571	46,696,868
Non-controlling interest	156,102,560	177,596,691	6,363,192
Total equity	1,325,720,566	1,480,906,262	53,060,060
Total liabilities and equity	3,083,894,308	3,417,262,324	122,438,636

RISK FACTORS

Prior to making any investment decision, prospective investors should consider carefully all of the information contained in this Offering Circular, including the risks and uncertainties described below. The businesses, financial condition or results of operations of the Group could be materially adversely affected by any of these risks. Any potential investor in, and purchaser of, the Notes should also pay particular attention to the fact that the Group and to a large extent its activities are governed by the legal, regulatory and business environments in the ROC and the PRC, which in some respects may be different from those which prevail in other jurisdictions. The Issuers and the Company believe that the following factors may affect their ability to fulfil their obligations under the Notes and the Guarantee. Additional considerations and uncertainties not presently known to the Issuers or the Company, or which the Issuers or the Company currently deems immaterial, may also have an adverse effect on an investment in the Notes. All of these factors are contingencies which may or may not occur and neither the Issuers nor the Company is in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuers and the Company believe may be material for the purpose of assessing the market risks associated with an investment in the Notes are also described below. The Issuers and the Company believe that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuers (failing whom, the Company) to repay principal, pay interest or other amounts or fulfil other obligations on or in connection with the Notes may occur for other reasons and neither the Issuers nor the Company represents that the statements below regarding the risks of holding the Notes are exhaustive.

RISKS RELATING TO THE GROUP'S INDUSTRY AND BUSINESS

Volatile global economic conditions may put downward pressure on demand for the Group's products and services.

The global credit markets have experienced significant volatility in recent years, including due to the global financial and economic crisis, trade tensions (such as between the United States and the PRC), the novel coronavirus 2019 (“**COVID-19**”) pandemic, the UK's official exit from the European Union, or Brexit, and volatility in the PRC stock market, which have led to less favourable financial and economic conditions.

In particular, there have been recent escalations in trade tensions between the United States and the PRC. Such tensions have continued to put pressure on manufacturers and supply chains in light of tariffs and potential tariffs imposed both by the United States and PRC. Since July 2018, the imposition of tariffs by the United States on products from the PRC from July 2018, and retaliation by the PRC have caused even greater volatility in the global markets. Although “phase one” of an economic and trade agreement between the United States and the PRC went into effect in February 2020 as an initial step towards resolving the trade disputes between the two countries, the effect of such an agreement and the amicable resolution of such a trade war remains elusive, and the lasting impacts any trade war may have on the global economy and the industries that the Group operates in remain uncertain. For example, the computer, communication, and consumer electronics (“**3C**”) and technology industry continues to face strong headwinds from the intensifying trade war between the United States and the PRC.

Moreover, U.S. export control laws may cause disruptions to the global supply chain, including for non-U.S. companies. Under U.S. export control laws, companies (including non-U.S. companies) purchasing, exporting, re-exporting, and/or transferring among others, any item in the United States, any U.S.-origin item wherever located, any foreign-made commodity that incorporates certain U.S.-origin

commodities or that is bundled or commingled with certain U.S.-origin software, must comply with provisions in such U.S. export laws. For example, import tariffs were imposed by the United States in August 2018 on certain equipment used in semiconductor manufacturing and other types of devices manufactured by the Group in the PRC. On 17 August 2020, the U.S. Department of Commerce Bureau of Industry and Security published a final rule that amended the Final Direct Product Rule released on 15 May 2020 which tightened its export control measures against Huawei Technology Co. Ltd. and its affiliates (collectively, “**Huawei**”), including an expanded license requirement for providing Huawei with items subject to the U.S. export control jurisdiction. Manufacturing companies, which are involved in Huawei’s supply chain, may need to re-evaluate their direct and indirect business relationships, such as possibly suspending or terminating supply arrangements with certain customers, including Huawei, in order for them to comply with such laws. In April 2021, the U.S. Department of Commerce Bureau of Industry and Security added seven PRC supercomputing entities to export ban list, citing national security concerns. In November 2020, the U.S. administration issued U.S. Executive Order 13959, which was subsequently amended in January 2021 and replaced by U.S. Executive Order 14032 in June 2021, prohibiting investments by any U.S. persons in publicly traded securities of certain Chinese companies that are deemed operating in China’s defence or surveillance technology sectors. Furthermore, measures adopted by an affected country to counteract the impact of another country’s actions or regulations could lead to significant legal liability to multinational corporations, including the Group’s own. For example, in January 2021, the PRC adopted a blocking statute that, among other matters, entitles Chinese entities incurring damages from a multinational’s compliance with foreign laws to seek civil remedies. In June 2021, the PRC adopted the Anti-Foreign Sanctions Law to provide a legal basis for China to adopt countermeasures against certain foreign sanctions. These may in turn have an impact on the Group’s business, reputation and results of operations.

While the Group has kept a close eye on the developments of the U.S.-PRC trade war, there remains considerable uncertainty as to the timeline and outcome of the trade negotiations between the United States and PRC, including due to the new administration in the United States since January 2021. Failure of trade negotiations between the United States and PRC or between the Group and its customers may lead to considerable additional costs and unexpected consequences on the Group’s business, which could, in turn, harm its business and growth prospects. Whilst relocating production may be a solution to mitigate the impact of tariffs, the assembly of electronic products requires great direct labour input, which means that relocating production overseas could affect the profit margin of such products. Furthermore, these volatile market conditions may continue to adversely affect the demand for 3C products. The potential sustained decrease and slowdown in demand for such products may inflict significant downward pressure on prices. As a result, the companies producing these products may reduce their orders with us or the prices with which these orders are placed. The reduced orders and prices may lead to reduced revenues, lower profit margins and/or loss of market share, any of which would have a material adverse effect on the Group’s business, reputation, financial condition and results of operations.

The ongoing COVID-19 pandemic and its global spread continues to add more uncertainty and volatility in global markets, as it remains unknown when the ongoing situation will improve and whether any effective containment of the spread of the COVID-19, whether through vaccinations or otherwise, can be achieved. The ongoing COVID-19 pandemic has also resulted in increased travel restrictions and extended delay or suspension of some business activities on a global level. Although we have worked closely with the public health authorities and the local governments of the countries or regions where we operate and taken certain preventive measures to protect the health and safety of the Group’s employees, the COVID-19 pandemic still impacted on some of the Group’s overseas operations in India, Malaysia, Mexico, Vietnam, etc. Please refer to “– *We are vulnerable to any force majeure events or natural disasters and other disruptive events that could severely disrupt the normal operation of the Group’s and adversely affect earnings*”. If the economies of the PRC, Europe, the United States or the Group’s other core markets

recover at a slow rate, or experience a double-dip recession, the prospects of the 3C industry may be adversely affected, which may in turn have a material adverse effect on the Group's business, financial condition and results of operations. However, even if the global economy experiences a full recovery, it cannot be assured that the demand for the Group's products and services will increase, or even be maintained.

The Group is dependent on its key customers for a substantial portion of its revenues.

The Group is dependent on its key customers, such as Amazon, Apple, Dell, HP and Sony, for a substantial portion of its total sales. The loss of these customers, or a reduction or delay in their orders would have a material adverse effect on the business, financial condition and results of operations of the Group.

The Group's ability to maintain close relationships with its key customers is essential to its strategy and to the ongoing growth of its business. The Group has entered into corporate purchase agreements with certain of its key customers, but such agreements do not obligate the customers to place an order with the Group. The precise terms for each shipment, such as pricing and quantities, are normally confirmed at the time each order is placed.

In addition, the Group generates significant accounts receivable in connection with providing manufacturing services to its key customers. If the Group's customers were to become insolvent or otherwise were unable to pay for the manufacturing services provided by us, this could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

The Group is dependent on the 3C industries.

Substantially all of the Group's products and services, whether in the form of components, modules or full system assembly, have end-use applications in the 3C industries. The Group's products and services can be further categorised as smart consumer electronics, cloud and network products, computing products and components and others. Accordingly, the Group's financial performance is dependent upon the continued growth of the 3C industries. These industries have historically been characterized by rapid technological changes and short product life cycles. In recent years, there have been significant shifts in demand for 3C products. Continuing adverse market conditions may lead the Group's customers to implement cost-cutting strategies such as consolidating with other manufacturers, reducing production and increasing price pressure on suppliers.

As a result of the foregoing, any loss of certain key customers, decline in sales, or decline in operating margins could have a material adverse effect on the business, financial condition, results of operations and future prospects of the Group.

The Group operates in a highly competitive industry.

The markets for the Group's products are highly competitive with intense pressure on prices and margins for its products. The Group competes against many manufacturers, certain of which may have better research and development capabilities, greater global logistics, financial, marketing and other resources than the Group. Furthermore, certain PRC manufacturers and suppliers have substantially expanded their manufacturing capacities and advanced their technologies and deepened their relations with clients, stiffening competition in the industry. Current and prospective customers of the Group also evaluate the Group's capabilities against the merits of manufacturing products internally. See "*Description of the Company – Competition*".

There can be no assurance that the Group will be able to compete successfully in these markets and failure to do so could have a material adverse effect on the business, financial condition, results of operations and future prospects of the Group.

The Group's overall margins may fluctuate as a result of the product mix manufactured by the Group.

The Group's overall margins may fluctuate due to the fact that the Group's products are mixed manufactured. For example, if we generate a greater proportion of the Group's revenues from the sales of systems, which typically generate higher revenues but lower margins compared to components or modules, the Group's overall margins may decline accordingly. In addition, the gross margin of any given product of the Group could depend on the product's end market, total volume manufactured, complexity of manufacturing processes, stage of lifecycle, maturity of technology, and other factors. As a result, a change in product mix may decrease the gross margins and operating margins of the Group, which could have a material adverse effect on the business, financial condition, results of operations and future prospects of the Group.

Risks associated with the political and economic situation in Hong Kong and the PRC.

On 1 July 1997, Hong Kong became a Special Administrative Region of the PRC. Although Hong Kong has thus far enjoyed a high degree of legislative, judicial and economic autonomy since the handover, there can be no assurance that there will not be a change in regulatory oversight as a consequence of the change of PRC policies over Hong Kong or, should such change occur, the Group's business, financial condition and the results of its operations will not be adversely affected.

In 2019, the anti-extradition bill protests and disruption to businesses and transportation in various parts of Hong Kong caused a decrease in consumer spending and had affected inbound tourism to Hong Kong, which in turn had a negative impact on the Hong Kong economy. Civil unrest is outside the control of the Group and there can be no assurance that further large-scale protests will not occur in the future or as to the authorities' reactions to any such protests if they recur and the effect on the stability of the political and economic conditions in the region.

On 30 June 2020, the Standing Committee of the National People's Congress of the PRC passed the Law of the People's Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region (the "**Hong Kong National Security Law**"). The Hong Kong National Security Law took effect on 30 June 2020. The Government of the Hong Kong Special Administrative Region stated in a press release that the purposes of the Hong Kong National Security Law are to prevent, curb and punish specific crimes threatening national security, maintain prosperity and stability of Hong Kong and to protect the lawful rights and interests of residents of Hong Kong. On 14 July 2020, the U.S. President signed into law the Hong Kong Autonomy Act (the "**Autonomy Act**"), which authorizes the U.S. President to impose sanctions on non-U.S. persons, entities, and financial institutions relating to the situation in Hong Kong. The same day, the U.S. President issued Executive Order 13936, The President's Executive Order on Hong Kong Normalization ("**EO 13936**"), declaring a U.S. national emergency relating to the situation in Hong Kong, authorizing new Hong Kong related sanctions, and normalizing aspects of the U.S. relationship with Hong Kong. Under EO 13936, among other things, existing license exceptions and preferential status for Hong Kong under relevant U.S. export control laws and regulations are revoked. Any economic sanctions imposed under the Autonomy Act or EO 13936, trade-related restrictions under EO 13936, and other sanctions may have an impact on the Group's operations, including technological innovation. The United States has imposed sanctions on and suspended collaborations with a number of Chinese companies and universities by including these entities in the Entity List and the Unverified List of the Bureau of Industry and Security of the U.S. Department of Commerce. If U.S.-China relations

continue to deteriorate, there is a possibility that sanctions could be imposed on the Group's partners in the future. Any sanctions, damages, costs, obligations or liabilities in respect of these matters could have a material adverse effect on the Group's business, reputation and/or the results of the Group's operations and financial condition.

Certain foreign governments and organizations have also taken actions in response to or expressed concern regarding the enactment of the Hong Kong National Security Law and related legislations (including those related to the Hong Kong electoral system), and there is a risk that actions that have been or may be taken will have a detrimental effect, either directly or indirectly, on Hong Kong. At this stage, it is difficult to predict whether any trade restrictions and sanctions will adversely affect the Group's business, reputation, financial condition and results of operations.

As the PRC government tightens restriction towards certain industries, our business and operation performance may be affected.

FIH Mobile Limited (Stock Code: 2038) ("**FIH Mobile**") and FIT Hon Teng Limited (Stock Code: 6088) ("**FIT Hon Teng**") are both consolidated subsidiaries of the Company that are listed on The Stock Exchange of Hong Kong Limited. Foxconn Industrial Internet Co., Ltd (Stock Code: 601138) ("**Fii**"), another consolidated subsidiary of the Company, is listed on the Shanghai Stock Exchange. Accordingly, the Group's operations and performance may be affected by the prevailing general political and economic circumstances in Hong Kong and the PRC. Future political or economic instability or volatility or a sustained slowdown in domestic economic activities, may affect the Hong Kong stock market and the general economy and consequently, the value of the Group's investments in this segment and in turn, the Group's business, performance, financial condition and results of operations may be adversely affected.

The Group may not be able to develop successfully new production processes and new products and enter into new industries.

The Group is continually evaluating new products and production processes and seeking potential opportunities to enter into new industries to diversify the Group's business. The Group believes that the Group's future success will depend in part upon the Group's ability to develop new production processes and to develop and market new products which meet evolving customers' needs, maintain technological leadership and successfully anticipate or respond to technological changes in production processes in a cost-effective manner and on a timely basis. Moreover, the Group's ability to take the lead in and secure a key position in new emerging industries, such as electronic vehicles ("**EV**"), digital health, robotics artificial intelligence ("**AI**"), semiconductor and new generation communication, will have a significant impact on the Group's long-term business growth. The Group has co-operated and intends to continue co-operating with 3C industry leaders and to continue engaging in and funding research and development activities to keep pace with market developments and remain competitive. There can be no assurance that we will be successful in developing new production processes and new products and entering into new industries. Furthermore, while we are committed to developing the three industries of EV, digital health and robotics and three applications across AI, semiconductor and new generation communication, there is no guarantee that the Group's investments in these industries may succeed. Failure to do so could have a material adverse effect on the Group's business, financial condition, results of operations, reputation and future prospects.

The markets in which the Group's customers compete are characterized by rapidly changing technology, innovation, evolving industry standards and continuous improvements in products and services. These conditions frequently result in short product life cycles. The Group's success is highly dependent on the success achieved by the Group's customers in developing and marketing their products. If technologies or standards supported by the Group's customers become obsolete or fail to gain widespread commercial acceptance, this could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

The Group may be exposed to risks as a result of strategic acquisitions, joint ventures, reorganization, investments or business cooperation arrangements.

The Group has made, and will continue to consider making strategic acquisitions, investments or entering into joint ventures or business cooperation arrangements to expand or enhance its business. We may also reorganise the Company or its operations. In November 2020, the Company set up Foxtron Vehicle Technologies Co. Ltd., a 51% owned joint venture with Hua-Chuang Automobile Information Technical Center Co., Ltd. (“**Haitec**”) to develop an automobile related business. On 28 September 2020, the Company announced that it entered into a strategic alliance agreement with Yageo Group to co-develop key electronic components and share research and development resources to serve the need of the Group’s global end customers. In addition, the Company has recently announced several investments in the semiconductor industry. For example, on 5 May 2021, the Company announced that it would form a joint venture named XSemi Corporation with Yageo Group to facilitate the development of the Group’s semiconductor business. On 10 June 2021, the Company announced that its subsidiary Foxconn Singapore Pte Ltd had acquired the shares of Dagang NeXchange Berhad. On 15 June 2021, the Company’s wholly owned subsidiary Hyield Venture Capital Co., Ltd. participated in a private placement launched by Giga Solar Materials Corporation.

The Company has also recently announced several strategic business ventures in the automotive industry. For example, on 13 January 2021, the Company announced that its wholly owned subsidiary, FuTaiHua Industrial (ShenZhen) Limited, signed a strategic cooperation agreement with Zhejiang Geely Holding Group (“**Geely**”) to set up a joint venture company to provide customized consulting services relating to vehicles, automotive parts, intelligent drive systems and automotive ecosystem platforms to global automotive enterprises and ridesharing companies. On 24 February 2021, the Company announced that it has entered into a memorandum of understanding with Fisker Inc. to develop EV and on 13 May 2021, the Company and Fisker Group Inc. entered into framework agreements supporting Project “PEAR” (or Personal Electric Automotive Revolution), a program to develop EV. On 24 August 2021, Stellantis NV and FIH Mobile announced the signing of a joint venture agreement to equally own a company named Mobile Drive, which will focus on developing infotainment and telematics solutions as well as a cloud service platform and will aim to deliver a comprehensive smart cockpit solution. On 14 September 2021, the Company announced that its wholly owned subsidiary, Lin Yin International Investment Co., Ltd, and Arun Plus Co., Ltd., the subsidiary of PTT Public Company Limited, signed a joint venture agreement to set up a joint venture company in Thailand for producing EV and key components to serve the EV sector. Further, on 1 October 2021, the Company announced that FFE had participated in a private placement issuance of 7,248,163 shares issued by Lordstown Motors Corp. (“**Lordstown Motors**”) for a consideration of U.S.\$50,000,002.82. The Company had also announced that its subsidiary, Foxconn EV Technology, Inc., had on 10 November 2021 entered into an asset purchase agreement with Lordstown Motors’ subsidiary, Lordstown EV Corporation, to purchase an assembly plant with the plans of establishing the electric vehicle production capacity in North America for a total consideration of U.S.\$230,000,000 (the “**Lordstown Acquisition**”). The Lordstown Acquisition is subject to the satisfaction of all conditions precedent in the agreement and obtaining the required regulatory approvals. There is no assurance that the Lordstown Acquisition will proceed, or at all.

Strategic acquisitions, joint ventures, reorganization, investments or business cooperation arrangements in the EV and semiconductor industry may divert the Group’s management’s time and resources from the Group’s normal daily operations, disrupt the Group’s ongoing businesses and strain the Group’s liquidity and capital resources. In addition, the Group’s success in its expansion into the EV and semiconductor industry depends on its ability to succeed in the relevant legal, regulatory, economic, environmental, social and political conditions which the Group has little control over. If the Group fails to develop and implement policies and strategies that will be effective in EV and semiconductor industry, the Group’s reputation business, financial condition and results of operations would be materially and adversely affected.

Additionally, on 4 September 2020, the Company announced that it will enter into a share swap for shares in Far EasTone Telecommunications Co. Ltd. (“**FET**”), such that for every one common share in Asia Pacific Telecom Co., Ltd. (“**APT**”, TWSE Stock Code: 3682 consolidated subsidiary of the Company) owned by the Company, it will be exchanged for 0.1551447 newly issued common shares by FET (the “**Share Swap**”). The total number of underlying APT common shares to be exchanged for in the Share Swap is 527,524,409 common shares, such that after the completion of the Share Swap, the Company will acquire 81,842,616 common shares in FET. The Share Swap is expected to be completed on 30 June 2022, subject to the satisfaction of all conditions precedent in the agreement for the Share Swap and obtaining the required regulatory approvals. There is no assurance that the Share Swap will close at the expected timeframe, or at all.

It cannot be assured that the Group will be able to (1) identify future strategic acquisitions, investments or business cooperation arrangements, (2) consummate or implement these potential acquisitions, investments and business cooperation arrangements on favourable terms, if at all, or (3) if consummated or implemented, successfully integrate the operations and management of future acquisitions, investments and business cooperation arrangements. Such acquisitions, investments, joint ventures, business cooperation arrangements and reorganization involve significant risks, which could have a material adverse effect on the Group, including:

- Financial risks, such as (1) the payment of a purchase price that exceeds the future value that the Group may realize from the acquired operations and businesses; (2) an increase in the Group’s expenses and working capital requirements, which could reduce the Group’s return on invested capital; (3) potential known and unknown liabilities of the acquired businesses, particularly where the acquired business is loss-making; (4) costs associated with integrating acquired operations and businesses; (5) the dilutive effect of the issuance of additional equity securities; (6) the incurrence of additional debt; (7) the financial impact of valuing goodwill and other intangible assets involved in any acquisitions, potential future impairment write-downs of goodwill and indefinite life intangibles and the amortization of other intangible assets; (8) possible adverse tax and accounting effects; (9) special risks associated with joint ventures or problems with joint venture partners, including, among other things, dissimilar business interests or one or more of the partners experiencing financial difficulties, and (10) the risk that the Group may spend substantial amounts on any such acquisition and as a result assume significant contractual and other obligations with no guaranteed levels of revenue or that the Group may have to exit at loss.
- Operating risks, such as (1) the diversion of management’s attention to the assimilation of the businesses to be acquired; (2) the risk that the acquired businesses will fail to maintain the quality of services that the Group has historically provided; (3) the need to integrate or implement financial and other systems and add management resources; (4) the need to maintain customer, supplier or other favourable business relationships of acquired operations and restructure or terminate unfavourable relationships; (5) the potential for deficiencies in internal controls of the acquired operations; (6) the Group may not be able to attract and retain the employees necessary to support the acquired businesses; (7) unforeseen difficulties (including any unanticipated liabilities) in the acquired operations; and (8) the impact on the Group of any unionized work force it may acquire or any labour disruptions that might occur.

Any future strategic acquisitions, joint ventures, reorganization, investments or business cooperation arrangements may not be successful, may harm the Group’s reputation and business, may not benefit the Group’s business strategy, may not generate sufficient revenues to offset the associated acquisition costs and additional operating expenses or may not otherwise result in the intended benefits. See “– Negative publicity may have a material adverse effect on the Group’s business”.

The Group may not be able to effectively manage its rapid expansion.

The Group has significantly expanded its production in recent years and, in conjunction with the execution of its strategy, expects to continue to expand its production in terms of geography, industry, customers and end-user products. To manage its growth, the Group must continue to improve its managerial, technical, operational and other resources, and to implement an effective management information system. In order to fund the Group's ongoing operations, research and development and future growth, the Group needs to have sufficient internal sources of liquidity or access to additional financing from external sources. Further, the Group will be required to manage relationships with a greater number of customers, suppliers, equipment vendors and other third parties. There can be no assurance that the Group will not experience issues, such as shortages of raw materials and components, capacity constraints, construction delays, difficulties in ramping up production at new facilities or upgrading or expanding existing facilities and training an increasing number of personnel to manage and operate those facilities. In particular, failure of the Group to implement its expansion plans in a timely manner could adversely affect its ability to maintain, expand and diversify its customer base and to maintain the quality of its production. There can be no assurance that such expansion plans will not adversely affect the Group's business existing operations, which could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

The Group may incur high costs in the Group's expansion into new businesses.

As the Group continually expands the supply of new products and services, we expect to incur higher costs, including research and development costs, as we scale the "learning curve" in these new products and services. These new products and services may require expertise that we are still building up, and higher costs may be incurred due to efforts to gather the required expertise and capabilities. These higher costs may result in lower profit margins for the Group, which in turn may adversely affect the Group business, financial condition, results of operations and prospects. In addition, there is no guarantee that we will be successful in expanding into these new businesses.

As the Group is entering into new business and continues to expand our operation, such huge CAPEX may adversely affect our operation performance.

The Group is vulnerable to any force majeure events or natural disasters and other disruptive events that could severely disrupt the normal operation of business and adversely affect earnings.

Many places in the world have in the past experienced and/or are currently experiencing outbreaks or pandemic of contagious diseases, such as severe acute respiratory syndrome, avian flu or COVID-19, which may potentially result in travel restrictions, quarantine of infected employees and related persons and/or other measures, and if uncontrolled, may materially affect the Group's operations at one or more of the Group's facilities. The Group cannot predict the impact of any future outbreak or pandemic could have on the Group's business and results of operations.

The ongoing COVID-19 pandemic has resulted in restrictions on travel and public transport and prolonged closures of workplaces. For example, in February 2020 and May 2021, the Group had shut certain major factories in China and Vietnam due to the outbreak of COVID-19. In May 2021, the Group implemented certain employee contact control policies, including working in shifts, in different areas and from home and other social distancing policies in response to the surge of COVID-19 cases in the ROC. The severity, magnitude and duration of the COVID-19 pandemic, the public health responses and its economic consequences, as well as the availability of effective treatments and vaccines and impact of variants of the virus, remain uncertain, rapidly changing and difficult to predict. The pandemic's impact on the Group's operations and financial performance, as well as its impact on the Group's ability to successfully execute the Group's strategies and initiatives, also remains uncertain and difficult to predict.

In particular, the COVID-19 pandemic and related public health responses has adversely affected the Group's business and results of operations in several ways, including but not limited to interruption of the operations of global supply chains and those of the Group's suppliers, creating downward pressure on demand from the Group's customers and production delays in the Group's products due to mandatory closures of the Group's production facilities. In addition, the Group's production operations require adequate supplies of key components and raw materials, such as chips and copper, on a timely basis and at commercially reasonable prices. The COVID-19 pandemic affecting the countries or regions of origin or processing of such key components and raw materials may significantly disrupt the availability of such key components and raw materials or increase their prices. The Group's revenue and earnings could decline if the Group is unable to obtain adequate supplies of the necessary key components and raw materials in a timely manner or if there are significant increases in the costs of key components and raw materials.

Continuation or escalation of the COVID-19 pandemic may have a material adverse effect on the global economy and on the Group's operations and business. For example, the number of reported COVID-19 cases in India had increased significantly from the end of March 2021 to July 2021 while ROC saw a spike in reported COVID-19 cases from May to July 2021. The number of reported COVID-19 cases in Malaysia, Mexico, and Vietnam continued to grow since April 2021. If the COVID-19 cases in India, Malaysia, Mexico, the ROC, Vietnam and other countries or regions where the Group operates in continue to grow, the manufacturing capacity of the Group's factories in these areas could be materially and adversely affected. In addition, the Group has worked closely with the public health authorities and the local governments of the countries or regions where we operate and taken certain preventive measures, including disinfection routines, self-quarantine, mandatory hygienic practices, safe distancing in the workplace and establishing an epidemic management team to protect the health and safety of the Group's employees and to closely monitor and respond to the pandemic. As the pandemic is still ongoing and may worsen, there is significant uncertainty surrounding its developments and impact, including whether the current epidemic or continued spread of COVID-19 will cause an economic slowdown or a global recession. Further, the COVID-19 pandemic has caused the Group to modify its business practices, including but not limited to health management of employees, customers and suppliers, management of production inventory, and supply chain risk management. There can be no assurance that such preventive measures will be sufficient to mitigate the risks posed by COVID-19 or other epidemics in the future, and the Group's ability to perform critical functions could be adversely affected, which could in turn materially and adversely affect the Group's business, financial condition and results of operations. In addition, if any of the Group's employees are affected by a severe communicable disease, it could adversely affect or disrupt production levels and operations at the relevant production facilities (including the closure of the Group's production facilities to prevent the spread of the disease) and materially and adversely affect the Group's business, financial condition and results of operations. The spread of any severe communicable disease in the PRC or elsewhere may also affect the operations of the Group's customers and suppliers, which could materially and adversely affect us.

Any force majeure events, including the outbreak, or threatened outbreak, of any severe communicable disease (such as severe acute respiratory syndrome or avian influenza) in the PRC could also materially and adversely affect the overall business sentiment and environment in the PRC, particularly if such outbreak is inadequately controlled. This, in turn, could materially and adversely affect domestic consumption, labour supply and, possibly, the overall gross domestic product ("GDP") growth of the PRC. A portion of the Group's revenue is currently derived from the Group's PRC operations, and any labour shortages on a contraction or slowdown in the growth of domestic consumption in the PRC could materially and adversely affect the Group's business, financial condition and results of operations.

Additionally, certain areas in the ROC and the PRC are susceptible to droughts, earthquakes, typhoons and floods. Some earthquakes and floods in recent years caused damage to production facilities and adversely affected the operations of many companies. Although we did not experience significant structural damage to the facilities, there can be no assurance that future earthquakes and floods will not occur and result in major damage to the facilities, which could have a material adverse effect on the Group's business and results of operations. The Group's major production facilities, as well as many of the Group's suppliers and customers, are located in the ROC and the PRC. If the customers are affected by any droughts, earthquakes, typhoons, floods or other natural disasters, demand for the Group's products could decline. If the suppliers are affected, the Group's production schedule could be interrupted or delayed. For example, since early 2021, the ROC has experienced drought that has adversely impacted and may continuously adversely impact, directly or indirectly, the Group's production capability and the supply of key components and/or raw materials in the ROC (and potentially elsewhere) because the Group's and its suppliers' manufacturing process requires water. Moreover, in July 2021, certain regions of the PRC (including those where the Group currently operates, such as Zhengzhou) were impacted by major flooding caused by heavy rainfall. Such natural disasters may result in a severe disruption of the Group's operations and we may not be able to reallocate resources or relocate its operations in a timely manner in response to the disruption of operations. As a result, a major drought, earthquake, typhoon, flood, natural disaster, climate change or other disruptive events in the ROC, the PRC or elsewhere could severely disrupt the normal operations of the Group's business and have a material adverse effect on the financial condition and results of operations. Similarly, acts of terrorism, wars, threats of war, social unrest and the corresponding heightened travel security measures instituted in response to such events, as well as geopolitical uncertainty and international conflict and tension, could affect economic development and the stability of the global economy, which in turn, could have a material adverse effect on the business, financial condition and results of operations of the Group. In addition, the Group may not be adequately prepared in terms of contingency planning or have recovery capabilities in place to deal with a major incident or crisis. As a result, operational continuity of the Group may be materially and adversely affected, and the Group's reputation may be negatively impacted.

The Group's production facilities are subject to risks of power and water shortages.

The Group's production facilities consume substantial amounts of power and water in manufacturing processes. Any power or water shortage, brownout or blackout for a significant period of time may disrupt the Group's manufacturing, and as a result, could have a material adverse impact on the Group's business, financial condition and results of operations. For example, many cities and provinces in the PRC have historically suffered serious power shortages. Many of the regional grids do not have sufficient power generating capacity to fully satisfy the increased demand for electricity which have been driven by continual economic growth and persistent hot weather. Local governments have required local factories to temporarily shut down their operations, reduce their daily operational hours or operate on different shifts in order to reduce local power consumption levels. Many factories have also experienced temporary power outages as a result of the persistent full load operations of the power grids. In addition, the Group's production facilities in the ROC, Vietnam, India and Brazil may also suffer power and water shortages. For example, in May 2021, the ROC government imposed power cuts following a spike in electricity demand amid a heatwave, a drought and failure at a power plant. While the Group's operations in ROC, Vietnam, India and Brazil generally have not been affected by such administrative measures, since September 2021, some of the Group's production sites in the PRC have been marginally affected due to local electricity shortage constraints. Parts of China have suffered an electricity supply shortages, resulting in local government imposing power cuts and rationing of electricity in a bid to conserve electricity. While the Group's major client's products assembly lines are not located in the list of cities hit with the restrictions in the PRC, the electricity crunch has resulted in reduced production in the Group's component factories and production plants in Kunshan and Suzhou due to the need to comply with the local

government's power restrictions. The Group is closely monitoring controlling measures and the potential impact on the supply chain. There is no assurance that the Group's operations in ROC, Vietnam, India and Brazil will not be affected by water and power shortages or such administrative measures in the future or the power crunch in the PRC will not continue to worsen, thereby causing material production disruption and delay in delivery schedules. If such event occurs, the Group's business, results of operations, financial condition and future prospects could be materially and adversely affected.

If the Group fails to comply with environmental regulations, we may be subject to adverse publicity and potentially monetary damages and fines.

Some of the Group's manufacturing processes employ or create various hazardous substances, including waste water. The Group is subject to a variety of regulations in the relevant jurisdictions relating to the use, storage, discharge and disposal of chemicals and waste used in the Group's manufacturing processes. It cannot be assured that the Group will at all times fully comply with these environmental regulations. Any failure to comply with present and future regulations or obtain the necessary certificates and permits could subject the Group to future fines and liabilities or other government sanctions. In addition, if more stringent regulations are adopted in the future, the costs of compliance with these new regulations could be substantial. Any failure to control the use of or to restrict adequately the discharge of hazardous substances could subject the Group to monetary fines and liabilities or other government sanctions. If the Group is held liable for damages in the event of contamination or injury, it could have a material and adverse effect on the Group's business, financial condition and results of operations.

In accordance with the environmental regulations, the Group is required to obtain relevant licenses and permits. The Group's ability to obtain, maintain, or renew such licenses and permits on acceptable terms is subject to change, as, among other things, the regulations and policies of applicable governmental authorities may change. It cannot be assured that the Group will be successful and timely in obtaining the required approvals, licenses and permits. Failure to do so may subject the Group to monetary fines and liabilities or government sanctions.

The Group has adopted various environmental, social, governance ("ESG") measures in response to the increase in ESG rules and regulations applicable to the Group, and we expect this trend to continue. Given the pace of evolution of rules and regulations in these areas, the Group may not be able to timely comply with such rules and regulations fully or at all. The Group is also exposed to the risk that future ESG rules and regulations may adversely affect the Group's ability to run the Group's, face increased compliance costs or take other steps which may have a material adverse effect on the Group's business, financial condition and results of operations.

In order to comply with nationally determined contributions or other carbon emission policies of local governments where the Group located, the Group's orders and cost may be affected.

The Group generally does not obtain long-term volume purchase commitments from customers, and therefore, cancelations, reductions in production quantities and delays in production by customers could adversely affect the Group's operating results.

The Group generally does not obtain firm, long-term purchase commitments from customers. See "Description of the Company – Sales and Marketing". Some of the Group's customers have in the past experienced and may in the future experience significant decreases in demand for their products and services. The uncertain economic conditions in several of the markets in which the Group's customers operate have prompted and may prompt some of the customers to cancel orders, delay the delivery of some of the products that the Group manufactures or place purchase orders for fewer products than the Group previously anticipated.

Cancellations, reductions or delay of orders by customers may:

- adversely affect the Group's operating results by reducing the volumes of products that the Group manufactures for its customers;
- delay or eliminate recoupment of the Group's expenditures for inventory purchased in preparation for customer orders; and
- lower the Group's asset utilization, which would affect the Group's results of operations.

The Group is subject to risks arising from international operations.

The Group conducts its international operations in Asia, Europe and Americas, and the Group continues to consider additional opportunities to make foreign acquisitions and construct new foreign facilities. The Group's international operations may be affected by economic and political conditions in foreign countries, including the imposition of government controls, political and economic instability, trade restrictions, changes in tariffs, laws and policies affecting trade and investment, the lack of development of local infrastructure, labour unrest and difficulties in staffing, coordinating communications among and managing international operations, fluctuations in currency exchange rates, earnings expatriation restrictions, difficulties in obtaining export licenses, and misappropriation of intellectual property.

For example, the PRC is in the process of drafting its own export control laws. The Export Control Law of the PRC, has been adopted at the 22nd Session of the Standing Committee of the Thirteenth National People's Congress of the People's Republic of China on 17 October 2020, and has come into force on 1 December 2020. While the scope of such export control laws and regulations is still currently in discussion, the Group may have to reorganize the Group's operations to comply with such laws and regulations nor is there any guarantee that we may be able to respond to such laws and regulations in a timely fashion. Additionally, to respond to customer requirements, the Group may further expand internationally. If the Group pursues expansion in these locations, the Group may incur additional capital expenditures and experience higher labour costs in these locations. The Group cannot assure investors that we will realize the anticipated strategic benefits of the Group's international operations or that the Group's international operations will contribute positively to, and not adversely affect, the Group's business and operating results.

The Group's profitability and results of operations could be materially and adversely affected by increases in labour costs and changes in labour laws and regulations in the PRC.

A large majority of the Group's workforce is employed in the PRC. The average wages paid for manufacturing labour in the PRC have increased recently and may continue to increase as a result of the enactment of new labour laws and social development. The enactment of labour laws and regulations may further impose liabilities on employers and stipulate stricter requirements in terms of signing labour contracts, paying remuneration and dissolving labour contracts. In addition, there has been a growing shortage of workers in the PRC who are willing to work in factories. These may put upward pressure on wages, increase the Group's operating costs and expenses and lower the cost competitiveness of our operations in the PRC.

If the Group is unable to offset the increase in labour costs, or pass along these increased labour costs to the Group's customers, the Group's profitability and results of operations could be materially and adversely affected.

The Group's success depends on its ability to retain and attract its key and qualified personnel.

The Group is highly dependent on principal members of the Group's management staff. The loss of the services of some of these key management staff could have a material adverse effect on the Group's, results of operations and future prospects. For instance, on 21 June 2019, the Company's founder, Mr. Gou Tai-Ming retired as Chairman of the Board of Directors and General Manager of the Company with effect from 21 June 2019. We do not maintain insurance with respect to the loss of any of the Group's key personnel.

The Group's success also depends to a significant extent upon, among other factors, the continued service of the Group's skilled technical, managerial and sales personnel and on the Group's ability to continue to attract, retain and motivate such personnel. The loss of the services of any of these key personnel without adequate replacement or the inability to attract new qualified personnel could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

Raw materials and components shortages may adversely affect the Group.

The Group purchases certain of its key components and raw materials from certain suppliers which the Group believes currently satisfy the Group's quality standards and can meet the Group's volume requirements. However, the capacity of certain of these suppliers may not be equipped to cope with increases in orders by the Group. COVID-19 pandemic occurring within the country or region of these suppliers may significantly disrupt the availability of such key components and raw materials or increase their prices. The Group's revenue and earnings could decline if the Group is unable to obtain adequate supplies of the key components and raw materials in a timely manner or if there are significant increases in the costs of key components and raw materials.

The Group is also required, in certain circumstances, to source certain key components from suppliers who have been qualified by its customers, and the Group may not be able to obtain satisfactory alternative sources of supply should such qualified suppliers be unable to supply the Group's requirements in the future. There can be no assurance that shortages of supply will not occur in the future and that, if such shortages occur, the Group will be able to obtain an adequate alternative supply of components and raw materials to meet production demand.

Principal shareholder's interests may differ from those of other shareholders.

As of 30 September 2021, Mr. Gou Tai-Ming directly or indirectly owned or controlled in aggregate 9.68 per cent. of the Company's outstanding shares. Whilst Mr. Gou Tai-Ming has retired as Chairman of the Board of Directors and General Manager of the Company with effect from 22 June 2019, as a principal shareholder and member of the Board of Directors, he has significant influence on certain of the Group's decisions and transactions. The Group cannot assure that Mr. Gou Tai-Ming, in his capacity as a principal shareholder and member of the Board of Directors, will not cause the Group to enter into transactions or take, or fail to take, other actions or make decisions that conflict with the interests of the holders of the Notes.

The Group may be subject to increased taxes.

As the Group's overseas operations continue to expand, we may become subject to further taxation as a result of the Group's overseas business in the future. Taxation by these and other overseas tax authorities could increase the Group's effective tax rate, and there can be no assurance that such taxation would not adversely affect the cash flow and results of the Group's operations in the future. In addition, the tax rates

applicable to the Group could be rescinded or changed. In order to tackle tax avoidance, improve the coherence of international tax rules and ensure a more transparent tax environment, a lot of countries and jurisdictions have been working with OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (“BEPS”). In June 2021, the finance ministers of the G7 nations gave further support to the OECD’s “Programme of Work” by announcing an agreement on the principles of the two pillar solution to tackle the challenges of taxing a digitalized economy. Pillar One focused on the allocation of group profits among taxing jurisdictions based on a market-based concept, rather than the historical “permanent establishment” concept. Pillar Two, among other things, introduced a global minimum tax rate of at least 15% (determined on a country by country basis). Following the G7 announcement, the OECD/G20 Inclusive Framework announced on 1 July 2021 broad agreement on the two pillars. However, the ultimate impact of the proposals remains subject to agreement on certain design elements of the two pillars which the OECD/G20 Inclusive Framework aims to complete by October 2021. The OECD/G20 Inclusive Framework will work towards an agreement and the release of an implementation plan, which will contemplate bringing Pillar Two into law in 2022 with an effective date in 2023. In addition, the Cayman Islands introduced an Economic Substance Law effective from 1 January 2019 that requires an increased level of substance to be maintained in the Cayman Islands for all companies that fall within the new regime. Similar new laws have been introduced in The Bahamas, the British Virgin Islands and other similar offshore jurisdictions. As the Group is a multinational corporation with many offshore entities incorporated in these jurisdictions, BEPS and the proposals would have a significant impact on the Group’s global tax strategies and we may need to restructure the business to be in compliance with these new laws, which in turn may result in an increase in the Group’s tax expenses. The Group may also be required to reorganise the Group’s operations should there be a change in tax policies in view of the increase in the Group’s tax expenses and operating cost. There is no assurance that the Group may be able to respond in a timely manner which could then have a material adverse impact on the Group’s business, financial condition and results of operation, nor is there any assurance that such reorganization may succeed.

The Group may be involved in intellectual property disputes, especially in the new industries that we recently entered into.

From time to time, the Group receives communications from third parties asserting patent rights to the Group’s products and we enter into discussions with such third parties as to their respective positions and the terms of any possible licenses in respect of such patent rights. For example, in March 2019, Microsoft Corporation and Microsoft Licensing, GP commenced proceedings in California against the Company over a dispute regarding royalty payments under a patent licensing agreement. While this dispute had reached a settlement in September 2020, the Group may still from time to time encounter future litigation initiated by the Group’s customers or third parties based on claims that the Group’s technologies, processes or products infringe the intellectual property rights of others or that the Group has misappropriated the trade secrets of others, especially in the new industries that we recently entered into. The Group may also initiate lawsuits to defend the ownership of the Group’s inventions and the Group’s trade secrets. It is difficult, if not impossible, to predict how such disputes would be resolved. Litigation relating to intellectual property rights is costly and diverts technical and management personnel from their normal responsibilities. Furthermore, the Group may not be able to prevail in any such litigation or proceeding. A determination in an intellectual property litigation or proceeding that results in a finding of non-infringement by others to the Group’s intellectual property or an invalidation of the Group’s patents may result in the use by competitors of the Group’s technologies or processes and sale by competitors of products that resemble the Group’s products.

Although the Group actively seeks to protect the intellectual property rights for the Group's products and its internal know-how, there can be no assurance that claims will not be brought by the Group's customers or third parties against us, the Group's customers or suppliers from time to time. If a claim is asserted, the Group cannot assure that any resolution of the claim would permit us to continue to use the technologies or processes or produce the product in question on commercially reasonable terms. Any adverse outcome from such litigation, or the time and cost of the proceedings themselves, could materially and adversely affect the Group's business, financial condition, results of operation and future prospects. In addition, there is a risk that some of the Group's confidential information could be compromised by disclosure during intellectual property litigation. Furthermore, there could be public announcements throughout the course of intellectual property litigation or proceedings as to the results of hearings, motions or other interim proceedings or developments in the litigation, any of which could materially harm the Group's reputation. See "*Description of the Company – Intellectual Property*" and "*– Litigation*".

The Group's trade secrets, patents and other non-patented intellectual property are valuable assets, and if we are unable to protect them from infringement, the Group's prospects may be harmed.

The Group's success will depend in part on the Group's ability to obtain and maintain trade secret and patent protection for the Group's technologies, know-how, processes and products as well as to successfully enforce the Group's intellectual properties and to defend the Group's intellectual properties against third-party challenges. The Group will only be able to protect the Group's technologies, processes and products from unauthorized use by third parties to the extent that valid and enforceable intellectual property protections cover them. In the event that the Group's issued patents and applications do not adequately describe, enable or otherwise provide coverage for the Group's technologies, processes or products, the Group would not be able to exclude others from developing or commercializing these technologies, processes and products. Furthermore, the degree of future protection of the Group's proprietary rights is uncertain because legal means may only provide limited protection and may not adequately protect the Group rights or permit the Group to gain or keep the Group's competitive advantage.

As some of the Group's technologies and production methods or processes involve unpatented, proprietary technology, processes, know-how or data, the Group also relies on trade secret protection and agreements to safeguard the Group's interests. However, trade secrets are difficult to protect. While the Group uses reasonable efforts to protect its trade secrets, including requiring its employees, contractors or scientific and other advisors to enter into confidentiality agreements with us, such persons may unintentionally or wilfully disclose the Group's information to competitors. In addition, confidentiality agreements may not be enforceable or provide an adequate remedy in the event of unauthorized use or disclosure. It may be difficult to prove or enforce a claim that a third party had illegally obtained and used the Group's trade secrets. The Group's enforcement efforts would be expensive and time consuming and the outcome would be unpredictable. In addition, the Group's competitors may independently develop technologies that are equivalent to the Group's trade secrets, in which case, we would not be entitled to enforce the Group's trade secrets and the Group's business could be harmed.

The Group may experience losses on inventories.

The Group has purchased property damage and transportation insurance coverage from independent third party insurers to cover its inventories, including finished goods delivered to, and stored in, the Group's hubs as part of its global logistics delivery network. The Group's insurance policies have a maximum coverage limit. Although the Group can raise the maximum coverage limit of its insurance policies by providing notice to its insurers, any delay in notification to the insurers of an increase in its inventory level or a new inventory storage location could result in the Group being under-insured.

In addition, price fluctuations in the Group's raw materials, components and finalised goods could also result in a decline in the net realisable value of the Group's inventory, which may require inventory write-downs. If there is a shortage of raw materials or components, the prices of such raw materials or components may increase, which could have an adverse effect on the Group's profit margin to the extent it is not able to pass along these higher costs to its customers.

The Group is subject to operational risks.

The operation of manufacturing facilities involves many risks and hazards, including the breakdown, failure or substandard performance of equipment, delays in delivery of equipment or improper installation or operation of equipment, difficulties in upgrading or expanding existing facilities in changing manufacturing line technologies, capacity constraints, labour disturbances, fire, natural disasters such as earthquakes or typhoons, floods, environmental hazards and industrial accidents. The Group generally does not maintain any business interruption insurance. The occurrence of any such or other problems could materially and adversely affect the Group's manufacturing plants and cause delivery delays and reduced output, which would have a material and adverse effect on the Group's business, financial condition and results of operations.

If the Group's cybersecurity is breached, we may incur significant legal and financial exposure, damage to our reputation and a loss of confidence of the Group's customers.

The Group's business involves the storage and transmission of confidential information relating to us as well as the Group's customer and suppliers, and any breach in the Group's cybersecurity system could expose us to a risk of loss, the improper use or disclosure of such information, ensuing potential liability or litigation, any of which could harm the Group's reputation and adversely affect the Group's business. Although there has been no material instance where an unauthorized party was able to obtain access to the Group's data or the Group's customers' data and despite the Group's efforts in advocating and announcing certain cybersecurity policies to the Group's employees and utilizing anti-virus and firewall systems which are regularly updated, there can be no assurance that the Group will not be vulnerable to cyber-attacks in the future. If an actual or perceived breach of the Group's cybersecurity occurs or if there is an adverse perception of the Group's cybersecurity measures in the market, we may incur significant legal and financial exposure, including legal claims and regulatory fines and penalties, damage to the Group's reputation and a loss of confidence in the Group's customers, which could have an adverse effect on the Group's business, financial condition and results of operations.

The Group needs to observe certain financial and other covenants under the terms of its debt obligations, of which the failure to comply would put the Group in default under such debt obligations.

The Group is a party to a number of loans and other agreements relating to the incurrence of debt, many of which include financial covenants and broad default provisions. The financial covenants primarily include current ratios, leverage ratios, interest coverage ratios and other technical requirements, which, in general, govern the Group's existing long-term debt and debt that we may incur in the future. Such financial covenants could limit the Group's ability to plan for or react to market conditions or to meet the Group's capital needs in a timely manner and we may have to curtail some of the Group's operations and growth plans to maintain compliance with such financial covenants. In addition, any global or regional economic deterioration may cause the Group to incur significant net losses or force the Group to assume considerable liabilities, which would adversely impact the Group's ability to comply with the financial covenants of the Group's outstanding loans. If the relevant creditors decline to grant waivers for any non-compliance with the covenants, such non-compliance will constitute an event of default under the relevant loan agreements which may trigger a requirement for acceleration of the amounts due under the

applicable loan agreements. Some of the Group's loan agreements also contain cross-default clauses, which could enable creditors under the Group's other debt instruments to declare an event of default when there is a default in other loan agreements. There is no assurance that the Group will be able to remain in compliance with the Group's financial covenants. In the event that an event of default has occurred, the Group may not be able to cure the default or obtain a waiver on a timely basis. An event of default under any agreement governing the Group's existing or future debts, if not cured by the Group or waived by the Group's creditors, could have a material adverse effect on the Group's liquidity, financial condition and results of operations and the Group's financial condition may be adversely affected to the extent we are not able to cure such breaches or repay the relevant debt.

Foreign exchange fluctuations may adversely affect the Group's results of operations and financial conditions.

The Group is known to be a professional manufacturer for Amazon, Apple, Dell, HP, Sony and other major companies. In terms of operating activities, the majority of the Group's accounts receivables are denominated in U.S. Dollar, while the minority of them are denominated in NT Dollar, Euro, Japanese Yen and RMB. Most of the Group's accounts payables (including raw materials, labour cost, and expense) are U.S. Dollar denominated whilst a small portion of them are denominated in RMB, NT Dollar, Japanese Yen and Euro. Therefore, while most of the Group's foreign exchange risk between U.S. Dollar and NT Dollar can be reduced, we are nonetheless exposed to foreign exchange risks in exchange rate fluctuations between U.S. Dollar and RMB, U.S. Dollar and NT Dollar, U.S. Dollar and Japanese Yen and U.S. Dollar and Euro, which would affect the Group's operating revenue as well as the Group's non-operating income. The depreciation of U.S. Dollar would moreover result in the loss of the Group's operating margins.

In terms of investment activities, we have substantial investments in the PRC, and the devaluation of RMB and/or NT Dollar may result in the loss of the Group's foreign exchange evaluation on those investments.

The impact of future exchange rate fluctuations among these currencies on the Group's results of operations and financial condition cannot be accurately predicted, and there can be no assurance that the Group's attempt to mitigate the adverse effects of exchange rate fluctuations will be successful or that such exchange rate fluctuations will not in the future have a material adverse effect on the Group's financial performance.

The Group's insurance coverage may not adequately protect us against certain operating and other hazards which may have an adverse effect on the Group's business.

The Group believes that the coverage from insurance policies for production facilities is in line with industry norms, adequate for present operations and includes adequate coverage for risks relating to fires and public liability. However, there can be no assurance that any claim under the insurance policies maintained will be timely honoured in full or at all. To the extent that the Group suffers loss or damage that is not covered by insurance or exceeds insurance coverage, the Group's business, results of operations and financial condition may be materially and adversely affected. There can also be no assurance that insurance will continue to be available to provide reasonable, or any, coverage on reasonable commercial terms.

The Group may be sued for product liability or experience problems with product quality or performance which could result in adverse publicity or subject the Group to unexpected expenses, including potentially significant monetary damages.

The Group typically provides a warranty to its customers for its products, and parts of the Group's products are typically produced and sold to customers to meet their specifications. If the Group's products fail to meet the specifications, the Group will usually replace the Group's products. However, the Group is still subject to claims from the Group's customers that end products sold by the Group's customers had failed to perform or caused injury, death or damage due to problems with the Group's products. While the Group had immaterial replacements for its products and has purchased product liability insurance coverage, the possibility of future product failures could cause the Group to incur substantial expense to replace defective products, provide refunds or resolve disputes with the Group's customers through litigation, arbitration or other means.

If any product liability claims are successfully asserted against the Group, the Group could be required to pay significant monetary damages. Even if a product liability claim does not result in a judgment in favour of a claimant, the Group may still incur substantial legal expenses defending against such a claim. In addition, product failures and the assertion of product liability claims against the Group, even if unsuccessful, could also result in adverse publicity that may damage the Group's reputation and customer relationships, which would have a material adverse effect on the Group's business.

Negative publicity may have a material adverse effect on the Group's business.

From time to time, there may be allegations and speculation, whether accurate or not, in the international media about us and the Group's business practices, including allegations that we have not been in compliance with the relevant labour laws and regulations. For example, in 2021, there was unfounded speculation that the Group's Zhengzhou facility used Uyghur forced labour from Xinjiang, which the Group has publicly refuted. The Group has been implementing and will continue to implement various measures to ensure compliance with the relevant labour standards and to improve employee morale, welfare and working environment. See "*Description of the Company – Employees*". However, it cannot be assured these measures and statements are effective to address the issues mentioned in the allegations and speculation or to prevent future allegations and speculation from being made against the Group. Allegations and speculation of such nature have led to negative publicity in the news, which could have a negative adverse effect on demand for the end products sold by brands that use the Group's manufacturing services, and the Group's customers may be forced to decrease the amount of orders given to the Group and may in turn have a material adverse effect on the Group's business. In addition, such negative publicity may inhibit the Group's ability to secure new orders from customers, which would have a material adverse effect on the Group's results of operations and business prospects.

Additionally, in early 2021, due to market changes, restrictions on local supply chains, difficulties in recruiting sufficient manpower and other commercial reasons, we amended the Group's 2017 tax credit incentive agreement with the State of Wisconsin in the United States relating to the development of an industrial park located in Mount Pleasant, Wisconsin. In response to the amended agreement, there has been some negative media coverage regarding us and the Group's scaled down investment in Wisconsin. The Group has taken alternative measures to continue the Group's investment in Wisconsin and made public clarification statements, however, such negative media coverage could have a material adverse effect on the Group's reputation and business development in the United States (and elsewhere), as well as adverse effects on the Group's results of operations and business prospects.

RISKS RELATING TO THE ROC

Strained relations between the ROC and the PRC governments, and political developments in the ROC, could adversely affect the Group's business.

Certain of the Company's assets are located in the ROC and the Company's shares are listed on the Taiwan Stock Exchange ("TWSE"). Accordingly, the Company's financial condition and results of operations may be affected by changes in the ROC governmental policies, taxation, inflation, interest rates, social instability and other political, economic, diplomatic or social developments in or affecting the ROC which are outside the Group's control. The ROC has a unique international political status. Both the governments of the PRC and the ROC assert sovereignty over the Taiwan. The PRC government does not recognize the legitimacy of the government of the ROC. Although significant economic and cultural relations have been established in the past decade between the ROC and the PRC, the PRC has refused to renounce the possibility that it may use force to gain control over Taiwan if the ROC declared independence or if a foreign power interfered in Taiwan's domestic affairs. In addition, on 14 March 2005, the National People's Congress of the PRC passed what is widely referred to as the "anti-secession" law, a law authorizing the PRC military to respond to efforts by Taiwan to seek formal independence. Relations between the ROC and the PRC have at times been strained. There is no assurance that relations between the ROC and the PRC will not deteriorate, or that future military actions or economic sanctions or other disruptive activities will not be undertaken by either government.

In addition, the financial markets have viewed certain past developments in relations between the ROC and the PRC as occasions to depress general market prices of the securities of ROC companies. Also, the ROC government has not lifted some trade and investment restrictions imposed on ROC companies on the amount and types of certain investments that can be made in the PRC. The Group's plans, investment applications and/or any relevant regulatory approvals to establish or possibly expand operations in the PRC may be delayed, interrupted, suspended or cancelled due to unforeseeable social and political factors in the ROC or the PRC. Relations between the ROC and the PRC and other factors affecting military, political or economic conditions in the ROC could materially and adversely affect the Group's financial condition and results of operations, as well as the market price and the liquidity of the Group's securities.

Financial reporting requirements and accounting standards in the ROC differ from those of other countries.

The Group is subject to financial reporting requirements in the ROC that differ in significant respects from those applicable to companies in certain other countries, including for example the countries in Europe. The Group has adopted Taiwan IFRS for presenting the Group's consolidated financial statements as of and for the years ended 31 December 2019 and 2020 included in this Offering Circular. Taiwan IFRS differs from IFRS in certain significant respects, including to the extent that any new or amended standards or interpretations applicable under IFRS may not be timely endorsed by the FSC. Potential investors should consult their own professional advisers for an understanding of such differences and how they might affect the financial information contained herein.

Potential investors should not place undue reliance on the financial information that is not audited.

The Company publishes annual, semi-annual and/or quarterly consolidated financial information in the ROC to satisfy its continuing disclosure obligations relating to its shares listed on TWSE according to applicable ROC regulations and rules of the TWSE. The consolidated interim financial statements of the Company as of and for the six months ended 30 June 2020 and 2021 have not been and will not be audited by the Company's independent auditors. This Offering Circular also incorporates the unaudited

consolidated interim accounts of the Company published from time to time after the date of this Offering Circular. A copy of the interim accounts can be found on the website of the TWSE. Such financial information may not be audited by the Company's independent auditors and should not be relied upon by investors to provide the same quality of information associated with information that has been subject to an audit. Such unaudited consolidated financial information are not necessarily indicative of the results that may be expected for the full financial year or any period thereafter. Consequently, potential investors should not take such financial information as an indication of the Group's expected financial condition or results of operations for the relevant full financial year. Potential investors should exercise caution when using such data to evaluate the Company's or the Group's financial condition and results of operations. The consolidated interim financial statements of the Group as of and for the six months ended 30 June 2020 and 2021 should not be taken as an indication of the expected financial condition or results of operations of the Company or the Group for the full financial year ending 31 December 2021 and the unaudited interim accounts should not be taken as an indication of the expected financial condition or results of operations of the Company or the Group for the relevant full financial year.

RISKS RELATING TO THE PRC

The Group's results of operations and prospects are subject, to a significant extent, to legal, political and economic developments in the PRC.

A significant amount of the Group's products are manufactured in the PRC; consequently, the Group's results of operations and prospects are subject to legal, political and economic developments in the PRC. For instance, legislation has significantly enhanced the protections afforded to various forms of foreign investment in the PRC. The legal system in the PRC is continuing to evolve. Even where adequate laws exist in the PRC, the enforcement of existing laws or contracts based on existing laws may be uncertain and sporadic, and it may be difficult to obtain swift and equitable enforcement or to obtain enforcement of a judgment by a court of another jurisdiction. In addition, the PRC legal system is based on written statutes and their interpretation, where prior court decisions may be cited as reference but have limited weight as precedents. Furthermore, a large number of these written statutes and other regulations promulgated may be relatively new with a limited volume of published decisions and a lack of established practice available for reference. Accordingly, there exist uncertainties about their interpretation, implementation and enforcement, and such uncertainties may have a negative impact on the Group's business. The administration of PRC laws and regulations may also be subject to a certain degree of discretion by the executive authorities. This has resulted in the outcome of dispute resolutions not being as consistent or predictable compared to more developed jurisdictions. Also, the PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures benefit the overall economy of the PRC, but may have a negative effect on us. For example, the Group's operating results and financial condition may be adversely affected by government control over capital investments or changes in tax regulations applicable to the Group.

The Group's facilities located in the PRC are subject to political, economic and social conditions, laws, regulations and policies of the PRC. The economy of the PRC differs from the economies of most developed countries in a number of respects, including:

- its structure;
- level of government involvement;
- level of development;
- level of capital reinvestment;

- control of capital reinvestment;
- control of foreign exchange; and
- allocation of resources.

Under the PRC Enterprise Income Tax Law (《中华人民共和国企业所得税法》) (the “EIT Law”), the Company (or any other subsidiaries of the Company) may be treated as a PRC resident enterprise for PRC tax purposes, which will subject it to PRC enterprise income tax (“EIT”) on its worldwide income and PRC withholding taxes on interest it pays on the Notes.

The Company’s PRC subsidiaries are subject to EIT on the taxable income as reported in the PRC statutory accounts adjusted in accordance with relevant PRC income tax laws and are subject to an income tax rate of 25 per cent. Under the EIT Law, which became effective on 1 January 2008, and was amended on 29 December 2018, enterprises organized under the laws of jurisdictions outside the PRC with their “de facto management bodies” located within the PRC are deemed to be “resident enterprises for PRC tax purposes”, meaning that they are treated in a manner similar to PRC enterprises for EIT purposes, and therefore subject to EIT at the rate of 25 per cent. on their worldwide income, although dividends paid from one resident to another may qualify as “tax-exempt income”. The implementing regulations of the EIT Law (《中华人民共和国企业所得税法实施条例》) which became effective on 1 January 2008 and was amended on 23 April 2019, defines the term “de facto management body” as a management body that exercises substantial and overall control and management over the production and operations, personnel, accounting, properties and other aspects of an enterprise. The PRC State Administration of Taxation (国家税务总局) issued the Announcement on Printing and Distributing the Administrative Measures for Income Tax on Chinese-controlled Resident Enterprises Incorporated Overseas (Trial Implementation) (关于印发《境外注册中资控股居民企业所得税管理办法(试行)》的公告 (Announcement of the State Administration of Taxation [2011]No. 45)), which became effective on 1 September 2011, and which provides that a foreign enterprise controlled by a PRC company or a PRC company group shall be deemed a “resident enterprise” by the final decision of the PRC State Administration of Taxation through the application of the foreign enterprise or the investigation and discovery of the relevant tax authorities.

As of the date of this Offering Circular, the Company has not been considered a PRC tax resident enterprise by the PRC tax authorities. There is however no assurance that the Company or other overseas entities in the Group will not be treated as “resident enterprises” under the EIT Law, any aforesaid circulars or any amended regulations in the future. If the Company is treated as a PRC resident enterprise for EIT purposes, among other things, it would be subject to EIT at the rate of 25 per cent. on its worldwide income. Furthermore, if the Relevant Issuer were treated as a PRC resident enterprise, payments of interest by the Relevant Issuer may be regarded as derived from sources within the PRC and therefore the Relevant Issuer may be obligated to withhold PRC income tax at 10 per cent. on payments of interest on the Notes to non-PRC resident enterprise investors, unless any such non-PRC investor’s jurisdiction of incorporation has a tax treaty with the PRC that provides for preferential withholding tax treatment. In the case of non-PRC resident individual investors, the tax may be withheld at a rate of 20 per cent., unless a lower treaty rate is applicable. In addition, if the Relevant Issuer were treated as a PRC resident enterprise, any gain realised on the transfer of the Notes by non-PRC resident investors may be regarded as derived from sources within the PRC and may be subject to a 10 per cent. PRC income tax in the case of non-PRC resident enterprises or 20 per cent. in the case of non-PRC resident individuals (or a lower applicable treaty rate, if any). According to an arrangement between Mainland China and Hong Kong for the avoidance of double taxation, Noteholders who are Hong Kong residents, including both enterprise holders and individual holders, may be exempted from PRC income tax on capital gains derived from a sale or exchange of the Notes. In addition, if the Relevant Issuer is deemed to be a PRC tax resident enterprise by the PRC tax authorities in the future, the Relevant Issuer may be required to withhold value-added tax (“VAT”) at a rate of 6 per cent. and certain surcharges on VAT for payments of interest and certain other amounts in respect of the Notes to any non-PRC Noteholders, if such non-PRC Noteholders are deemed to be providing financing service to the Relevant Issuer within the territory of the PRC.

If the Relevant Issuer or the Company is required to withhold PRC tax from interest payments on the Notes, the Relevant Issuer or the Company (as the case may be) may be required, subject to certain exceptions, to pay such additional amounts as will result in receipt by the holders of the Notes of such amounts as would have been received had no such withholding been required. The requirement to pay additional amounts will increase the cost of servicing interest payments on the Notes and could have an adverse effect on the Company's financial condition.

The Group is subject to risks associated with the PRC legal system.

Since 1979, many laws and regulations dealing with general economic matters or particular economic activities have been promulgated in the PRC. However, enforcement of existing laws and regulations may be uncertain and sporadic and implementation and interpretation thereof may be inconsistent. The PRC judiciary is relatively inexperienced in enforcing the laws and regulations that currently exist, leading to a degree of uncertainty as to the outcome of any litigation. Further, it may be difficult to obtain swift and equitable enforcement or to obtain enforcement of a judgment by a court of another jurisdiction. The PRC's legal system is based on written statutes and, therefore, decided legal cases do not have binding legal effect, although they are often followed by judges as guidance. The introduction of new PRC laws and regulations and the interpretation of existing laws and regulations may be subject to policy changes reflecting domestic political or social changes and thus may limit the legal protections available to us. As the PRC legal system develops, there can be no assurance that changes in such legislation or interpretation thereof will not have a materially adverse effect on the Group's business, financial condition, results of operations and future prospects.

The Group's operations may be affected by rising inflation rates within the PRC.

Inflation rates within the PRC have been in a steady range in recent years but there have been concerns that inflation rates may rise. Increasing inflationary rates are due to many factors beyond our control, such as rising food prices, rising production and labour costs, high lending levels, PRC and foreign governmental policy and regulations, and movements in exchange rates and interest rates. It is impossible to accurately predict future inflationary trends. As a result, further inflationary pressures within the PRC may have a material adverse effect on the Group's business and results of operations, as well as the Group's liquidity and profitability.

The PRC's regulation of loans and direct investment by offshore holding companies to PRC entities may delay or prevent the Company from making loans or additional capital contributions to the Company's PRC subsidiaries.

As an offshore holding company of its PRC subsidiaries, the Company may make loans to its PRC subsidiaries, or it may make additional capital contributions to its PRC subsidiaries. Any loans by the Company or its subsidiaries to the Group's PRC subsidiaries are subject to PRC regulations and foreign exchange loan registrations. For example, loans by the Company to its PRC subsidiaries, each of which is a foreign-invested enterprise, to finance their activities cannot exceed statutory limits.

The Group may also decide to finance its PRC subsidiaries through capital contributions. If the Company fails to receive any registrations or approvals whenever the cross-border lending or capital contribution may require, its ability to capitalize its PRC operations may be negatively affected, which could adversely and materially affect its liquidity and its ability to fund and expand its business.

If the Group is found to have failed to comply with applicable laws, we may incur additional expenditures or be subject to significant fines and penalties.

A substantial part of the Group's operations are subject to PRC laws and regulations. However, the scopes of many PRC laws and regulations are uncertain, and their implementation could differ significantly in different localities. In certain instances, local rules and their implementation are not necessarily consistent with the regulations at the national level. Although the Group strives to comply with all applicable PRC laws and regulations, it cannot be assured that the relevant PRC government authorities will determine that the Group has been in compliance with certain laws or regulations.

Certain PRC regulations governing PRC companies are less developed than those applicable to companies incorporated in more developed countries.

A number of the companies within the Group are established in the PRC and are subject to PRC regulations governing PRC companies. These regulations, and in particular, the provisions for protection of shareholders' rights, may, to a certain extent, be less developed than those applicable to companies incorporated in the United States, the UK and other developed jurisdictions. In addition, any control which the Group has over any PRC entities within the Group and the exercise of its corresponding shareholder rights are subject to their respective articles of association and PRC laws applicable to foreign-invested enterprises in the PRC. Such laws and the application thereof may be different from the laws of other developed jurisdictions and the Group's shareholder rights in these PRC entities may be afforded less protection compared to shareholder rights under the laws of other developed jurisdictions, which may in turn result in the Group not being able to maintain control over these PRC entities.

The Group's labour costs may increase for reasons such as the implementation of the PRC Labor Contract Law or inflation in the PRC.

In recent years, the PRC government has promulgated and amended labour laws to enhance protection of labour rights. Increasing awareness of labour protection as well as increasing minimum wages is likely to increase the labour costs afforded by PRC enterprises in general. For instance, the PRC Labor Contract Law 《中华人民共和国劳动合同法》 became effective on 1 January 2008 in the PRC and was amended on 28 December 2012. It imposes requirements on employers in relation to compensation payments for fixed-term contract employees and a minimum wage requirement.

In addition, under the PRC Labor Contract Law, when an employer terminates its PRC employees' employment, the employer may be required to compensate them with such amount which is determined based on their length of service with the employer, and the employer may not be able to terminate efficiently open-ended employment contracts under the PRC Labor Contract Law without cause. In the event that the Group decides to change or decrease its workforce significantly, the PRC Labor Contract Law could adversely affect its ability to effect these changes in a cost-effective manner or in the manner that the Group desires, which could result in an adverse impact on the Group's businesses, financial condition and results of operations.

Furthermore, if there is a shortage of labour or for any reason the labour cost in the PRC rises significantly, the costs of production of the Group's products are likely to increase. This may in turn affect the selling prices of the products and services, which may then affect the demand for such products and services and thereby adversely affect the Group's sales and financial condition. In addition, inflation in the PRC has increased in recent years. Inflation in the PRC increases the costs of labour and the costs of raw materials the Group must purchase for production. Rising labour costs may increase the Group's operating costs and partially erode the cost advantage of the Group's PRC-based operations and therefore negatively impact the Group's profitability.

RISKS RELATING TO THE NOTES ISSUED UNDER THE PROGRAMME AND THE GUARANTEE

The Notes may not be a suitable investment for all investors.

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Circular, any applicable supplement to this Offering Circular or any Pricing Supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes may be complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to the purchaser's overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing, and (3) other restrictions apply to its purchase of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

The Guarantor may be unable to obtain and remit funds in foreign currencies at the time of payment under the Guarantee.

The ROC foreign exchange control laws and regulations govern foreign exchange transactions in the ROC and provide, among others, that ROC companies may, aside from trade-related foreign exchange transactions, convert NT dollars into foreign currency and remit the foreign currency out of the ROC without foreign exchange approval from the Central Bank of the Republic of China (Taiwan) ("CBC") up to an amount of U.S.\$50 million or its equivalent (or such other amount as determined by the CBC from

time to time at its discretion in consideration of the ROC's economic and financial conditions or the needs to maintain the order of foreign exchange market in the ROC) in each calendar year. Remittances out of the ROC of foreign currencies held by a company (which does not involve a conversion of NT dollars) do not require any approval. Accordingly, should the Guarantor be required to make payments to the holders of the Notes pursuant to the Guarantee, unless the Guarantor hold sufficient amounts of U.S. dollars or other applicable currency to make the payment in full, the Guarantor may, at the relevant time or thereafter, have insufficient exempted quota left to enable the Guarantor to convert NT dollars into U.S. dollars or other applicable currency to make the payment in full. In such circumstances, the Guarantor would be required to obtain approval from the CBC for such conversion of NT dollars to U.S. dollars or other applicable currency and payment thereof, and no assurance can be given that such approval could be obtained within a reasonable period or at all.

Modification and waivers are binding on all Noteholders.

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

A change in English law which governs the Notes may adversely affect Noteholders.

The Conditions of the Notes are governed by English law in effect as of the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

The Notes may be represented by Global Notes and holders of a beneficial interest in a Global Note or a Global Certificate must rely on the procedures of the relevant Clearing System(s).

Notes issued under the Programme may be represented by one or more Global Notes or Global Certificates. Such Global Notes or Global Certificates will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg, with CDP, or with a sub-custodian for the HKMA as operator of the CMU (each of Euroclear, Clearstream, Luxembourg, CDP and CMU, a “**Clearing System**”). Except in the circumstances described in the relevant Global Note or Global Certificate, Noteholders will not be entitled to receive Definitive Notes. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Notes and the Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificates, Noteholders will be able to trade their beneficial interests only through the Clearing Systems.

While the Notes are represented by one or more Global Notes or Global Certificates, the Relevant Issuer, or failing which, the Company will discharge its payment obligations under the Notes by making payments to the relevant Clearing System for distribution to their account holders or in the case of the CMU, to the CMU Lodging and Paying Agent, which will in turn pay to the persons for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules as notified by the CMU to the CMU Lodging and Paying Agent in a relevant CMU Instrument Position Report or any other notification by the CMU. A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System(s) to receive payments under the relevant Notes. Neither the Relevant Issuer nor the Company has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Holders of beneficial interests in the Global Notes and the Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System(s) to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes or Global Certificates will not have a direct right under the respective Global Notes or Global Certificates to take enforcement action against the Issuer or the Guarantor in the event of a default under the relevant Notes but will have to rely upon their rights under the Trust Deed.

Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade.

Notes may be issued with a minimum denomination. The Pricing Supplement of a Tranche of Notes may provide that, for so long as the Notes are represented by a Global Note or Global Certificate and the relevant Clearing System(s) so permit, the Notes will be tradable in principal amounts (a) equal to, or integral multiples of, the minimum denomination, and (b) the minimum denomination plus integral multiples of an amount lower than the minimum denomination.

Definitive Notes will only be issued if the relevant Clearing System(s) is/are closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so or if principal in respect of any Notes is not paid when due. The Pricing Supplement may provide that, if Definitive Notes are issued, such Notes will be issued in respect of all holdings of Notes equal to or greater than the minimum denomination. However, Noteholders should be aware that Definitive Notes that have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade. Definitive Notes will in no circumstances be issued to any person holding Notes in an amount lower than the minimum denomination and such Notes will be cancelled and holders will have no rights against the Relevant Issuer and the Company (including rights to receive principal or interest or to vote) in respect of such Notes.

The Trustee may request holders of the Notes to provide an indemnity and/or security and/or pre-funding to its satisfaction.

In certain circumstances (including without limitation giving of notice to the Relevant Issuer pursuant to Condition 10 and taking enforcement steps pursuant to Condition 12), the Trustee may (at its sole discretion) request holders of the Notes to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes actions on behalf of holders of the Notes. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security or pre-funding to it, in breach of the terms of the Trust Deed (as defined in the Terms and Conditions of the Notes) or the Terms and Conditions of the Notes and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations, and it will be for the holders of the Notes to take such actions directly if so provided by the agreements and permitted by the applicable law.

RISKS RELATING TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Relevant Issuer may have a lower market value than Notes that cannot be redeemed.

Unless in the case of any particular Tranche of Notes the relevant Pricing Supplement specifies otherwise, in the event that the Relevant Issuer, or as the case may be, the Company, would be obliged to increase the amounts payable in respect of any Notes or under the Trust Deed due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Cayman Islands (in the case of a payment by FFE), The Bahamas (in the case of a payment by CTT), Singapore (in the case of payment by Foxsin, ECMMS SG or Falcon) or the ROC (in the case of a payment by the Company) or any political subdivision thereof or any authority therein or thereof having power to tax, the Relevant Issuer may redeem all outstanding Notes in accordance with the Conditions.

An optional redemption feature is likely to limit the market value of Notes. During any period when the Relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Dual Currency Notes have features which are different from single currency issues.

Each Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected; and
- (iv) the amount of principal payable at redemption may be less than the principal amount of such Notes or even zero.

Failure by a Noteholder to pay a subsequent instalment of partly-paid Notes may result in a Noteholder losing all of its investment.

Each Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalments could result in a Noteholder losing all of its investment.

The market price of variable rate Notes with a multiplier or other leverage factor may be volatile.

Notes with variable interest rates can be volatile securities. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include such features.

The regulation and reform of “benchmark” rates of interest and indices may adversely affect the value of Notes linked to or referencing such “benchmarks”.

Interest rates and indices which are deemed to be or used as “benchmarks” (including LIBOR and EURIBOR), are the subject of recent international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such “benchmarks” to perform differently than in the past or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Note linked to or referencing such a “benchmark”. Regulation (EU) 2016/1011 (the “**EU Benchmarks Regulation**”) applies, subject to certain transitional provisions, to the provision of “benchmarks”, the contribution of input data to a “benchmark” and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by European Union supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-European Union based, not deemed equivalent or recognized or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Benchmarks Regulation**”) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the United Kingdom Financial Conduct Authority (“**FCA**”) or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable could have a material impact on any Notes linked to or referencing a “benchmark” in particular, if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant “benchmark”.

More broadly, any of the national or international reforms or the general increased regulatory scrutiny of “benchmarks” could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a “benchmark”.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any international reforms in making any investment decision with respect to any Notes linked to or referencing a “benchmark”.

The value of, and return on, Floating Rate Notes linked to or referencing LIBOR may be adversely affected in the event of a permanent discontinuation of LIBOR.

In a speech in July 2017, the Chief Executive of the FCA committed the FCA to begin planning a transition away from LIBOR to alternative reference rates that are based on actual transactions, such as the Sterling Over Night Index Average (“**SONIA**”). The announcement indicated that the continuation of LIBOR in its current form is not guaranteed after 2021. Subsequent speeches by the Chief Executive of the FCA and other FCA officials emphasised that market participants should not rely on the continued publication of LIBOR after the end of 2021. On 5 March 2021, the FCA announced that (i) the publication of 24 LIBOR settings (as detailed in the FCA announcement) will cease immediately after 31 December 2021, (ii) the publication of the overnight and 12-month U.S. dollar LIBOR settings will cease immediately after 30 June 2023, (iii) immediately after 31 December 2021, the 1-month, 3-month and 6-month sterling LIBOR settings will no longer be representative of the underlying market and economic reality that they are intended to measure and representativeness will not be restored (and the FCA will consult on requiring the ICE Benchmark Administration Limited (the “**IBA**”) to continue to publish these settings on a synthetic basis, which will no longer be representative of the underlying market and economic reality they are intended to measure, for a further period after end 2021) and (iv) immediately after 30 June 2023, the 1-month, 3-month and 6-month U.S. dollar LIBOR settings will no longer be representative of the underlying market and economic reality that they are intended to measure and representativeness will not be restored (and the FCA will consider the case for using its proposed powers to require IBA to continue publishing these settings on a synthetic basis, which will no longer be representative of the underlying market and economic reality they are intended to measure, for a further period after end June 2023).

Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or the benchmark could be eliminated entirely, or there could be other consequences that cannot be predicted. The elimination of the LIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions (as further described in Condition 5(m)), or result in adverse consequences to holders of any securities linked to such benchmark (including but not limited to Floating Rate Notes whose interest rates are linked to LIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities based on the same benchmark.

The Conditions provide for certain fallback arrangements in the event that a Benchmark Event occurs. Benchmark Events include (amongst other events) permanent discontinuation of an Original Reference Rate. If such Benchmark Event occurs, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser. The Independent Adviser shall endeavour to determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate. Another Benchmark Event is one where is a public statement by the supervisor of the administrator of the Original Reference Rate that, in the view of such supervisor, the Original Reference Rate is or will be no longer representative of its relevant underlying market or the methodology to calculate the Original Reference Rate has materially changed. In such a situation, the Independent Adviser appointed by the Issuer shall endeavour to determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate, despite the continued availability of the Original Reference Rate. The use of any such Successor Rate or Alternative Rate to determine the Rate of Interest is likely to result in Notes initially linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form. In addition, the market (if any) for Notes linked to any such Successor Rate or Alternative Rate may be less liquid than the market for Notes linked to the Original Reference Rate.

Furthermore, if a Successor Rate or Alternative Rate for the Original Reference Rate is determined by the Independent Adviser, the Conditions provide that the Issuer may vary the Conditions, as necessary to ensure the proper operation of such Successor Rate or Alternative Rate, without any requirement for consent or approval of the Noteholders.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser, the Conditions also provide that an Adjustment Spread will be determined by the Independent Adviser and applied to such Successor Rate or Alternative Rate.

The Adjustment Spread is (i) the spread, formula or methodology which is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body (which may include a relevant central bank, supervisory authority or group of central banks/supervisory authorities), (ii) if no such recommendation has been made, or in the case of an Alternative Rate, the spread, formula or methodology which the Independent Adviser determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate, or (iii) if the Independent Adviser determines that no such spread is customarily applied, the spread, formula or methodology which the Independent Adviser determines and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate, as the case may be.

Accordingly, the application of an Adjustment Spread may result in the Notes performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes. Investors should consider these matters when making their investment decision with respect to the relevant Floating Rate Notes.

The Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Rate in accordance with the Conditions.

Where the Issuer is unable to appoint an Independent Adviser in a timely manner or the Independent Adviser is unable to determine a Successor Rate or Alternative Rate before the next Interest Determination Date, the Rate of Interest for the next succeeding Interest Accrual Period will be the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, or, where the Benchmark Event occurs before the first Interest Determination Date, the Rate of Interest will be the initial Rate of Interest.

Applying the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event is likely to result in Notes linked to or referencing the relevant benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant benchmark were to continue to apply, or if a Successor Rate or Alternative Rate could be determined.

Inverse Floating Rate Notes are typically more volatile than conventional floating rate debt.

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the LIBOR. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Notes carrying an interest rate which may be converted from fixed to floating interest rates and vice versa, may have lower market values than other Notes.

Fixed/Floating Rate Notes may bear interest at a rate that the Relevant Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Relevant Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Relevant Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Relevant Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

The market prices of Notes issued at a substantial discount or premium tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities.

The market values of securities issued at a substantial discount or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Investors may lose part or all of their investment in any Index Linked Notes issued.

If, in the case of a particular Tranche of Notes, the relevant Pricing Supplement specifies that the Notes are Index Linked Notes or variable redemption amount Notes, there is a risk that the investor may lose the value of its entire investment or part of it.

RISKS RELATING TO THE MARKET GENERALLY

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

Notes issued under the Programme have no current active trading market and may trade at a discount to their initial offering price and/or with limited liquidity.

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Relevant Issuer. If the Notes are trading at a

discount, investors may not be able to receive a favourable price for their Notes, and in some circumstances investors may not be able to sell their Notes at all or at their fair market value. Although an application has been made for the Notes issued under the Programme to be admitted to listing on the SGX-ST, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of Notes.

Exchange rate risks and exchange controls may result in investors receiving less interest or principal than expected.

The Relevant Issuer and the Company (if applicable) will pay principal and interest on the Notes in the currency specified in the relevant Pricing Supplement (the “**Specified Currency**”). This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (1) the Investor’s Currency equivalent yield on the Notes, (2) the Investor’s Currency equivalent value of the principal payable on the Notes and (3) the Investor’s Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Changes in market interest rates may adversely affect the value of Fixed Rate Notes.

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

The credit ratings assigned to the Notes may not reflect all risks.

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

RISKS RELATING TO RENMINBI-DENOMINATED NOTES

Notes denominated in Renminbi (“**Renminbi Notes**”) may be issued under the Programme. Renminbi Notes contain particular risks for potential investors.

Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and out of the PRC.

Renminbi is not freely convertible at present. The PRC Government continues to regulate conversion between Renminbi and foreign currencies. However, there has been significant reduction in control by the PRC Government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi by foreign investors into the PRC for the settlement of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are being developed.

Although starting from 1 October 2016, Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund, there is no assurance that the PRC Government will continue to gradually liberalise control over cross-border Renminbi remittances in the future, that the schemes for Renminbi cross-border utilization will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting the remittance of Renminbi into or out of the PRC. In the event that the Group is not able to repatriate funds outside the PRC in Renminbi, the Relevant Issuer or the Company will need to source Renminbi offshore to finance their respective obligations under Renminbi Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of Renminbi Notes and the Relevant Issuer's and the Company's ability to source Renminbi outside the PRC to service such Renminbi Notes.

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While the People's Bank of China (“PBOC”, 中國人民銀行) has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the “**Renminbi Clearing Banks**”, 人民幣業務清算行), including but not limited to Hong Kong, Singapore and Taiwan, and are in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the “**Settlement Arrangements**”), the current size of Renminbi-denominated financial assets outside the PRC is limited.

There are restrictions imposed by the PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. The Renminbi Clearing Banks only have access to onshore liquidity support from the PBOC to square open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from the offshore market to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of Renminbi Notes. To the extent the Relevant Issuer is required to source Renminbi in the offshore market to service Renminbi Notes, there is no assurance that the Relevant Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in Renminbi Notes is subject to exchange rate risks.

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC, by international political and economic conditions and by many other factors. All payments of interest and principal will be made with respect to Renminbi Notes in Renminbi. If an

investor measures its investment returns by reference to a currency other than Renminbi, an investment in the Renminbi Notes entails foreign exchange related risks, including possible significant changes in the value of Renminbi relative to the currency by reference to which an investor measures its investment returns. Depreciation of the Renminbi against such currency could cause a decrease in the effective yield of the Renminbi Notes below their stated coupon rates and could result in a loss when the return on the Renminbi Notes is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in Renminbi Notes.

Payments in respect of Renminbi Notes will only be made to investors in the manner specified in such Renminbi Notes.

All payments to investors in respect of Renminbi Notes will be made solely by:

- when the Renminbi Notes are represented by global certificates, by transfer to a Renminbi bank account maintained in Hong Kong or Singapore, as the case may be, in accordance with prevailing CMU rules and procedures or CDP rules, as the case may be; or
- when the Renminbi Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations.

In the event that a holder of Renminbi Notes fails to maintain a valid Renminbi account with a bank in Hong Kong or Singapore, as the case may be, and accordingly, payments are unsuccessful, it is possible that such amounts may be settled in a currency other than Renminbi. The Relevant Issuer and the Company cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

Gains on the transfer of the Renminbi Notes may become subject to income taxes under PRC tax laws.

Under the EIT Law, the PRC Individual Income Tax Law (《中华人民共和国个人所得税法》) and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of Renminbi Notes by non-PRC resident enterprise or individual Holders may be subject to EIT or PRC individual income tax (“IIT”) if such gain is regarded as income derived from sources within the PRC. The EIT Law levies EIT at the rate of 20 per cent. of the gains derived by such non-PRC resident enterprise or individual Holder from the transfer of Renminbi Notes but its implementation rules have reduced the EIT rate to 10 per cent. The PRC Individual Income Tax Law levies IIT at a rate of 20 per cent. of the gains derived by such non-PRC resident or individual Holder from the transfer of Renminbi Notes.

However, uncertainty remains as to whether the gain realised from the transfer of Renminbi Notes by non-PRC resident enterprise or individual Holders would be treated as income derived from sources within the PRC and become subject to the EIT or IIT. This will depend on how the PRC tax authorities interpret, apply or enforce the EIT Law, the PRC Individual Income Tax Law and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong, for avoidance of double taxation, Holders who are residents of Hong Kong, including enterprise Holders and individual Holders, will not be subject to EIT or IIT on capital gains derived from a sale or exchange of the Notes.

Therefore, if non-PRC enterprise or individual resident Holders are required to pay PRC income tax on gains derived from the transfer of Renminbi Notes, unless there is an applicable tax treaty between the PRC and the jurisdiction in which such non-PRC enterprise or individual resident holders of Renminbi Notes reside that reduces or exempts the relevant EIT or IIT, the value of their investment in Renminbi Notes may be materially and adversely affected.

Remittance of proceeds in Renminbi into or out of the PRC will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities.

In the event that the Relevant Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities. However, there is no assurance that the necessary approvals from, and/or registration or filing with, the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

There is no assurance that the PRC government will continue to gradually liberalise the control over cross-border Renminbi remittances in the future, that the pilot schemes introduced will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. In the event that the Relevant Issuer does remit some or all of the proceeds into the PRC in Renminbi and the Relevant Issuer subsequently is not able to repatriate funds out of the PRC in Renminbi, it will need to source Renminbi outside the PRC to finance its obligations under the Renminbi Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be on-lent by the Relevant Issuer to the Guarantor and/or its subsidiaries to finance capital expenditures, refinance debt obligations, capital injection, investment and for other general corporate purposes of the Group. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.

CLEARANCE AND SETTLEMENT

BEARER NOTES

The Relevant Issuer may make applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. The Relevant Issuer may also apply to have Bearer Notes accepted for clearance through CDP or the CMU. In respect of Bearer Notes, a temporary Global Note and/or a permanent Global Note will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg or a sub-custodian for the CMU or CDP. Transfers of interests in a temporary Global Note or a permanent Global Note will be made in accordance with the normal market debt securities operating procedures of the CMU, Euroclear and Clearstream, Luxembourg or CDP. Each Global Note will have an International Securities Identification Number (“ISIN”) and a Common Code or a CMU Instrument Number, as the case may be. Investors in Notes of such Series may hold their interests in a Global Note through Euroclear or Clearstream, Luxembourg or CDP or the CMU, as the case may be.

REGISTERED NOTES

The Relevant Issuer may make applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of the Notes to be represented by a Global Certificate. The Relevant Issuer may also apply to have Notes represented by a Global Certificate accepted for clearance through CDP or the CMU. Transfers of interests in a Global Certificate will be made in accordance with the normal market debt securities operating procedures of Euroclear and Clearstream, Luxembourg, CDP or the CMU, as the case may be. Each Global Certificate will have an ISIN and a Common Code or a CMU Instrument Number, as the case may be. Investors in Notes of such Series may hold their interests in a Global Certificate only through Euroclear or Clearstream, Luxembourg, CDP or the CMU, as the case may be.

TRANSFERS OF REGISTERED NOTES

Transfers of interests in Global Certificates within Euroclear and Clearstream, Luxembourg, CDP and the CMU will be in accordance with the usual rules and operating procedures of the relevant clearing system. Beneficial interests in a Global Certificate may only be held through Euroclear and Clearstream, Luxembourg, CDP and the CMU.

INDIVIDUAL CERTIFICATES

Registration of title to Registered Notes in a name other than a depositary or its nominee for Euroclear and Clearstream, Luxembourg, CDP or the CMU will be permitted only in the circumstances set forth in “Summary of Provisions Relating to the Notes while in Global Form – Exchange”. In such circumstances, the Relevant Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s). A person having an interest in a Global Certificate must provide the Registrar with a written order containing instructions and such other information as the Relevant Issuer and the Registrar may require to complete, execute and deliver such individual Certificates.

CLEARANCE AND SETTLEMENT

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg, CDP or the CMU (together, the “**Clearing Systems**”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Guarantor and the Issuers believe to be reliable, but neither the Issuers nor the Guarantor nor the Arranger nor any Agent nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Relevant Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.

THE CLEARING SYSTEMS

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

EUROCLEAR AND CLEARSTREAM, LUXEMBOURG

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal and interest with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by any Paying Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant Clearing System’s rules and procedures.

CMU

The CMU is a central depository service provided by the Central Moneymarkets Unit of the Hong Kong Monetary Authority (the “**HKMA**”) for the safe custody and electronic trading between the members of this service (“**CMU Members**”) of capital markets instruments (“**CMU notes**”) which are specified in the CMU Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU notes issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all members of the Hong Kong Capital Markets Association and “authorised institutions” under the Banking Ordinance (Cap. 155) of Hong Kong.

Compared to clearing services provided by Euroclear and Clearstream, Luxembourg, the standard custody and clearing service provided by the CMU is limited. In particular (and unlike Euroclear or Clearstream, Luxembourg), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, the CMU notes. Instead, the HKMA advises the lodging CMU Member (or a designated Paying Agent) of the identities of the CMU Members to whose accounts payments in respect of the relevant CMU notes are credited, whereupon the lodging CMU Member (or the designated Paying Agent) will make the necessary payments of interest or principal or send notices directly to the relevant CMU Members. Similarly, the HKMA will not obtain certificates of non-U.S. beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging and Paying Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream, Luxembourg in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream, Luxembourg each have with the CMU.

CDP

In respect of Notes which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities (“**CDP System**”) maintained by CDP. Notes that are to be listed on the SGX-ST may be cleared through CDP. CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a Global Note or Global Certificate for persons holding the Notes in securities accounts with CDP (“**Depositors**”). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors. Settlement of over-the-counter trades in the Notes through CDP System may be effected through securities sub-accounts held with corporate depositors (“**Depository Agents**”). Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through CDP System, must transfer the Notes to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement. Market participants may mutually agree on a different settlement period for over-the-counter trades.

CDP is not involved in money settlement between the Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuers, the Guarantor, the Trustee, the Paying Agent in Singapore or any other Agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, save for the words in italics and, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) or the Global Certificate representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

This Note is one of a series (“**Series**”) of Notes issued by Foxconn (Far East) Limited (“**FFE**”), Competition Team Technologies Limited (“**CTT**”), Foxconn Singapore Pte Ltd (“**Foxsin**”), ECMMS Precision Singapore Pte. Ltd. (“**ECMMS SG**”) or Falcon Precision Trading Pte. Ltd. (“**Falcon**”) (each, in relation to the Notes issued by it, the “**Issuer**”) and guaranteed by Hon Hai Precision Industry Co., Ltd. (the “**Guarantor**”). References to the “**Issuer**” in these Conditions shall refer to the relevant Issuer as specified as such in the relevant Pricing Supplement unless the context otherwise requires.

The Notes are constituted by an Amended and Restated Trust Deed (as amended and/or supplemented as at the date of issue of the Notes (the “**Issue Date**”) and from time to time, the “**Trust Deed**”) dated 8 September 2020 between FFE, CTT, Foxsin, ECMMS SG, Falcon, the Guarantor, and Citicorp International Limited (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below. An Amended and Restated Agency Agreement (as amended and/or supplemented as at the Issue Date and from time to time, the “**Agency Agreement**”) dated 8 September 2020 has been entered into in relation to the Notes between FFE, CTT, Foxsin, ECMMS SG, Falcon, the Guarantor, the Trustee, Citibank, N.A., London Branch as initial issuing and paying agent, Citicorp International Limited as lodging and paying agent for Notes to be held in the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “**CMU**”), Citicorp Investment Bank (Singapore) Limited as paying agent for Notes to be cleared through the computerised system (the “**CDP**”) operated by The Central Depository (Pte) Limited and the other agents named in it. Where applicable, the Notes which are specified in the relevant Pricing Supplement to be held in and cleared through the CDP are issued with the benefit of a deed of covenant dated 8 September relating to the Notes executed by the Relevant Issuer (each as amended, varied and/or supplemented from time to time (collectively, the “**CDP Deeds of Covenant**”). The issuing and paying agent, the CMU lodging and paying agent, the CDP paying agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**CMU Lodging and Paying Agent**”, the “**CDP Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent, the CMU Lodging and Paying Agent and the CDP Paying Agent), the “**Registrar**”, the “**Transfer Agents**” and the “**Calculation Agent(s)**”. For the purposes of these Conditions, all references to the Issuing and Paying Agent shall, with respect to a Series of Notes to be held in the CMU, be deemed to be a reference to the CMU Lodging and Paying Agent or, with respect to a Series of Notes cleared through CDP, be deemed to be a reference to the CDP Paying Agent, and all such references shall be construed accordingly, and all references to “**Agents**” shall mean the Issuing and Paying Agent, the Paying Agents, the Calculation Agent, the Registrar, the CMU Lodging and Paying Agent, the CDP Paying Agent and the

Transfer Agents or any of them and shall include such other Agent or Agents as may be appointed from time to time under the Agency Agreement. Copies of the Trust Deed, the Agency Agreement and the CDP Deeds of Covenant are available for inspection during usual business hours at the principal office of the Trustee (presently at 20th Floor, Citi Tower, One Bay East, 83 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong) and at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, “**Tranche**” means Notes which are identical in all respects.

1 FORM, DENOMINATION AND TITLE

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown hereon.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

All Registered Notes shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, Notes which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of £100,000 (or its equivalent in other currencies).

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and shall be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

*For so long as any of the Notes are represented by a Global Note or a Global Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg or a sub-custodian for the CMU or CDP, each person (other than Euroclear or Clearstream, Luxembourg or the CMU or CDP) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg or the CMU or CDP as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or the CMU or CDP as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Trustee and the Agents as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such principal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, the Trustee and any Agent as the holder of such principal amount of such Notes in accordance with and subject to the terms of the relevant Global Note or Global Certificate and the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly. Notwithstanding the above, if a Note (whether in global or definitive form) is held through the CMU, any payment that is made in respect of such Note shall be made at the direction of the bearer or the registered holder to the person(s) for whose account(s) interests in such Note are credited as being held through the CMU in accordance with the CMU Rules at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Instrument Position Report or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) (“**CMU Accountholders**”) and such payments shall discharge the obligation of the Issuer in respect of that payment under such Note. For so long as any of the Notes is represented by a Global Note or a Global Certificate and such Global Note or, as the case may be, Global Certificate is held by CDP, the record date for purposes of determining entitlements to any payment of principal, interest and any other amounts in respect of the Note shall, unless otherwise specified by the Issuer, be the date falling five business days prior to the relevant payment date (or such other date as may be prescribed by CDP). In addition, these Conditions are modified by certain provisions contained in the Global Note or the Global Certificate (as the case may be).*

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 NO EXCHANGE OF NOTES AND TRANSFERS OF REGISTERED NOTES

(a) No Exchange of Notes

Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or such Transfer Agent may require (in light of prevailing market practice). In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) Exercise of Options or Partial Redemption in Respect of Registered Notes

In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates

Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) Transfers Free of Charge

Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment by the relevant Noteholders of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the relevant Transfer Agent may require).

(f) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

3 GUARANTEE AND STATUS

(a) Guarantee

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes, the Receipts and the Coupons. Its obligations in that respect (the “**Guarantee**”) are contained in the Trust Deed.

(b) Status of Notes and Guarantee

The Notes and the Receipts and Coupons relating to them constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Receipts and the Coupons relating to them and of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer and the Guarantor respectively, present and future.

4 NEGATIVE PLEDGE

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Guarantor will, and will ensure that none of their respective Principal Subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future property, assets or revenues to secure any International Investment Securities or to secure any guarantee or indemnity in respect of any International Investment Securities, without at the same time or prior thereto according to the Notes and the Coupons the same security as is created or subsisting to secure any such International Investment Securities, guarantee or indemnity or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Noteholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

For these Conditions:

- (i) **“Capital Stock”** means, with respect to any Person, any and all shares, ownership interests, participation or other equivalents (however designated), including all common stock and all preferred stock, of such Person.
- (ii) **“International Investment Securities”** means bonds, debentures, notes or other similar investment securities of the Issuer or the Guarantor or any other Person evidencing indebtedness with a maturity of not less than one year from the issue date thereof, or any guarantees thereof, which (i) either (A) are by their terms payable, or confer a right to receive payment, in any currency other than NT Dollars or (B) are denominated in NT Dollars and more than 50 per cent. of the aggregate principal amount thereof is initially distributed outside the Republic of China by or with the consent of the Issuer or the Guarantor and (ii) are for the time being, or are intended to be, quoted, listed, ordinarily dealt in or traded, in each case primarily, on a stock exchange or over-the-counter or other securities market outside the Republic of China.
- (iii) **“Person”** means any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) limited liability company, government or political subdivision or agency or instrumentality thereof, or any other entity or organisation.
- (iv) **“Principal Subsidiary”** means, with respect to any Person, any Subsidiary (1) whose net sales, as shown by the latest audited financial statements (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary, constitute at least 10 per cent. of the consolidated net sales of such Person and its consolidated Subsidiaries as shown by the latest audited consolidated financial statements of such Person or (2) whose gross assets, as shown by the latest audited financial statements (consolidated in case of a Subsidiary which itself has Subsidiaries) of such Subsidiary constitute at least 10 per cent. of the gross assets of such Person and its consolidated Subsidiaries as shown by the latest audited consolidated financial statements of such Person.
- (v) **“Subsidiary”** means, with respect to any Person, any entity of which more than 50 per cent. of its Capital Stock is owned directly or indirectly by such Person.

5 INTEREST AND OTHER CALCULATIONS

The amount payable in respect of the aggregate principal amount of Notes represented by a Global Certificate or a Global Note (as the case may be) shall be made in accordance with the methods of calculation provided for in the Conditions and the relevant Pricing Supplement, save that the calculation is made in respect of the total aggregate amount of the Notes represented by a Global Certificate or a Global Note (as the case may be), together with such other sums and additional amounts (if any) as may be payable under the Conditions.

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h).

(b) Interest on Floating Rate Notes and Index Linked Interest Notes

(i) Interest Payment Dates

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) Business Day Convention

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day; and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) Rate of Interest for Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified hereon;

- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) *Screen Rate Determination for Floating Rate Notes where the Reference Rate is not specified as being SIBOR or SOR*

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR or Hong Kong time in the case of HIBOR) or 11.15 a.m. (Hong Kong time) or if, at or around that time it is notified that the fixing will be published at 2.30 p.m. (Hong Kong time), then as of 2.30 p.m. (in the case of CNH HIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR, EURIBOR, HIBOR or CNH HIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

- (y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall promptly inform the Issuer and the Issuer shall use its best endeavours to appoint an Independent Investment Bank and procure such Independent Investment Bank to request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR or CNH HIBOR, the principal Hong Kong

office of each of the Reference Banks, each to provide the Independent Investment Bank and the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Independent Investment Bank and the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

- (z) if paragraph (y) immediately above applies and the Independent Investment Bank and the Calculation Agent have received quotations from fewer than two Reference Banks subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated at the request of the Independent Investment Bank to the Independent Investment Bank and the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR or CNH HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Independent Investment Bank and the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Independent Investment Bank suitable for such purpose) informs the Independent Investment Bank and the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR or CNH HIBOR, the Hong Kong inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period,

the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

For the purposes of this Condition 5(b)(iii), “**Independent Investment Bank**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise (which shall not be the Calculation Agent) appointed by (and at the expense of) the Issuer for the purposes of this Condition 5(b)(iii) and notified in writing by the Issuer to the Calculation Agent and the Trustee.

(C) *Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SIBOR or SOR*

For each Floating Rate Note where the Reference Rate is specified as being SIBOR (in which case such Note will be a “**SIBOR Note**”) or SOR (in which case such Note will be a “**Swap Rate Note**”), the Rate of Interest payable from time to time under this Condition 5(b)(iii) will be determined by the Calculation Agent on the basis of the following provisions:

(I) in the case of Floating Rate Notes which are SIBOR Notes:

- (aa) the Calculation Agent will at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Accrual Period, determine the Rate of Interest for such Interest Accrual Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Accrual Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ABX SIBOR FIX – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 HRS SINGAPORE TIME” and the column headed “SGD SIBOR” (or such other Relevant Screen Page);
- (bb) if no such rate appears on Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or, if no rate appears, on such other Relevant Screen Page) or if Reuters Screen ABSIRFIX01 (or such other replacement page thereof or such other Relevant Screen Page) is unavailable for any reason, the Calculation Agent will determine the Rate of Interest for such Interest Accrual Period as being the rate or if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest 1/16 per cent.) for a period equal to the duration of such Interest Accrual Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as the Calculation Agent may select;
- (cc) if on any Interest Determination Date such Calculation Agent is otherwise unable to determine the Rate of Interest under sub-paragraphs (aa) and (bb) above, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the

Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Interest Accrual Period commencing on such Interest Payment Date in an amount comparable to the aggregate nominal amount of the relevant Floating Rate Notes and such rate shall be notified to the Calculation Agent. The Rate of Interest for such Interest Accrual Period shall be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of such offered quotations, as determined by the Calculation Agent;

- (dd) if on any Interest Determination Date two but not all the Reference Banks provide the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Accrual Period shall be determined in accordance with sub-paragraph (bb) above on the basis of the quotations of those Reference Banks providing such quotations; and
- (ee) if on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Accrual Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Accrual Period, an amount equal to the aggregate nominal amount of the relevant Floating Rate Notes for such Interest Accrual Period by whatever means they determine to be most appropriate or if on such Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date,

provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period);

(II) In the case of Floating Rate Notes which are Swap Rate Notes:

- (aa) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Accrual Period, determine the Rate of Interest for such Interest Accrual Period as being the rate which appears on Reuters Screen ABSIRFIX01 Page under the caption “SGD SOR rates as of 11:00 a.m. London Time” under the column headed “SGD SOR” (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Accrual Period;
- (bb) if on any Interest Determination Date, no such rate is quoted on Reuters Screen ABSIRFIX01 Page (or such other replacement page as aforesaid) or Reuters Screen ABSIRFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, each Calculation Agent will determine the Rate of Interest for such Interest Accrual Period as being the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest 1/16 per cent.)) for a period equal to the duration of such Interest Accrual Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as such Calculation Agent may select; and
- (cc) if on any Interest Determination Date such Calculation Agent is otherwise unable to determine the Rate of Interest under sub-paragraphs (aa) and (bb) above, the Rate of Interest shall be determined by such Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about 11.00 a.m. (Singapore time) on the first business day following such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Accrual Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Accrual Period by whatever means they determine to be most appropriate or, if on such day one only or none of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Accrual Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about 11.00 a.m. (Singapore time) on such Interest Determination Date and such rate shall be notified to the Calculation Agent,

provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period); and

(iv) *Rate of Interest for Index Linked Interest Notes*

The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(c) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

(d) Dual Currency Notes

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

(e) Partly Paid Notes

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up principal amount of such Notes and otherwise as specified hereon.

(f) Accrual of Interest

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(g) Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding

- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.

- (ii) If any Maximum Rate of Interest or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.

(h) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(i) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Change of Control Redemption Amount, Optional Redemption Amounts and Instalment Amounts

The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Change of Control Redemption Amount, Optional Redemption Amount or Instalment Amount or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Change of Control Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date

so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) Determination or Calculation by an agent appointed by the Trustee

If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount, Change of Control Redemption Amount or Optional Redemption Amount, and if the Issuer fails to comply with its obligations under Condition 5(l), the Trustee shall (at the cost of the Issuer, failing whom the Guarantor) appoint an agent to do so and such determination or calculation by such agent shall be deemed to have been made by the Calculation Agent. In doing so, such agent shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. If the Trustee exercises due care in selecting an agent pursuant to this Condition 5(j), the Trustee shall not be responsible or liable to any Noteholder, any Couponholder, the Issuer, the Guarantor or any other person for the accuracy of any determination or calculation made by any agent pursuant to this Condition 5(j) or in the event that any such agent fails to make any determination or calculation contemplated in this Condition 5(j) or for any loss suffered by any Noteholder, any Couponholder, the Issuer, the Guarantor or any other person arising directly or indirectly as a result of any determination or calculation made by any such agent hereunder.

(k) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of Notes denominated in a currency other than Singapore dollars, euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of Notes denominated in euro, a day on which the TARGET System is operating (a **“TARGET Business Day”**); and/or
- (iii) in the case of Notes denominated in Renminbi:
 - (A) if cleared through the CMU, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong;

- (B) if cleared through the CDP, a day (other than a Saturday, Sunday or public holiday) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; and
 - (C) if cleared through Euroclear and Clearstream, Luxembourg, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments in London; and/or
- (iv) in the case of Notes denominated in Singapore dollars:
- (A) if cleared through the CDP, a day (other than a Saturday, Sunday or public holiday) on which commercial banks settle payments in Singapore; and
 - (B) if cleared through Euroclear and Clearstream, Luxembourg, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments in London; and/or
- (v) in the case of a currency and/or one or more Business Centres a day (other than a Saturday, a Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “Calculation Period”):

- (i) if **“Actual/Actual”** or **“Actual/Actual – ISDA”** is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **“Actual/365 (Fixed)”** is specified hereon, the actual number of days in the Calculation Period divided by 365;
- (iii) if **“Actual/365 (Sterling)”** is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if **“Actual/360”** is specified hereon, the actual number of days in the Calculation Period divided by 360;
- (v) if **“30/360”**, **“360/360”** or **“Bond Basis”** is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] \pm [30 \times (M_2 - M_1)] \pm (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30.

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] \pm [30 \times (M_2 - M_1)] \pm (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30.

- (vii) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] \pm [30 \times (M_2 - M_1)] \pm (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

- (viii) if “**Actual/Actual-ICMA**” is specified hereon,

- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if the Calculation Period is longer than one Determination Period, the sum of:
- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year.

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

“Euro” means the lawful currency of member states of the European Union that adopt the single currency introduced in accordance with the Treaty establishing the European Community, as amended.

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified:

- (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or Hong Kong dollars or Renminbi other than where the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR;
- (ii) the day falling two Business Days in the relevant Financial Centre for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro nor Hong Kong dollars nor Renminbi;
- (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro; or
- (iv) the day falling two Business Days in Hong Kong prior to the first day of such Interest Accrual Period if the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR.

“Interest Period” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means:

- (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market;
- (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market;
- (iii) in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market;
- (iv) in the case of a determination of CNH HIBOR, the principal Hong Kong office of four major banks dealing in Chinese Yuan in the Hong Kong inter-bank market; and
- (v) in the case of a determination of SIBOR or SOR, the principal Singapore office of three major banks in the Singapore inter-bank market,

in each case selected by the Issuer or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

“Relevant Time” means 11.00 a.m. (Singapore time).

“Renminbi” means the lawful currency for the time being of the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan.

“Singapore dollars” and **“S\$”** means the lawful currency for the time being of the Republic of Singapore.

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“Sterling” and **“£”** means the lawful currency for the time being in the United Kingdom.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

“U.S.\$” and **“U.S. dollars”** means the lawful currency for the time being of the United States of America.

(l) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount, Change of Control Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. No Calculation Agent appointed in respect of the Notes may resign its duties without a successor having been appointed as aforesaid.

(m) Benchmark Discontinuation

(i) *Independent Adviser*

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(m)(ii)) and, in either case, an Adjustment Spread (in accordance with Condition 5(m)(iii)) and any Benchmark Amendments (in accordance with Condition 5(m)(iv)).

An Independent Adviser appointed pursuant to this Condition 5(m) shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Guarantor, Trustee, the Agents, the Noteholders or the Couponholders for any determination made by it, pursuant to this Condition 5(m).

If (A) the Issuer is unable to appoint an Independent Adviser; or (B) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5(m) prior to the date which is 10 business days prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period. For the avoidance of doubt, this Condition 5(m) shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(m).

(ii) Successor Rate or Alternative Rate

If the Independent Adviser determines that:

- (A) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(m)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(m)).

(iii) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or the Alternative Rate (as applicable) will apply without an Adjustment Spread.

(iv) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5(m) and the Issuer, following consultation with the Independent Adviser and acting in good faith determines (A) that amendments to these Conditions, the Trust Deed and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (B) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(m)(v), without any requirement for the consent or approval of Noteholders, vary these Conditions, the Trust Deed and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two Authorised Signatories (as defined in the Trust Deed) of the Issuer pursuant to Condition 5(m)(v), the Trustee shall (at the expense of the Issuer, failing whom the Guarantor), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

Notwithstanding any other provision of this Condition 5(m), the Calculation Agent or any Paying Agent is not obliged to concur with the Issuer or the Independent Adviser in respect of any changes or amendments as contemplated under this Condition 5(m) to which, in the sole opinion of the Calculation Agent or the relevant Paying Agent, as the case may be, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Calculation Agent or the relevant Paying Agent (as applicable) in the Agency Agreement and/or these Conditions.

In connection with any such variation in accordance with this Condition 5(m)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) *Notices, etc.*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5(m) will be notified at least five business days prior to the relevant Interest Determination Date by the Issuer to the Trustee, the Calculation Agent and the Paying Agents. In accordance with Condition 16, notice shall be provided to the Noteholders promptly thereafter. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two Authorised Signatories of the Issuer:

- (A) confirming (x) that a Benchmark Event has occurred, (y) the Successor Rate or, as the case may be, the Alternative Rate, (z) the applicable Adjustment Spread and the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(m); and
- (B) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Agents and the Noteholders.

Notwithstanding any other provision of this Condition 5(m), if following the determination of any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments (if any), in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 5(m), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, willful default or fraud) shall not incur any liability for not doing so.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Condition 5(m)(i), (ii), (iii) and (iv), the Original Reference Rate and the provisions provided for in Condition 5(b)(B) will continue to apply unless and until a Benchmark Event has occurred.

(vii) *Definitions*

As used in this Condition 5(m):

“Adjustment Spread” means either (a) a spread (which may be positive, negative or zero), or (b) a formula or methodology for calculating a spread, in each case, to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) (if the case of a Successor Rate for which no such recommendation has been made, or in the case of an Alternative Rate) the Independent Adviser determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or
- (C) (if the Independent Adviser determines that no such spread is customarily applied) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

“Alternative Rate” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5(m)(ii) is customarily applied in the international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

“Benchmark Amendments” has the meaning given to it in Condition 5(m)(iv).

“Benchmark Event” means:

- (A) the Original Reference Rate ceasing to be published for a period of at least five business days or ceasing to exist; or
- (B) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (C) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes or that its use will be subject to restrictions or adverse consequences; or
- (E) a public statement by the supervisor of the administrator of the Original Reference Rate that, in the view of such supervisor, the Original Reference Rate is or will be no longer representative of its relevant underlying market or the methodology to calculate the Original Reference Rate has materially changed; or
- (F) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate;

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (B) and (C) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (D) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (E) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

“business day” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Calculation Agent.

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5(m)(i).

“Original Reference Rate” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

“Relevant Nominating Body” means, in respect of a benchmark or screen rate (as applicable):

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

6 REDEMPTION, PURCHASE AND OPTIONS

(a) Redemption by Instalments and Final Redemption

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding principal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the principal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its principal amount) or, in the case of a Note falling within paragraph (i) immediately above, its final Instalment Amount.

(b) Early Redemption

(i) Zero Coupon Notes

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that sub-paragraph (B) shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph (C) shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) Other Notes

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) immediately above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) Redemption for Taxation Reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Interest Note) or at any time (if this Note is neither a Floating Rate Note nor an Index Linked Interest Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) and to the Trustee and the Issuing and Paying Agent in writing, at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to but excluding the date fixed for redemption), if (i) the Issuer (or if the Guarantee was called, the Guarantor) satisfies the Trustee immediately before the giving of such notice that it has or will become obliged to pay additional amounts as described under Condition 8 as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands (in the case of a payment by the FFE), The Bahamas (in the case of a payment by CTT), Singapore (in the case of payment by Foxsin, ECMMS SG or Falcon) or the Republic of China (in the case of a payment by the Guarantor) or any political subdivision or, in each case, any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable

measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Notes (or the Guarantee, as the case may be) then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer, or the Guarantor, as the case may be, shall deliver to the Trustee a certificate signed by two Authorised Signatories stating that the obligation referred to in (i) above cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, and the Trustee shall be entitled to, without further enquiry and without liability to any Noteholder, any Couponholder or any other person, accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out in (ii) above, in which event it shall be conclusive and binding on Noteholders and Couponholders.

(d) Redemption at the Option of the Issuer

If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) and to the Trustee and the Issuing and Paying Agent in writing, redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to but excluding the date fixed for redemption. Any such redemption or exercise must relate to Notes of a principal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(d).

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner determined by the Issuer and notified in writing to the Trustee, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(e) Redemption following Change of Control

If Change of Control Put Option is specified hereon and if, at any time while any of the Notes remains outstanding, a Change of Control (as defined below) occurs, then the holder of each such Note will have the option (a "**Change of Control Put Option**") (unless prior to the giving of the relevant Change of Control Notice (as defined below) the Issuer has given notice of redemption under Condition 6(c) or Condition 6(d)) to require the Issuer either to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the date which is seven days after the expiration of the Change of Control Put Period (as defined below) (or such other date as may be specified hereon, the "**Change of Control Put Date**") at the Change of Control Redemption Amount specified hereon together with (or, where purchased, together with an amount equal to) interest (if any) accrued to (but excluding) the Change of Control Put Date.

A “**Change of Control**” will be deemed to occur if:

- (i) any person or persons (as defined below) acting together acquires Control of the Guarantor if such person or persons does not or do not have, and would not be deemed to have, Control of the Guarantor on the Closing Date;
- (ii) the Guarantor consolidates with or merges into or sells or transfers all or substantially all of the Guarantor’s assets to any other person, unless the consolidation, merger, sale or transfer will not result in the other person or persons acquiring Control over the Guarantor or the successor entity; or
- (iii) one or more other persons acquire the legal or beneficial ownership of all or substantially all of the Capital Stock of the Guarantor.

Not less than 30 nor more than 60 days after the Issuer or the Guarantor becoming aware that a Change of Control has occurred the Issuer or the Guarantor, as the case may be, shall, and at any time upon the Trustee being notified that a Change of Control has occurred, the Trustee may, and if so requested by the holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall, (subject in each case to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction) give notice (a “**Change of Control Notice**”) to the Noteholders in accordance with Condition 16 specifying the nature of the Change of Control Put Option and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, the holder of the Note must (in the case of Bearer Notes) deposit such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent at its specified office or (in the case of Registered Notes) deposit the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, in each case at any time during normal business hours of such Paying Agent, Registrar or Transfer Agent, as the case may be, falling within the period (the “**Change of Control Put Period**”) of 30 days after a Change of Control Notice is given or such other date as may be specified hereon, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Issuing and Paying Agent, Registrar or Transfer Agent, as the case may be. No Note or Certificate so deposited and option so exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Change of Control Put Date unless previously redeemed (or purchased) and cancelled.

If 90 per cent. or more in principal amount of the Notes then outstanding have been redeemed or purchased pursuant to this Condition 6(e), the Issuer may, on giving not less than 30 nor more than 60 days’ notice to the Noteholders (such notice being given within 30 days after the Change of Control Put Date), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their Change of Control Redemption Amount, together with interest (if any) accrued to (but excluding) the date fixed for such redemption or purchase.

The Trustee is under no obligation to ascertain whether a Change of Control or any event which could lead to the occurrence of or could constitute a Change of Control has occurred, and, until it shall have actual knowledge or notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control or other such event has occurred and shall not be responsible or liable to any Noteholder, any Couponholder, the Issuer, the Guarantor or any other person for so doing.

For the purpose of this Condition 6(e):

“**Control**” means the right to appoint and/or remove all or the majority of the members of the Guarantor’s board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise.

“**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the board of directors of the Guarantor or any other governing board and does not include the wholly-owned direct or indirect subsidiaries of the Guarantor.

(f) Redemption at the Option of Noteholders

If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days’ notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice (an “**Exercise Notice**”) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(g) Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified hereon.

(h) Purchases

Each of the Issuer, the Guarantor and any of their respective Subsidiaries as defined in the Trust Deed may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(i) Cancellation

All Notes purchased by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, the same shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Notes shall be discharged.

7 PAYMENTS AND TALONS

(a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be:

- (i) In the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by transfer to an account denominated in such currency with a Bank; and
- (ii) In the case of Renminbi, by transfer to a relevant account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

For the purpose of this Condition 7(a):

“**relevant account**” means the Renminbi account maintained by or on behalf of the Noteholder with:

- (i) in the case of Notes cleared through the CMU, a bank in Hong Kong; or
- (ii) in the case of Notes cleared through the CDP, a bank in Singapore or Hong Kong.

In this Condition 7(a) and in Condition 7(b), “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

(b) Registered Notes

- (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) immediately below.
- (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof or in the case of Renminbi or otherwise specified, on the fifth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made:
 - (x) In the case of a currency other than Renminbi, in the relevant currency by transfer to an account in the relevant currency maintained by the payee with a Bank;
 - (y) in the case of Renminbi, by transfer to the registered account of the Noteholder.

In this Condition 7(b)(ii), “**registered account**” means the Renminbi account maintained by or on behalf of the Noteholder with, in case of Notes cleared through the CMU, a bank in Hong Kong or, in case of Notes cleared through CPD, a bank in Singapore or Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

(c) Payments in the United States

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) Payments subject to Fiscal Laws

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payments, but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) Appointment of Agents

The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserve the right at any time with the approval of the Trustee, to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU, (v) a CDP Paying Agent in relation to Notes cleared through CDP, (vi) one or more Calculation Agent(s) where the Conditions so require, (vii) Paying Agents having specified offices in at least two major European cities, and (viii) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 7(c).

Notice of any such change or any change of any specified office shall promptly be given by the Issuer to the Noteholders.

(f) Unmatured Coupons and Receipts and unexchanged Talons:

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Redemption Notes), such Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Early Redemption Amount, Change of Control Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Redemption Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Bearer Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) Non-Business Days

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7(h), “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:

- (i) (in the case of a payment in a currency other than euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency;
- (ii) (in the case of a payment in euro) which is a TARGET Business Day; or
- (iii) (in the case of a payment in Renminbi where the Notes are cleared through the CMU) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong;
- (iv) (in the case of a payment of Renminbi where the Notes are cleared through Euroclear or Clearstream, Luxembourg) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in London; or
- (v) (in the case of a payment in Renminbi where the Notes are cleared through CDP) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong.

8 TAXATION

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes, the Receipts and the Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands, The Bahamas, Singapore or the Republic of China or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as shall result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

(a) Other connection

to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the Cayman Islands (in the case of payments by FFE), The Bahamas (in the case of payments by CTT), Singapore (in the case of payments by Foxsin, ECMMS SG or Falcon) or the Republic of China (in the case of payments by the Guarantor) other than the mere holding of the Note, Receipt or Coupon; or

(b) Presentation more than 30 days after the Relevant Date

presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day; or

(c) Presentation in the Republic of China

the presentation of such Notes for payment in the Republic of China, unless such Notes could not have been presented for payment elsewhere.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Change of Control Redemption Amount, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition 8 or any undertaking given in addition to or in substitution for it under the Trust Deed.

9 PRESCRIPTION

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 EVENTS OF DEFAULT

If any of the following events (“**Events of Default**”) occurs and is continuing, the Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction), give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest:

(i) Non-Payment

default is made in the payment on the due date of interest or principal in respect of any of the Notes, and (in the case of interest) such default continues for a period of three Business Days;

(ii) Non-Payment of Additional Amount

default is made in the payment of additional amount pursuant to Condition 8, and such default continues for a period of five Business Days;

(iii) Breach of Other Obligations

the Issuer or the Guarantor does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed (other than those referred to in Condition 10(i) or Condition 10(ii) above) which default is in the opinion of the Trustee incapable of remedy or, if in the opinion of the Trustee is capable of remedy, is not remedied within 30 days after written notice of such default shall have been given to the Issuer or the Guarantor by the Trustee or;

(iv) Court Judgment

a final judgment, decree or order by a court of competent jurisdiction has been entered against the Issuer, the Guarantor or any of their respective Principal Subsidiaries for the payment of money in excess of U.S.\$75,000,000 with respect to the Issuer, the Guarantor or any of its Principal Subsidiaries (or its equivalent in any other currency or currencies) and 30 days shall have passed since the entry of the order without it being bonded, satisfied, discharged or stayed;

(v) Cross-Default

(A) the Issuer or the Guarantor or any of their respective Principal Subsidiaries shall fail to make any payment with respect to present or future indebtedness (other than the Notes) in an aggregate principal amount in excess of U.S.\$75,000,000 with respect to the Issuer or the Guarantor or any of their respective Principal Subsidiaries (or its equivalent in any other currency or currencies) when and as the same shall become due and payable; if such failure shall continue for more than the grace period, if any, originally applicable thereto; or (B) the Issuer or the Guarantor or any of their respective Principal Subsidiaries shall fail to perform or observe any covenant or agreement to be performed or observed by the Issuer or the Guarantor or any of their respective Principal Subsidiaries contained in any agreement or instrument evidencing the indebtedness (other than the Notes) in an aggregate principal amount in excess of U.S.\$75,000,000 with respect to the Issuer or the Guarantor or any of their respective Principal Subsidiaries (or its equivalent in any other currency or currencies) and such failure results in the acceleration of the maturity of any amount thereunder;

(vi) Insolvency

a decree or order by a court having jurisdiction shall have been entered under any applicable bankruptcy, insolvency, reorganisation or other similar law (A) adjudging the Issuer, the Guarantor or any of their respective Principal Subsidiaries as bankrupt or insolvent, or approving as properly filed a petition seeking reorganisation of the Issuer, the Guarantor or any of its Principal Subsidiaries or (B) appointing a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Issuer, the Guarantor or any of their Principal Subsidiaries or of its property or (C) ordering the winding up or liquidation of the affairs of the Issuer, the Guarantor or any of their respective Principal Subsidiaries and in any such case such decree or order shall have continued undischarged and unstayed for a period of 60 days; or

(vii) Reorganisation

the Issuer, the Guarantor or any of their respective Principal Subsidiaries shall voluntarily commence proceedings to be adjudicated a bankrupt or insolvent, or shall consent to the filing of a bankruptcy or insolvency proceeding against it, or shall file a petition or answer or consent seeking reorganisation under any applicable bankruptcy, insolvency, reorganisation or other similar law or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or its property, or shall make an assignment for the benefit of creditors; or

(viii) Guarantee

the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect.

11 MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

(a) Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes (other than as provided for in Condition 5(m) in the case of any change arising from a Benchmark Event), (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum Rate of Interest and/or Maximum Rate of Interest, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount, Change of Control Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (viii) to modify or cancel the Guarantee, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

(b) Modification and waiver of the Trust Deed

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed or the Agency Agreement that is in the opinion of the Trustee of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of applicable law, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, the Agency Agreement and/or these Conditions that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, unless the Trustee otherwise requires, such modification, authorisation or waiver shall be notified to the Noteholders as soon as practicable.

(c) Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders or the Couponholders, to the substitution of the Issuer's successor in business or any Subsidiary of the Issuer or its successor in business or of the Guarantor or its successor in business or any Subsidiary of the Guarantor or its successor in business in place of the Issuer or the Guarantor, as the case may be, or of any previous substituted company, as principal debtor or Guarantor under the Trust Deed and the Notes. In the case of such a substitution, the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Receipts, the Coupons, the Talons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

(d) Entitlement of the Trustee

In connection with the exercise of its functions, rights, powers and discretions (including but not limited to those referred to in this Condition 11) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

12 ENFORCEMENT

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the Trust Deed, the Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least 25 per cent. in principal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Noteholder, Receiptholder or Couponholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

13 INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor, any Subsidiary of the Issuer or the Guarantor and any other entity related to the Issuer or the Guarantor without accounting for any profit.

The Trustee may rely without liability to Noteholders or Couponholders on any report, confirmation or certificate or any advice of any accountants, legal counsel, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation, certificate or advice shall be binding on the Issuer, the Trustee and the Noteholders.

14 REPLACEMENT OF NOTES, CERTIFICATES, RECEIPTS, COUPONS AND TALONS

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15 FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes either having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date and/or the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any

series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other notes issued pursuant to this Condition 15 and forming a single series with the Notes. Any further notes forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other notes may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of notes of other series where the Trustee so decides.

16 NOTICES

Notices to the holders of Registered Notes shall be in English and mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday, a Sunday or a public holiday) after the date of mailing and, so long as the Notes are listed on any stock exchange and the rules of that stock exchange so require, published in accordance with the rules of such stock exchange. Notices to the holders of Bearer Notes shall be valid if published in English in a daily newspaper of general circulation in Hong Kong (which is expected to be the South China Morning Post) and, so long as the Notes are listed on any stock exchange and the rules of that stock exchange so require, published in accordance with the rules of such stock exchange. If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Asia. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16.

So long as the Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg and/or the CMU and/or CDP, there may be substituted for such publication in such newspapers (i) the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or the CMU and/or (subject to the agreement of CDP) CDP for communication by it to the Noteholders or (ii) in the case of CDP, the recorded delivery of the relevant notice to the persons shown in the latest record received from CDP as holding interests in such Global Note or Global Certificate, except that if the Notes are listed on any stock exchange and the rules of such stock exchange so require, notice will in any event be published in accordance with the preceding paragraphs. Any such notice shall be deemed to have been given to the Noteholders on the day on which the said notice was given to, as the case may be, Euroclear and/or Clearstream, Luxembourg or the CMU or the date of despatch of such notice to the persons shows in the records maintained by CDP.

Notices to be given by any Noteholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Issuing and Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) or such other Agent as may be specified in these Conditions. Whilst the Notes are represented by a Global Note or a Global Certificate, such notice may be given by any Noteholder to the Issuing and Paying Agent or, as the case may be, the Registrar or, as the case may be, such other Agent through, as the case may be, Euroclear and/or Clearstream, Luxembourg or the CMU or CDP in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar or, as the case may be, such other Agent and, as the case may be, Euroclear and/or Clearstream, Luxembourg or the CMU or CDP may approve for this purpose.

Notwithstanding the other provisions of this Condition 16, in any case where the identities and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

17 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 except and to the extent (if any) that the Notes expressly provide for such Act to apply to any of their terms.

18 GOVERNING LAW AND JURISDICTION

(a) Governing Law

The Trust Deed, the Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Jurisdiction

The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons or the Trust Deed and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons or the Trust Deed (“**Proceedings**”) may be brought in such courts. The Issuer and the Guarantor have in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

(c) Service of Process

The Issuer and the Guarantor have in the Trust Deed irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

FORM OF PRICING SUPPLEMENT

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

Pricing Supplement dated [●]

[Foxconn (Far East) Limited/Competition Team Technologies Limited/Foxconn Singapore Pte Ltd/ECMMS Precision Singapore Pte. Ltd./Falcon Precision Trading Pte. Ltd.]

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
Unconditionally and Irrevocably Guaranteed by
Hon Hai Precision Industry Co., Ltd.
under the U.S.\$5,000,000,000 Medium Term Note Programme**

PRIIPs REGULATION – PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (“**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; [or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”)]. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPs REGULATION – PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; [or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the “UK Prospectus Regulation”)]. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “**MiFID II**”)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR product governance/Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. *[Consider any negative target market.]* Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in section 309A(1) of the SFA) that the Notes are [prescribed capital markets products]/[capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [are] [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]¹

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the “**Income Tax Act**”), shall not apply if such person acquires such Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

The document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Offering Circular dated [original date] [and the supplemental Offering Circular dated [date]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular as so supplemented.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

¹ For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Offering Circular dated [original date]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date] [and the supplemental Offering Circular dated [date]], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.]

- 1
 - (i) Issuer: [Foxconn (Far East) Limited
(incorporated under the laws of the Cayman Islands with limited liability)/Competition Team Technologies Limited *(incorporated under the laws of The Bahamas with limited liability)*/Foxconn Singapore Pte Ltd *(incorporated under the laws of Singapore with limited liability)*/ECMMS Precision Singapore Pte. Ltd. *(incorporated under the laws of Singapore with limited liability)*/Falcon Precision Trading Pte. Ltd. *(incorporated under the laws of Singapore with limited liability)*]
 - (ii) Guarantor: Hon Hai Precision Industry Co., Ltd.
(incorporated as a company limited by shares in the Republic of China)
- 2
 - (i) Series Number: [●]
 - (ii) Tranche Number: [●]
(If fungible with an existing Series, details of that Series, including the date on which the Notes became fungible.)
- 3 Specified Currency or Currencies: [●]
- 4 Aggregate Nominal Amount:
 - (i) Series [●]
 - (ii) Tranche [●]
- 5
 - (i) Issue Price: [●] per cent., of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* *(in the case of fungible issues only, if applicable)*]
 - (ii) [Net Proceeds: [●] *(Required only for listed issues)*]
 - (iii) Use of proceeds: [●] *(Required if different from the Offering Circular)*

- 6 (i) Specified Denominations:^{2, 3} ☐
- (ii) Calculation Amount: ☐
- 7 (i) Issue Date: ☐
- (ii) Interest Commencement Date: *[Specify/Issue date/Not Applicable]*
- 8 Maturity Date: *[Specify date (for Fixed Rate Notes) or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]⁴*
- 9 Interest Basis: ☐ per cent. Fixed Rate]
☐ [Specify reference rate] +/- ☐ per cent. Floating Rate]
☐ [Zero Coupon]
☐ [Index Linked Interest]
☐ *[Specify Other]*
(further particulars specified below)
- 10 Redemption/Payment Basis: ☐ [Redemption at par]
☐ [Index Linked Redemption]
☐ [Dual Currency]
☐ [Partly Paid]
☐ [Instalment]
☐ *[Specify Other]*
- 11 Change of Interest or Redemption/
Payment Basis: *[Specify details of any provisions for convertibility of Notes into another interest or redemption/payment basis]*
☐ [Not Applicable]
- 12 Put/Call Options: ☐ [Put Option]
☐ [Call Option]
☐ [Change of Control Put Option]
☐ *[(further particulars specified below)]*
- 13 Listing: *[Singapore/Specify Other/None]*

² Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

³ If the specified denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert the additional wording as follows: €100,000 and integral multiples of [€1,000] in excess thereof up to and including €199,000. No notes in definitive form will be issued with a denomination above €199,000.

⁴ Note that for Renminbi or Hong Kong dollar denominated Fixed Rate Notes where Interest Payment Dates are subject to modification it will be necessary to use the second option here.

- 14 Date of [Board] approval for the issuance of Notes obtained: [●] *(Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*
- 15 Date of [Board] approval for the giving of Guarantee obtained: [●]

Provisions Relating to Interest (if any) Payable

- 16 Fixed Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/specify other] in arrear]
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of “Business Day”]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount⁵
- (iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)] and the Interest Payment Date(s) to which they relate]
- (v) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/Actual/365 (fixed) specify other]
- (vi) [Determination Dates: [●] in each year *[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual – ICMA]*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]

⁵ For Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: “Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 for the case of Renminbi denominated Fixed Rate Notes to the nearest HK\$0.01, HK\$0.005 for the case of Hong Kong dollar denominated Fixed Rate Notes, being rounded upwards.

17	Floating Rate Note Provisions:	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
(i)	Interest Period(s):	[●]
(ii)	Specified Interest Payment Dates:	[●] <i>(If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert “Not Applicable”)</i>
(iii)	Interest Period Date:	[●] <i>(Not applicable unless different from Interest Payment Date)</i>
(iv)	Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other <i>(give details)</i>] <i>(give details)</i>
(v)	Business Centre(s):	[Not Applicable/ <i>give details</i>]
(vi)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/other <i>(give details)</i>]
(vii)	Party, if any, responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not [●] as Calculation Agent):	[Name] shall be the Calculation Agent
(viii)	Screen Rate Determination:	
	– Reference Rate:	[For example, LIBOR or EURIBOR]
	– Interest Determination Date(s):	[●] <i>(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling, Hong Kong dollar or euro LIBOR), second Hong Kong business day prior to the start of each Interest Period if CNH HIBOR, first day of each Interest Period if Sterling LIBOR or Hong Kong dollar LIBOR or HIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)</i>
	– Relevant Screen Page:	[For example, Reuters LIBOR 01/ EURIBOR 01]

- (ix) ISDA Determination:
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
- (x) Margin(s): [+/-] [●] per cent., per annum
- (xi) Minimum Rate of Interest: [●] per cent., per annum
- (xii) Maximum Rate of Interest: [●] per cent., per annum
- (xiii) Day Count Fraction: [●]
- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]
- 18 Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Amortisation Yield: [●] per cent. per annum
 - (ii) Day Count Fraction: [●]
 - (iii) Any other formula/basis of determining amount payable: [●]
- 19 Index Linked Interest Note/other variable-linked interest Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Index/Formula/other variable: [give or annex details]
 - (ii) Party, if any, responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not [●] as Calculation Agent): [●]
 - (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
 - (iv) Interest Period(s): [●]

- (v) Specified Interest Payment Dates: [●]
(If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert “Not Applicable”)
- (vi) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
- (vii) Business Centre(s): [●]
- (viii) Minimum Rate of Interest: [●] per cent. per annum
- (ix) Maximum Rate of Interest: [●] per cent. per annum
- (x) Day Count Fraction: [●]
- 20 Dual Currency Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [*give details*]
- (ii) Party, if any, responsible for calculating the Rate(s) of Interest and Interest Amount(s) due: [●]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [●]
- (v) Day Count Fraction [●]

Provisions Relating to Redemption

- 21 Call Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Calculation Amount

- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [●] per Calculation Amount
- (b) Maximum Redemption Amount: [●] per Calculation Amount
- (iv) Notice period: [●]
- 22 Put Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Calculation amount
- (iii) Notice period: [●]
- 23 Change of Control Put Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Change of Control Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Calculation amount
- (ii) Change of Control Put Period [●]
- (iii) Change of Control Put Date [●]
- 24 Final Redemption Amount of each Note: [[●] per Calculation Amount/specify other/see Appendix]
- 25 Early Redemption Amount (Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions)) [Not Applicable/specify other/see Appendix]

General Provisions Applicable to the Notes

- | | | |
|----|---|---|
| 26 | Form of Notes: | <p>[Bearer Notes:
 [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
 [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice⁶]
 [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]]</p> <p>[Registered Notes⁷:
 Global Certificate exchangeable for Individual Note Certificates in the limited circumstances described in the Global Certificate]</p> |
| 27 | Financial Centre(s) or other special provisions relating to Payment Dates: | <p>[Not Applicable/<i>give details</i>]
 <i>(Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 16(ii), 17(v) and 19(vii) relate)</i></p> |
| 28 | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | <p>[Yes/No. <i>If yes, give details</i>]</p> |
| 29 | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | <p>[Not Applicable/<i>give details</i>]</p> |
| 30 | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | <p>[Not Applicable/<i>give details</i>]</p> |
| 31 | Redenomination, renominatisation and reconventioning provisions: | <p>[Not Applicable/The provisions annexed to this Pricing Supplement apply]</p> |
| 32 | Consolidation provisions: | <p>[Not Applicable/The provisions [in Condition [15]/annexed to this Pricing Supplement] apply]</p> |
| 33 | Other terms or special conditions: | <p>[Not Applicable/<i>give details</i>]</p> |

⁶ If the Specified Denominations of the Notes in paragraph 6 includes language substantially to the following effect: "€100,000 and integral multiples of [€1,000] in excess thereof up to and including €199,000", the Temporary Global Note shall not be exchangeable on [●] days notice.]

⁷ The Notes should be in registered form if the Relevant Issuer is a Bahamian entity.

Distribution

- 34 (i) If syndicated, names of Managers: [Not Applicable/*give names*]
- (ii) Stabilisation Manager(s) (if any): [Not Applicable/*give names*]
- 35 If non-syndicated, name and address of Dealer: [Not Applicable/*give name and address*]
- 36 U.S. Selling Restrictions: [Reg. S Category 1/2; TEFRA D/TEFRA C/TEFRA Not Applicable]
- 37 Additional selling restrictions: [Not Applicable/*give details*]

Operational Information

- 38 ISIN Code: [●]
- 39 Common Code: [●]
- 40 CMU Instrument Number: [●]
- 41 Legal Entity Identifier: The LEI of the Issuer is
[254900NAQSPFDWVY8H73 (in the case of Foxconn (Far East) Limited)/254900B6P01H4XAT6880 (in the case of Competition Team Technologies Limited)/3003001GX1DM54M7IA09 (in the case of Foxconn Singapore Pte Ltd)/3003007VY5UUM2311L19 (in the case of ECMMS Precision Singapore Pte. Ltd.)/30030010NCGR25V0PI19 (in the case of Falcon Precision Trading Pte. Ltd.)]
- 42 Any clearing system(s) other than Euroclear, Clearstream, Luxembourg, the CMU, CDP and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]
- 43 Delivery: Delivery [against/free of] payment
- 44 Additional Paying Agent(s) (if any): [●]

General

- 45 The aggregate principal amount of Notes issued has been translated into [U.S. dollars] at the rate of [●], producing a sum of (for Notes not denominated in [U.S. dollars]): [Not Applicable/U.S.\$[●]]
- 46 [Ratings: The Notes to be issued have been rated:
[S&P: [●]]
[[Other: [●]]
(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)]

[STABILISATION

In connection with this issue, [*insert name of Stabilisation Manager*] (the “**Stabilisation Manager**”) (or any person acting on behalf of any Stabilisation Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager (or any person acting on behalf of the Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or any person acting on behalf of any Stabilisation Manager) in accordance with all applicable laws and rules.]

[LISTING APPLICATION

This Pricing Supplement comprises the final terms required for issue and admission to trading on the SGX-ST of the Notes described herein pursuant to the U.S.\$5,000,000,000 Medium Term Note Programme.]

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement.

Signed on behalf of [**Foxconn (Far East) Limited/Competition Team Technologies Limited/Foxconn Singapore Pte Ltd/ECMMS Precision Singapore Pte. Ltd./Falcon Precision Trading Pte. Ltd.**]:

By: _____
Duly authorised

Signed on behalf of **Hon Hai Precision Industry Co., Ltd.:**

By: _____
Duly authorised

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

INITIAL ISSUE OF NOTES

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary for Euroclear and Clearstream, Luxembourg, with CDP or a sub-custodian for the CMU or CDP.

Upon the initial deposit of a Global Note with a common depositary for Euroclear and Clearstream, Luxembourg (the “**Common Depositary**”), with CDP or with a sub-custodian for the CMU or registration of Registered Notes in the name of (i) any nominee for Euroclear and Clearstream, Luxembourg, (ii) CDP or (iii) the HKMA as operator of the CMU and delivery of the relative Global Certificate to the Common Depositary, CDP or the sub-custodian for the HKMA as operator of the CMU (as the case may be), the relevant clearing system will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

RELATIONSHIP OF ACCOUNTHOLDERS WITH CLEARING SYSTEMS

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, CDP or any other clearing system (“**Alternative Clearing System**”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg, CDP or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Relevant Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, CDP or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Relevant Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Relevant Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

If a Global Note or a Global Certificate is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules as notified by the CMU to the CMU Lodging and Paying Agent in a relevant CMU Instrument Position Report or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU save in the case of manifest error) shall be the only person(s) entitled or in the case of Registered Notes, directed or deemed by the CMU as entitled to receive payments in respect of Notes represented by such Global Note or Global Certificate and the Relevant Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in respect of each amount so paid. Each of the persons shown in the records of the CMU, as the beneficial holder of a particular principal amount of Notes represented by such Global Note or Global Certificate must look solely to the CMU Lodging and Paying Agent for his share of each payment so made by the Relevant Issuer in respect of such Global Note or Global Certificate.

EXCHANGE

Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “Summary of the Programme – Selling Restrictions”), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

The CMU may require that any such exchange for a permanent Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report (as defined in the rules of the CMU) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

The holder of a temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due presentation of the temporary Global Note for exchange, delivery of (or, in the case of a subsequent exchange, due endorsement of) a permanent Global Note or delivery of Definitive Notes, as the case may be, is improperly withheld or refused by or on behalf of the Relevant Issuer. The payments in respect of a Note issued under TEFRA D pursuant to Conditions 6(e) and 6(f) may not be collected without certificate as to non-U.S. beneficial ownership.

In respect of a Note issued under TEFRA D, for the purpose of dealing in Euroclear or Clearstream or the CMU, any further issue of Notes by the Issuer pursuant to Condition 15 may not be consolidated and form a single series with the outstanding securities of any series (including the Notes) until the exchange of interests in a temporary Global Note for interests in a permanent Global Note upon the relevant certification.

Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “Partial Exchange of Permanent Global Notes” below, in part for Definitive Notes:

- (i) if the permanent Global Note is held on behalf of Euroclear, Clearstream, Luxembourg, the CMU or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if the permanent Global Note is cleared through the CDP System and (a) an Event of Default (as defined in the Conditions) entitling the Trustee to declare all the Notes to be due and payable as provided in the Conditions has occurred and is continuing, (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), (c) CDP has announced an intention to permanently cease business and no Alternative Clearing System is

available or (d) CDP has notified the Relevant Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties as set out in the 'Depository Services for Issuers of Debt and Preference Shares – Terms and Conditions' as set out in the application form prepared by the Relevant Issuer and submitted to CDP and no alternative clearing system is available.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

GLOBAL CERTIFICATES

If the Pricing Supplement states that the Notes are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear, Clearstream, Luxembourg, CDP, the CMU or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system. Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the Global Certificate is held on behalf of Euroclear, Clearstream, Luxembourg, the CMU or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if the Global Certificate is cleared through the CDP System and (a) an Event of Default entitling the Trustee to declare all the Notes to be due and payable as provided in the Conditions has occurred and is continuing, (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), (c) CDP has announced an intention to permanently cease business and no Alternative Clearing System is available or (d) CDP has notified the Relevant Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties as set out in the 'Depository Services for Issuers of Debt and Preference Shares – Terms and Conditions' as set out in the application form prepared by the Relevant Issuer and submitted to CDP and no alternative clearing system is available; or
- (iii) with the consent of the Relevant Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph (i) above, the holder of the Notes represented by the Global Certificate has given the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such transfer.

PARTIAL EXCHANGE OF PERMANENT GLOBAL NOTES

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes (i) if principal in respect of any Notes is not paid when due or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Notes.

DELIVERY OF NOTES

On or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent). In exchange for any Global Note, or the part thereof to be exchanged, the Relevant Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes. Global Notes, Global Certificates and Definitive Notes will be delivered outside the United States and its possessions. In this Offering Circular, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each permanent Global Note, the Relevant Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

EXCHANGE DATE

“**Exchange Date**” means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent, the CMU Lodging and Paying Agent or the CDP Paying Agent (as the case may be) is located and in the city in which the relevant clearing system is located.

AMENDMENT TO CONDITIONS

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Offering Circular. The following is a summary of certain of those provisions:

Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with TEFRA D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note (except with respect to a Global Note held through the CMU) will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be enfaced on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. Condition 7(f)(vi) will apply to the Definitive Notes only. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation (if applicable) shall be disregarded in the definition of “business day” set out in Condition 7(h).

All payments in respect of Notes represented by a Global Certificate (other than a Global Certificate held through the CMU or CDP) will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

All payments in respect of Notes represented by a Global Certificate held through CDP will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the fifth business day before the due date for payment.

In respect of a Global Note or Global Certificate held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note or Global Certificate are credited (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) at the relevant time on the day immediately prior to the date of payment on which the CMU is operating and open for business and, save in the case of final payment, no presentation of the relevant bearer Global Note or Global Certificate shall be required for such purpose.

Prescription

Claims against the Relevant Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note or of the Notes represented by a Global Certificate shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholders holding, whether or not represented by a Global Certificate.

Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant permanent Global Note or its presentation to or to the order of the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent or, in the case of Notes cleared through the CDP System, the CDP Paying Agent) for endorsement in the relevant schedule of such permanent Global Note or in the case of a Global Certificate, by reduction in the aggregate principal amount of the Certificates in the Register, whereupon the principal amount thereof shall be reduced for all purposes by the amount so cancelled and endorsed.

Purchase

Notes represented by a permanent Global Note may only be purchased by the Relevant Issuer, the Guarantor or any of their respective subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

Issuer's Option

Any option of early redemption of the Relevant Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Relevant Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Relevant Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg, CDP, the CMU or any other clearing system (as the case may be).

Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent or, in the case of Notes cleared through the CDP System, the CDP Paying Agent) within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised and the option may be exercised in respect of the whole or any part of the permanent Global Note, and stating the principal amount of Notes in respect of which the option is exercised and at the same time presenting the permanent Global Note to the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent or, in the case of Notes cleared through the CDP System, the CDP Paying Agent), for notation. Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Global Certificate may be exercised in respect of the whole or any part of the holding Notes represented by the Global Certificate.

Trustee's Powers

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of, or in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered Notes and may consider such interest if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

Notices

So long as any Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held on behalf of (i) Euroclear and/or Clearstream, Luxembourg or any other clearing system (except as provided in (ii) and (iii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate or (ii) CDP, subject to the agreement of CDP, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to CDP for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate or (iii) the CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU on the second business day preceding the date of despatch of such notice as holding interests in the relevant Global Note or Global Certificate.

Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Relevant Issuer may forfeit such Notes and shall have no further obligation to their holders in respect of them.

CAPITALISATION AND INDEBTEDNESS

CAPITALISATION AND INDEBTEDNESS OF THE GROUP

As of 30 June 2021, the authorised share capital of the Guarantor was NT\$180,000,000,000 divided into 18,000,000,000 ordinary shares of NT\$10.0 par value each and its issued share capital was NT\$138,629,906,090 consisting of 13,862,990,609 ordinary shares of NT\$10.0.

The following table sets out the consolidated capitalisation and indebtedness of the Group as of 30 June 2021 which has been extracted from the unaudited interim consolidated balance sheet of the Group as of the same date. The table should be read in conjunction with the unaudited interim consolidated financial statements of the Group as of and for the six months ended 30 June 2021 and the notes thereto.

	As of 30 June 2021	
	NT\$	U.S.\$
	(unaudited) (in thousands)	(unaudited) (in thousands)
Current borrowings		
Short-term loans (including short-term notes and bills payable) . .	486,734,258	17,439,422
Current portion of long-term liabilities.	72,504,431	2,597,794
	<u>559,238,689</u>	<u>20,037,216</u>
Non-current borrowings		
Corporate bonds payable ⁽¹⁾⁽²⁾	201,898,559	7,233,915
Long-term loans ⁽³⁾	30,278,063	1,084,846
	<u>232,176,622</u>	<u>8,318,761</u>
Equity		
Share capital		
Share capital – common stock	138,629,906	4,967,034
Capital reserve		
Capital surplus	199,294,954	7,140,629
Retained earnings		
Legal reserve	170,755,591	6,118,079
Special reserve	87,315,126	3,128,453
Unappropriated retained earnings.	788,733,445	28,259,887
Other equity interest		
Other equity interest	(81,404,257)	(2,916,670)
Treasury stocks.	(15,194)	(544)
Equity attributable to owners of the parent.	<u>1,303,309,571</u>	<u>46,696,867</u>
Non-controlling interest	177,596,691	6,363,192
Total equity	<u>1,480,906,262</u>	<u>53,060,060</u>
Total Capitalisation ⁽⁴⁾	<u>2,272,321,573</u>	<u>81,416,036</u>

Notes:

- (1) On 5 August 2021, the Company issued currency-linked zero coupon convertible bonds due 2026 in an aggregate amount of U.S.\$700,000,000. On 25 August 2021, one of the Issuers, FFE, had issued corporate bonds due 2028 in an aggregate amount of USD110,000,000. On 30 September 2021, the Company had issued corporate bonds in an aggregate amount of NTD15,450,000,000.
- (2) As of 30 June 2021, the outstanding corporate bonds payable was NT\$244,415 million, NT42,516 million of which is included in the current portion of long-term liabilities.
- (3) As of 30 June 2021, the outstanding long-term loans was NT\$60,266 million, NT29,988 million of which is included in the current portion of long-term liabilities.
- (4) Total capitalisation includes total current borrowings, total non-current borrowings and total equity.

Except as disclosed above, there has been no material adverse change in the consolidated capitalisation and indebtedness of the Group, on a consolidated basis, since 30 June 2021.

RECENT DEVELOPMENTS

2021 SECOND QUARTER FINANCIALS

On 12 August 2021, the Company published its unaudited consolidated financial statements as of and for the three months and six months ended 30 June 2020 and 2021 (the “**2021 Second Quarter Financials**”) on the websites of the TWSE, which are incorporated by reference in the Offering Circular.

The 2021 Second Quarter Financials have been reviewed but have not been audited by PricewaterhouseCoopers, Taiwan, which issued a qualified report because certain insignificant consolidated subsidiaries and investments accounted for using equity method were not reviewed by independent auditors. The 2021 Second Quarter Financials are not necessarily indicative of the results that may be expected for the year ended 31 December 2021 or any period thereafter. Consequently, potential investors must exercise caution when using such data to evaluate the Group’s financial condition and results of operations.

DONATION OF COVID-19 VACCINES

On 11 July 2021, the Company and YongLin Foundation jointly completed the purchase of five million (5,000,000) doses of BioNTech (BNT) 162b2 vaccine, and donated them to the Taiwan Centers for Disease Control (CDC) of Executive Yuan Ministry of Health and Welfare. The Company’s individual contribution will amount to a maximum of US\$105,000,000, a demonstration of its commitment in fulfilling its social responsibilities in face of the unique challenges brought by COVID-19.

DISPOSAL OF MICROELECTRONICS TECHNOLOGY INC. SHARES

On 30 July 2021, 2 August 2021 and 30 September 2021, the Company announced that to realise its investments, its subsidiary, Hyield Venture Capital Co., Ltd. had disposed 7,615,528 and 2,311,528 shares of Microelectronics Technology Inc. for a consideration of NT\$301,963,850 and NT\$145,501,008 respectively.

ISSUANCE OF CURRENCY-LINKED ZERO COUPON CONVERTIBLE BONDS

On 5 August 2021, the Company had issued U.S.\$700,000,000 currency-linked zero coupon convertible bonds due 2026 (the “**Convertible Bonds**”). The net proceeds of the Convertible Bonds were used by the Company to purchase raw materials overseas.

ACQUISITION OF MACRONIX’S 6-INCH FAB

On 5 August 2021, the Company announced the purchase of Macromix International Co., Ltd.’s 6-inch fab with the transaction amount at NTD2.52 billion. The intention is to develop Silicon Carbide (SiC) products for EVs in the mid-term.

SUBSCRIPTION OF LIMITED PARTNERSHIP INTERESTS

On 19 August 2021, the Company announced that its subsidiary, Fii, had subscribed for limited partnership interests with capital commitment in an amount of RMB50,000,000 in a limited partnership in Fujian.

ACQUISITION OF SHENZHEN HENGDRIVE ELECTRIC CO., LTD. SHARES

On 2 September 2021, the Company announced that its subsidiary, Shenzhenshi Yuzhan Precision Technology Co., Ltd. had acquired 30,775,500 shares issued by Shenzhen HengDrive Electric Co., Ltd. for a consideration of RMB378,000,000.

JOINT VENTURE WITH PTT PUBLIC COMPANY LIMITED

On 14 September 2021, the Company announced that its wholly owned subsidiary, Lin Yin International Investment Co., Ltd, and Arun Plus Co., Ltd., the subsidiary of PTT Public Company Limited, signed a joint venture agreement to set up a joint venture company in Thailand for producing EV and key components to serve the EV sector.

PRIVATE INVESTMENT IN PUBLIC EQUITY (PIPE) PARTNERSHIP WITH GOGORO INC

On 16 September 2021, the Company's strategic partner, Gogoro Inc announced its plans to list on the Nasdaq Stock Market in the United States in the first quarter of 2022 through a merger with special purpose acquisition company (SPAC) Poema Global Holdings Corp. The Company is one of the PIPE investors of Gogoro Inc.

INVESTMENT IN THE PRIVATE PLACEMENT OF LORDSTOWN MOTORS AND ASSET PURCHASE AGREEMENT WITH LORDSTOWN EV CORPORATION

On 1 October 2021, the Company announced that its subsidiary, FFE, had participated in a private placement issuance of 7,248,163 shares by Lordstown Motors for a consideration of U.S.\$50,000,002.82. The Company also announced that its subsidiary, Foxconn EV Technology, Inc. had entered into on 10 November 2021 an asset purchase agreement with Lordstown Motors' subsidiary, Lordstown EV Corporation, to purchase an assembly plant with the plans of establishing the electric vehicle production capacity in North America for a total consideration of U.S.\$230,000,000 (the "**Lordstown Acquisition**"). The Lordstown Acquisition is subject to the satisfaction of all conditions precedent in the agreement and obtaining the required regulatory approvals. There is no assurance that the Lordstown Acquisition will proceed, or at all.

DISPOSAL OF SHENZHEN YUTO PACKAGING TECHNOLOGY CO., LTD. SHARES

On 5 November 2021, the Company announced that the board of its subsidiary, Hongfuzhun Precision Shenzhen Co., Ltd., had approved the disposal of 30,649,520 shares of Shenzhen Yuto Packaging Technology Co., Ltd. The transaction amount will be disclosed by the Company after the closing of the disposal.

THE IMPACT OF COVID-19 ON THE GROUP'S OPERATIONS

The COVID-19 pandemic has caused substantial disruption in international economies and markets, including countries or regions where the Group's businesses, assets and operations are located in. In response to the COVID-19 pandemic, many governments across the world have imposed a number of measures in an effort to contain the spread of the COVID-19 pandemic, including mandatory business closures, travel restrictions, quarantines, lockdowns, limitations on public gatherings and the suspension of major events. These containment measures have caused disruptions across the majority of the countries globally.

In response to the COVID-19 pandemic, the Group has taken preventive measures, such as disinfection routines, self-quarantine, mandatory hygienic practices, social distancing and establishing an epidemic management team to closely monitor and respond to the pandemic. As this stage, it is difficult to quantify the economic impact arising from the COVID-19 pandemic on our financial position and operating results. As the COVID-19 pandemic continues to evolve, the Group has prudently and flexibly adjusted the Group's resources labour and supply chain to mitigate the impact on its operations. The Group will continue to closely monitor the progression the COVID-19 pandemic, evaluate and proactively assess and respond to its impact on the financial position and operating results of the Group. Since May 2021, the Group's production sites were impacted by a small decrease in production due to the COVID-19 pandemic, including those in India, Malaysia, Mexico and Vietnam. The Group's revenue might fluctuate accordingly. Please refer to "*Risk Factors – Risks Relating to the Group's Industry and Business – We are vulnerable to any force majeure events or natural disasters and other disruptive events that could severely disrupt the normal operation of the Group's and adversely affect earnings*".

THE IMPACT OF NATURAL DISASTERS AND POWER SHORTAGE ON THE GROUP'S OPERATIONS

In early 2021, the ROC has experienced drought and power shortage that has threatened and may continuously threaten our production capability because our manufacturing process requires water and electricity. Moreover, in July 2021, certain regions of the PRC (including those where the Group currently operates, such as Zhengzhou) were impacted by major flooding caused by heavy rainfall. Additionally, since September 2021, some of the Group's production sites in the PRC are being affected due to local electricity shortage constraints. Parts of China have suffered an electricity supply shortages, resulting in local government imposing power cuts and rationing of electricity in a bid to conserve electricity. While the Group's major client's products assembly lines are not located in the list of cities hit with the restrictions in the PRC, the electricity crunch has resulted in reduced production in the Group's component factories and production plants in Kunshan and Suzhou due to the need to comply with the local government's power restrictions. The Group is closely monitoring controlling measures and the potential impact on the supply chain. Please refer to "*Risk Factors – Risks Relating to the Group's Industry and Business – The Group is vulnerable to any force majeure events or natural disasters and other disruptive events that could severely disrupt the normal operation of the Group's and adversely affect earnings.*" and "*– Our production facilities are subject to risks of power and water shortages*".

DESCRIPTION OF FFE

FORMATION

FFE is a limited liability company incorporated under the laws of the Cayman Islands. It was incorporated in the Cayman Islands on 25 January 1996. FFE is a wholly-owned subsidiary of the Company.

BUSINESS ACTIVITY

FFE is the main overseas investment holding company of the Group.

FINANCIAL STATEMENTS

Under Cayman Islands law, FFE is not required to publish interim or annual financial statements. FFE has not published, and do not propose to publish, any financial statements. FFE is, however, required to keep proper books of account as are necessary to give a true and fair view of the state of FFE's affairs and to explain its transactions.

DIRECTORS AND OFFICERS

The directors of FFE as of the date of this Offering Circular are Yu Huang Chiu-Lian and Huang Teh-Tsai. The business address of the directors is No. 2, Ziyou Street, Tucheng Industrial Zone, Tucheng District, New Taipei City, Taiwan, Republic of China.

SHARE CAPITAL

The authorised share capital of FFE is U.S.\$9,000,000,000 divided into 9,000,000,000 shares of U.S.\$1.00 par value each of which 8,061,628,745 shares have been issued to, and is held by, the Company. The register of members of FFE is maintained at its registered office at Vistra (Cayman) Limited, P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1- 1205 Cayman Islands.

DESCRIPTION OF CTT

FORMATION

CTT is a limited liability company incorporated under the laws of the Commonwealth of The Bahamas. It was incorporated in The Bahamas on 13 May 1997. CTT is an indirectly wholly-owned subsidiary of the Company.

BUSINESS ACTIVITY

CTT has full capacity to carry on or undertake any business or activity, do any act or enter into any transaction and has full rights, powers and privileges for the above purposes pursuant to the objects and powers set out in its memorandum of association.

FINANCIAL STATEMENTS

Under Bahamian law, CTT is not required to publish interim or annual financial statements.

CTT is, however, required to maintain reliable books of account in a form which correctly explain all transactions, enable its financial position to be determined with reasonable accuracy at any time and allow financial statements to be prepared.

DIRECTOR AND OFFICER

The sole director of CTT as of the date of this Offering Circular is Yu Huang Chiu-Lian. The business address of the director is No. 2, Ziyu Street, Tucheng Industrial Zone, Tucheng District, New Taipei City, Taiwan, Republic of China.

SHARE CAPITAL

CTT is authorised under its memorandum of association to issue a maximum of 5,000 shares of U.S.\$1.00 par value each and 5,000 shares have been issued to, and are held by, Foxconn (Far East) Holdings Limited, a wholly-owned subsidiary of the Company. The register of members of CTT is maintained at its registered office at Vistra Corporate Services, Centre, Marlborough & Queen Streets, Nassau, New Providence, The Bahamas.

DESCRIPTION OF FOXSIN

FORMATION

Foxsin is a limited liability company incorporated under the laws of Singapore. It was incorporated in Singapore on 19 February 1992. Foxsin is a wholly-owned subsidiary of the Company.

BUSINESS ACTIVITY

Foxsin is mainly involved receiving orders from the Company for consumer electronics products and procuring them from its related companies. Foxsin is one of the main overseas investment holding company of the Group.

FINANCIAL STATEMENTS

Under Singapore law, Foxsin is required to keep such accounting and other records as will sufficiently explain the transactions and financial position of the company and enable true and fair financial statements and any documents required to be attached thereto to be prepared from time to time, and shall cause those records to be kept in such manner as to enable them to be conveniently and properly audited.

DIRECTORS AND OFFICERS

The directors of Foxsin as of the date of this Offering Circular are Chow Chung-Kai, Yu Huang Chiu-Lian and Lee Huey Fong. The business address of the directors is 54 Genting Lane #03-05, Ruby Land Complex, Singapore (349562).

SHARE CAPITAL

As of the date of this Offering Circular, Foxsin has issued 558,536,755 ordinary shares to the Company and has a paid-up capital of S\$558,536,755.

DESCRIPTION OF ECMMS SG

FORMATION

ECMMS SG is a limited liability company incorporated under the laws of Singapore. It was incorporated in Singapore on 6 February 2015. ECMMS SG is a wholly-owned subsidiary of the Company.

BUSINESS ACTIVITY

ECMMS SG is mainly involved receiving orders from customers for consumer electronics products and outsourcing them to its related companies for manufacture.

FINANCIAL STATEMENTS

Under Singapore law, ECMMS SG is required to keep such accounting and other records as will sufficiently explain the transactions and financial position of the company and enable true and fair financial statements and any documents required to be attached thereto to be prepared from time to time, and shall cause those records to be kept in such manner as to enable them to be conveniently and properly audited.

DIRECTORS AND OFFICERS

The directors of ECMMS SG as of the date of this Offering Circular are Lee Huey Fong and Hong Sung-Tai. The business address of the directors is 54 Genting Lane #03-05, Ruby Land Complex, Singapore (349562).

SHARE CAPITAL

As of the date of this Offering Circular, ECMMS SG has issued 343,010,000 ordinary shares to the Company and has a paid-up capital of U.S.\$343,010,000.

DESCRIPTION OF FALCON

FORMATION

Falcon is a limited liability company incorporated under the laws of Singapore. It was incorporated in Singapore on 6 May 2015. Falcon is an indirect wholly-owned subsidiary of the Company.

BUSINESS ACTIVITY

Falcon is mainly involved in accepting orders from the Company for consumer electronics products and procuring them from its related companies.

FINANCIAL STATEMENTS

Under Singapore law, Falcon is required to keep such accounting and other records as will sufficiently explain the transactions and financial position of the company and enable true and fair financial statements and any documents required to be attached thereto to be prepared from time to time, and shall cause those records to be kept in such manner as to enable them to be conveniently and properly audited.

DIRECTORS AND OFFICERS

The directors of Falcon as of the date of this Offering Circular are Lee Huey Fong and Yang Ching-Kuang. The business address of the directors is 54 Genting Lane #03-05, Ruby Land Complex Singapore (349562).

SHARE CAPITAL

As of the date of this Offering Circular, Falcon has issued one ordinary share to FFE, a wholly owned subsidiary of the Company and has a paid-up capital of U.S.\$1.00.

DESCRIPTION OF THE COMPANY

BUSINESS OVERVIEW

Hon Hai Precision Industry Co., Ltd. is a leading technological solution provider, which has leveraged its expertise in software and hardware to integrate its unique manufacturing systems with emerging technologies. Its products and services are categorized as follows: (i) Components including a broad range of connectors, cable assemblies, enclosures and electronic and other components; (ii) Modules comprising system boards and subassemblies; and (iii) Systems comprising full system assembly of electronic products.

The Company is committed to developing and leading upgrades in the industry in moving from a labour intensive business to an intelligence intensive business, with labour-less factories, automation and the Company's "3+3" strategy categories, including the three industries of EV, digital health and robotics and three applications across AI, semiconductor and new generation communication. The Company also leverages its R&D capabilities and investments in new industries to achieve the restructuring and upgrade towards "Foxconn 3.0". The Company has invested and plans to continue to invest in its key "3+3" strategy.

The Company provides its customers, which are primarily in the 3C industries, with value-added end-to-end product solutions from design and development in the early stage to the final manufacturing and after-sales services. The Company identifies and targets industry leaders in the 3C industries with whom the Company believes it can develop long-term relationships. The Company's key customers include Amazon, Apple, Dell, HP and Sony. The Company intends to concentrate its sales efforts on increasing penetration of its existing customers, as well as targeting new customers that are emerging industry leaders.

In transforming the business from a labour intensive industry to one that is intelligent intensive, the Company has formulated transformation and upgrade plans, with an advanced deployment of technologies and products in the future. The Company's strategic objective is to provide industry leaders in the 3C industries with a total solution for design, development, engineering, procurement, manufacturing, logistics and after-sales service. The Company calls this strategy "e-enabled Components, Modules, Moves and Services", or "eCMMS". eCMMS stands for:

- (i) Components: the Company's expertise in fast tooling, precision molding and quick turnaround to manufacture components in accordance with demanding technical specifications in a cost-effective manner;
- (ii) Modules: the Company's capabilities in assembling self-produced components as well as externally procured parts into modules, and turning modules into systems, pursuant to customer specifications;
- (iii) Moves: the Company's global supply chain management and logistics network to meet customers' fast turn-around demand; and
- (iv) Services: the Company's timely and cost-effective end-to-end product solutions from design services in the early stage of a product to the final manufacturing and after-sales services tailored for each customer's need.

eCMMS differs from the traditional concept of contract electronic manufacturing by not only incorporating the concepts normally associated with contract electronic manufacturing such as providing a one-stop manufacturing and supply chain management solution to OEM clients, but also emphasizing the Company's capabilities in component manufacturing and assembly of modules in a cost-effective and timely manner. The Company believes that the eCMMS strategy will strengthen its manufacturing advantage in speed, quality, engineering services, flexibility and cost, and thereby solidify the Company's position as a leading electronics manufacturing services provider. The Company is also dedicated to enhancing the concept of environment sustainability in the manufacturing process and serving as a best-practices model for global enterprises.

In terms of EV, the Company has cultivated a global supply chain and is establishing in-house capabilities of key component manufacturing, structural R&D and system integration services. The Company plans to utilize this unique set of proficiencies to consolidate resources vertically from both upstream and downstream, which enables the Company to provide its customers with comprehensive "one-stop" solutions. As a leading technological solution provider for decades that is dedicated to technological innovation, the Company has founded a non-profit organization to support the MIH EV Open Platform, whose core ethos is to share and propel the sustainable development of automotive ecosystem.

For the year ended 31 December 2020, the Company generated consolidated operating revenue of NT\$5,358,023.1 million (US\$191,975.03 million) and consolidated net income of NT\$114,325.6 million (US\$4,096.22 million), representing an increase of 0.28 per cent. and a decrease of 13.51 per cent., respectively, over the same period in the previous year. For the six months ended 30 June 2021, the Group generated consolidated operating revenue of NT\$2,698,579.5 million (US\$96,688.62 million) and consolidated net income of NT\$63,198.9 million (US\$2,264.38 million), representing an increase of 31.16 per cent. and an increase of 129.41 per cent., respectively, over the same period in the previous year.

The Company was incorporated on 20 February 1974. The Company changed its name in 1982 to "Hon Hai Precision Industry Co., Ltd." and registered as a company limited by shares. The Company is registered with the Ministry of Economic Affairs of the ROC under a uniform registration number of 04541302. The Company has been listed on the TWSE since 1991 under the registration number of 2317. In 2004, the Company merged with Ambit Microsystems Corporation, a manufacturer of communications modules and systems such as modules and adaptors for wireless local area network as well as cable modems. In 2005, the mobile phone and smart phone ODM business unit of the Company, Fii Mobile (Stock Code: 2038) was listed on The Stock Exchange of Hong Kong Limited. In 2006, the Company merged with Premier Image Technology Corporation, a leading manufacturer of camera modules and optical components for digital cameras, projectors and other electronic products in the ROC. In 2016, the Company invested in Sharp Corporation, a Japanese multinational corporation that designs and manufactures electronic products. On 13 July 2017, FIT Hon Teng (incorporated in the Cayman Islands with limited liability under the name Foxconn Interconnect Technology Limited and carrying on business in Hong Kong as FIT Hon Teng Limited) (Stock Code: 6088), a consolidated subsidiary of the Company, was listed on The Stock Exchange of Hong Kong Limited and on 8 June 2018, Fii (Stock Code: 601138), another consolidated subsidiary of the Company, was listed on the Shanghai Stock Exchange. Fii is a world leading professional design and manufacturing service provider of communication network equipment, cloud service equipment, precision tools and industrial robots, providing customers with intelligent manufacturing services for new forms of electronic equipment products centred on the industrial internet platform.

INDUSTRY OVERVIEW

In view of the regulatory requirements and a shift in consumer behaviour, throughout the years, the Company has actively addressed social and environmental responsibility issues, both on a company level and at an industry level with the electronic industry citizenship coalition, especially even more so with the COVID-19 pandemic. As a result of COVID-19 pandemic and the resultant social distancing policies, there has been a substantial increase in people working from home. This has driven an increase in demand for cloud communication, computers and cloud computing equipment.

The Company remains committed to dedicating resources to address issues as such as energy saving, carbon emissions, recycling and environmentally friendly initiatives. The Company intends to continue to leverage innovations in software and technologically services to expand environmental protection and energy industry, promote global energy savings, emission reduction, as seen in the Company's focus on the development of the "3+3" industries, namely the three main areas of EV, digital health and robotics and three technological applications of AI, semiconductor and new generation communication. The principal factors that the Company had considered in choosing the abovementioned industries are as follows:

- maximizing economies of scale;
- rapid growth with two-digit compound annual growth rate; and
- building synergy for the Company's competitive advantage.

The industry in which the Company operates is composed of companies that provide a range of manufacturing and design services to customers that design, develop and sell electronic products.

Historically, the industry experienced significant changes and growth as an increasing number of companies outsourced and continue to outsource some or all of their design, manufacturing, and distribution tasks.

The intensely competitive nature of the electronics industry, the increasing complexity and sophistication of electronic products, the continued pressure on OEMs to reduce product costs and the shorter life cycles of electronic products encourage OEMs to utilize contract manufacturing service providers as part of their overall business and manufacturing strategies. Utilizing contract manufacturing services allow OEMs to take advantage of the global design, manufacturing and supply chain management expertise of contract manufacturing service providers and enables OEMs to concentrate on product research, development, marketing and sales. Over the longer term, factors driving companies to outsource include:

- reduced product costs;
- reduced design and development costs;
- accelerated time-to-market, time-to-volume and time-to-profit production;
- access to worldwide design, engineering, manufacturing and logistics capabilities;
- improved inventory management and purchasing power;
- reduced capital investment in manufacturing and fixed costs; and
- ability to focus on core branding and research and development initiatives.

COMPETITIVE ADVANTAGES

The Company believes that it enjoys several key competitive advantages in its principal activities:

End-to-end product solution provider and vertically integrated production, offering customized solutions and flexible cost structure

The Company's end-to-end solutions for entire products provide a one-stop shop solution for its customers, capitalizing on its global scale in procurement, manufacturing, supply chain management, system assembly and logistics network. Moreover, the Company's global scale allows for a strong bargaining power vis-a-vis suppliers and vendors and enable it to lower production costs at several stages of the production process. The Company's eCMMS strategy and high level of vertical integration of production provide its customers with customized solutions and flexible cost structure. These are only possible with the large scale of the Company which the Company believes has provided and will continue to provide a competitive advantage over its competitors.

Strong and reliable integration capabilities for optomechatronics engineering and manufacturing

The Company's strong integration capabilities for optomechatronics engineering and manufacturing have enabled it to better optimize operational efficiency at several stages of the production process, starting from design for manufacturing and tool construction to mass production automation. Such integration capabilities provide a reliable platform for the Company to develop high quality products and satisfy the following customers' requirements: (i) time-to-market; (ii) time-to-volume and; (iii) time-to-profit. In addition, the Company seeks to enhance its optomechatronics capabilities by continuing to invest in the technology for the manufacturing of related products. The Company believes that its substantial integration expertise in optomechatronics engineering provides it with a significant competitive advantage over competitors without such expertise, and that the capital investment and time needed to develop such expertise creates significant barriers to entry.

Strong research and development capabilities

The Company's strong research and development capabilities in optical, mechanical and electronics engineering are critical to its success. The Company believes that close involvement of its research and development teams with its customers at each stage of the design and development process positions the Company as an industry leader in technological innovation. For example, the Company believes that its focus on research and development and technological innovation has allowed it to establish a competitive position in 5G technologies, including patent applications, and the "3+3" strategy including in the three industries of EV, digital health and robotics and in three applications across AI, semiconductor and new generation communication. The Company plans to continue to invest in research and development, including in-house research and development activities, joint development with certain major customers, and joint research and development programs with external research institutes and universities. Such resources focus on developing new products, providing manufacturing solutions to customers, improving production efficiency and lowering unit manufacturing costs.

Focused strategic cooperation with key industry leaders

The Company has established strategic cooperation arrangements with some of the world's leading manufacturers in the 3C industries and in the "3+3" strategy related industries, and the Company plans to continue to develop such strategic cooperation with other industry leaders. In addition to manufacturing, the Company engages in joint product development, testing and applications development with certain industry leaders who are customers of the Company and, in some cases, engages in co-investment in the development of new products. To strengthen strategic co-operations, the Company devotes significant resources to research and development in order to stay at the forefront of optomechatronics engineering and manufacturing processes. In light of the Company's development in EV and semiconductor field, the Company has established joint ventures with industry leaders including Geely, Haitec and Yageo Group.

The Company believes that by (i) being involved in the early stages of product design and development with industry leaders, (ii) working with industry leaders to devise manufacturing solutions for their products, (iii) providing quick turn-around prototyping and manufacturing services and (iv) offering global supply chain management solutions for customers in order to provide one-stop manufacturing and global logistics solutions, the Company will further strengthen business relationships with its customers. The Company also believes that the diversity of its customers, products and services help mitigate the Company's exposure to downturns in any one specific industry or geographic location.

Strategy

The Company's strategic objectives are (i) to focus on maximizing existing business profitability and improving efficiency, (ii) to leverage digital transformation to enhance performance and lower expense further, (iii) to increase efficiency, downsize costs and optimize products and services by analysing big data, (iv) to apply edge computing and Artificial Intelligence of Things ("AIoT") develop a cutting edge Industrial Internet of Things ("IIoT") industry, (v) to aim at being a leader of building up a comprehensive AIoT environment, and also (vi) to move from a labour intensive business to an intelligence intensive business, with labour-less factories, automation and the Company's "3+3" strategy, including in the three industries of EV, digital health and robotics and in three applications across AI, semiconductor and new generation communication.

Concentrate on industry leaders and expand product and service portfolio

The Company intends to concentrate its sales efforts on increasing penetration of its existing customers, currently concentrated in the 3C industries, as well as targeting new customers that are industry leaders. The Company does not market or sell retail products under its own brand name, which allows the Company to position itself as a partner of such industry leaders in the development and manufacture of components, modules and complete systems rather than as a potential competitor to such industry leaders. The Company has established and will continue to develop strategic cooperation with industry leaders and plans to continue to develop such strategic cooperation with other industry leaders as part of its effort to attract new customers.

The Company focuses its eCMMS solutions around the demands of its customers pursuant to its strategy of becoming the strategic partner for its customers. The Company endeavours to deepen its relationship with each of its customers by expanding upstream and downstream to internally provide a greater portion of the components and manufacturing services for each end product. In addition, the Company intends to expand its product portfolio including EV industry in response to customers' requests as they develop new products and to assist them with penetrating nascent markets with the Company's global supply chain and logistics network.

Further enhance core engineering skills and vertically integrated production processes to shorten delivery time, accelerate time-to-volume and reduce cost

The Company intends to further develop its core manufacturing capabilities including its enhanced core engineering skills and vertically integrated production processes to provide eCMMS solutions for its customers. Its ability to customize and manufacture a substantial portion of the key components used in the full system assembly of products, as well as to vertically integrate the production process and globally synchronized manufacturing capabilities, has enabled the Company to shorten delivery time, accelerate time-to-volume and reduce cost.

The Company plans to continue to strategically expand production facilities and further refine its manufacturing process in each stage. It also plans to attract, develop and retain local talent in Asia, Europe and Americas. The Company's global production facilities and capable local talent enable the Company to allocate mass production to local production facilities, while at the same time engaging in product development, prototyping and final configuration services at production facilities close to customers' facilities or end-markets. The Company's global network also enables the Company to obtain key components locally, and to synchronize its worldwide manufacturing and delivery network.

Continue expanding global supply chain management capabilities to provide more comprehensive solutions

The Company views global Supply Chain Management ("SCM") capabilities as essential to satisfying the "moving" needs of its eCMMS customers. The Company's global SCM involves not only its assembly capability, but also the ability to source components in each of Asia, Europe and Americas, its three major geographical regions. The Company's MRP system, ERP system and EDI system complement the Company's global SCM system and enable the Company to implement its policy of just-in-time delivery of key components required for production and assembly. The Company also provides its customers with an in-house developed web-based turnkey system, allowing customers online order input capability and enabling them to monitor inventory levels of raw materials and components, work-in-progress and finished products, and production and delivery schedules. The Company plans to continue to expand its existing global SCM capabilities to provide more comprehensive solutions.

Further investment in research and development capabilities to drive innovation

The Company attributes its past success to the development of strong research and development capabilities. It plans to continue the development and expansion of its core technologies by utilizing several regions and locations as bases for research and development. By further developing existing core technologies and adding new core technologies, the Company aims to further expand its offerings, particularly green manufacturing processes and green products, which the Company believes will be its next major growth area. The Company believes that its research and development capabilities provide a unique market differentiator that allows it to provide a full suite of design services and manufactured products to its customers.

Expand through potential acquisitions, joint ventures, partnerships and other strategic transactions

The Company seeks to undertake strategic transactions for new customers, manufacturing and service capabilities, technologies and geographical markets access, manufacturing costs reduction, margin improvement and customer relationship development in its existing information and communications technology (ICT) business. More importantly, the Company adopts an asset light approach to develop EV and semiconductor business. Strategic investment is an important approach in enabling the Company to accelerate EV and semiconductor business expansion.

Potential future transactions may include a variety of different business arrangements, including acquisitions, spin-offs, strategic partnerships, joint ventures, restructurings, divestitures, relocation of facilities, business combinations and equity or debt investments. The Company intends to continue to evaluate and pursue strategic opportunities on a highly selective basis.

Products and Services

The Company's products and services consist principally of (i) Components, including a broad range of connectors, cable assemblies, enclosures and electronic and other components; (ii) Modules comprising system boards and subassemblies; and (iii) Systems comprising full system assembly of electronic products. In addition, the Company launched its MIH EV Open Platform in October 2020 to accelerate the innovation and development of the EV industry in response to the emerging market needs.

Components

The Company designs, manufactures and sells a wide variety of electronic and other components, including connectors, wires and cables, casings, PCBs and enclosures. The Company also manufactures a broad range of enclosures with numerous materials including metal, plastics and die cast materials. Connectors and cable assemblies manufactured by the Company are also used internally in the manufacture of enclosures and system boards and full system assemblies.

Modules

Modules are integrated subsystems that use a combination of industry standard and/or custom components. Modules manufactured by the Company are used in the full system assembly of PCs, game consoles and mobile handsets, among others. The Company provides a broad range of services for the manufacture of modules including procurement and material management, assembly, test engineering, quality assurance and shipment to points of end-user distribution.

Systems

The Company provides final system assembly in which assemblies and modules are combined to form complete and finished products; the Company integrates printed circuit board assemblies that are self-manufactured with enclosures, cables and modules that it also produces. With the Company's optical, mechanical, electronics, material science and SCM expertise, its experience in high quality mass production at a competitive cost, and its vertically integrated production process, the Company offers full system assembly of 3C products ranging from desktop and laptop PCs and servers to smartphones and game consoles.

The Company offers products in four main product categories, namely (i) Smart Consumer Electronics including smartphones, TVs, game consoles, etc.; (ii) Cloud and Networking Products comprising servers, communication network, etc.; (iii) Computing Products comprising computers, tablets, etc.; and (iv) Components and other products including connectors, mechanical parts, services, etc.

Smart Consumer Electronics:

The Company designs, manufactures and sells a wide variety of Smart Consumer Electronics including smartphone devices, feature phones, wearable devices and smart entertainment devices such as television sets, game consoles, set-top boxes, and audio systems.

Cloud and Networking Products:

Cloud and Networking Products designed and manufactured by the Company include network communication and cloud equipment and systems used by businesses and general consumers as well as the devices used by consumers such as routers, servers, edge computing, data centres and satellite communications.

Computing Products:

Computing Products designed, manufactured and assembled by the Company comprise electronic computing equipment for work and daily life, such as desktop computers, laptops, tablets, multi-function devices and printers.

Components and other products:

Components and other products including key components for the supply chain, such as connectors and optical components, electronic components, semiconductor products, automotive equipment and related services and integrated services of emerging industries covering logistics warehousing, software development, healthcare services and integrated services of industrial internet.

MIH EV Open Platform

The Company acts as a founding member of MIH Consortium. The aim of MIH Consortium is to create an open EV ecosystem that promotes collaboration in the mobility industry, bringing in strategic partners together to build the next generation of EV, autonomous driving, and mobility service applications.

Production Process

As part of its overall eCMMS strategy, the Company manufactures a substantial portion of the components required for the manufacture of its final products. This high degree of vertical integration allows the Company to achieve cost savings and helps to ensure that the components meet the Company's quality specifications. The in-house manufacture of components also provides the Company with greater flexibility in customizing components to match customers' specifications.

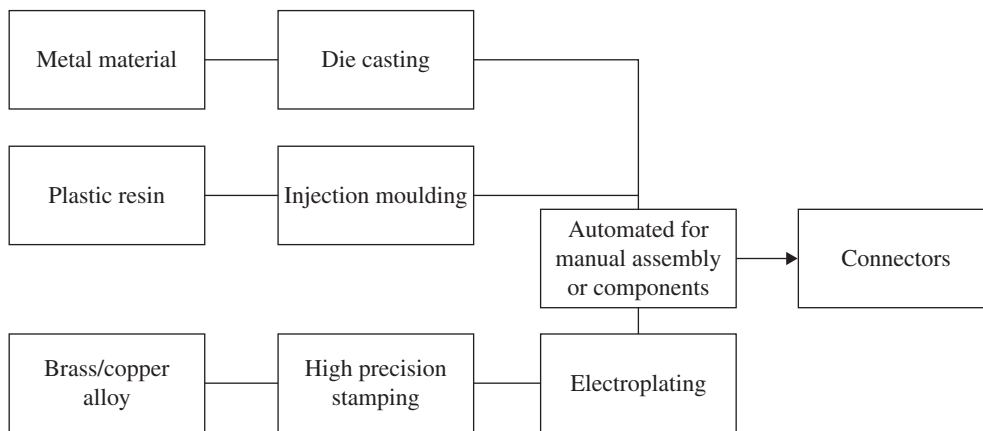
The quality of most of the Company's products depends, to a significant extent, on the quality and precision of the dies and molds used for the production of metal and plastic components. The Company's manufacturing capability is also enhanced by the use of Computer Aided Design and Manufacturing ("CAD/CAM") tools to customize and automate molding and tooling equipment and the production process and to design prototypes of new products. The Company utilizes an internal database to track the design and development process for new products. This database and tracking process has enabled the Company to maintain high quality standards, and reduce the time and cost required to design, develop and manufacture new products. Quality control tests are conducted on organic and metallic materials used in the production process. In addition, quality control procedures and tests are conducted at each manufacturing and assembly stage. The Company also arranges for certain of its customers to conduct periodic on-site quality inspections.

Components

The production process for connectors and cable assemblies manufactured by the Company is highly integrated and most of the components of connectors and the cable assemblies are produced in-house.

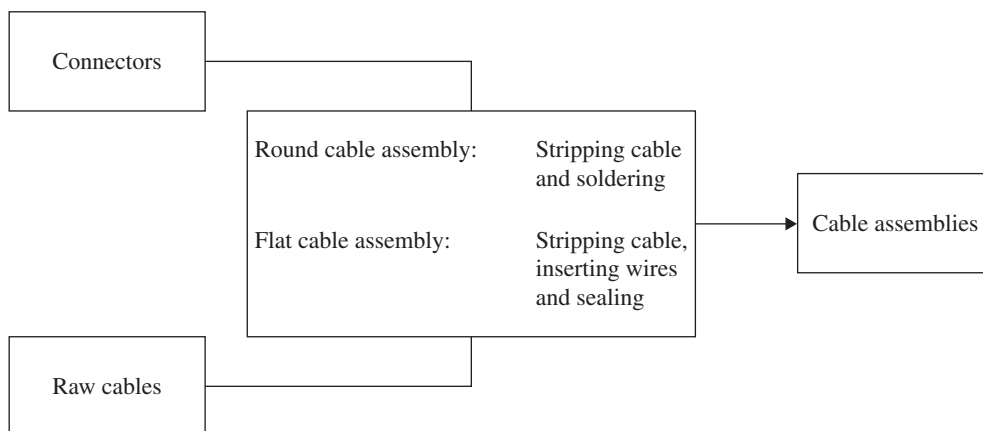
Connectors

The manufacture of connectors consists of the production of plastic and metal components and final assembly.



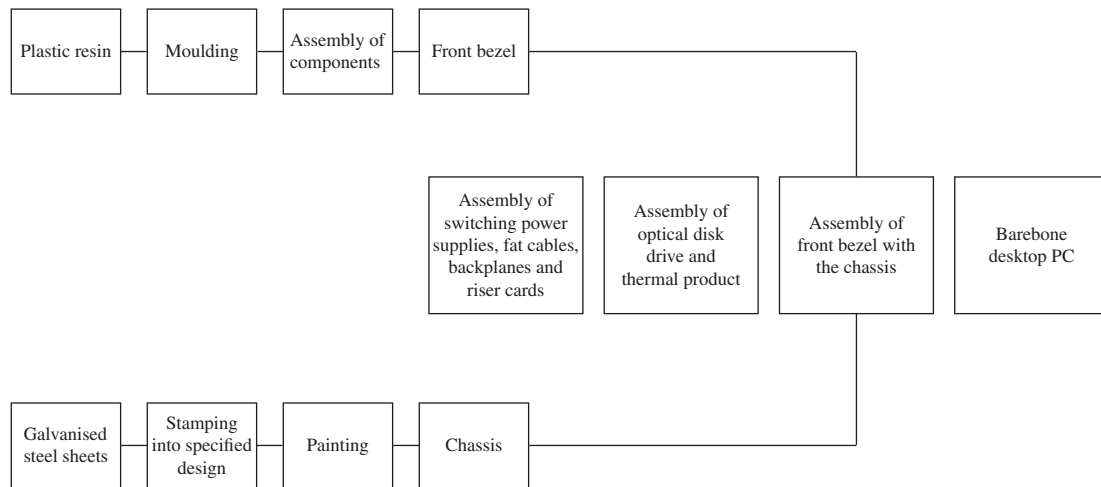
Round and flat cable assemblies

The production process for cable assemblies is similar to that for connectors, except that it involves the additional steps of cutting cables into specified lengths and soldering electronic components onto the cables.



Enclosures

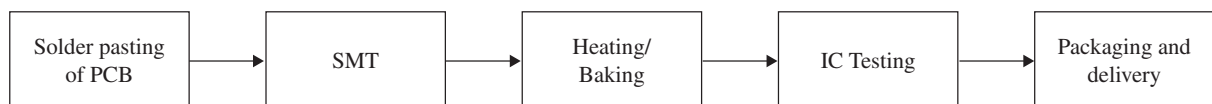
The diagram below sets out the production process for a typical PC enclosure. The production processes for other types of enclosures are broadly similar.



The production process for PC enclosures involves the production of chassis and final assembly. Components and peripherals are assembled into various types of enclosures according to customers' specifications. The Company manufactures the chassis, connectors and cable assemblies, flat cables, thermal products, backplanes and riser cards used in the manufacture of enclosures and purchases the remaining components and peripherals from third party suppliers.

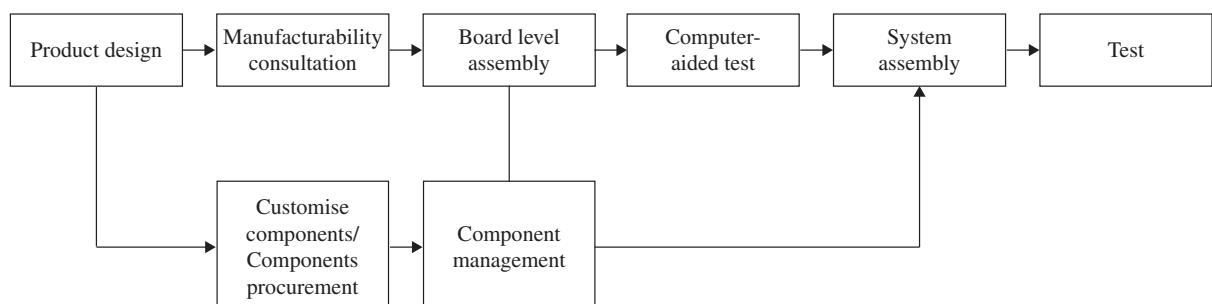
MODULES – SYSTEM BOARDS

The following diagram shows the principal steps in the manufacture of system boards:



SYSTEMS – FULL SYSTEM ASSEMBLY

The Company provides board-level assembly utilizing surface mount technology (“SMT”) as well as system-level assembly. The following diagram shows the principal steps in the full system assembly process:



End Markets

Substantially all of the Company's products and services, whether in the form of components, modules or full system assembly, have end-use applications in the computer, communications or consumer electronics industries.

Computer

The Company manufactures (i) commodity-level PC connectors and higher value-added CPU connectors for desktop and laptop PCs; (ii) connectors for use in high-end PC workstations and servers; (iii) cable assemblies primarily for use in desktop and laptop PCs and servers; (iv) enclosures for desktop and laptop PCs and servers; and (v) full system assembly of desktop and laptop PCs and servers.

Communications

The Company manufactures connectors used in communications equipment, including mobile handsets, gigabit Ethernet channels for local area networks and public branch exchanges. It also manufactures cable assemblies for use in mobile handsets and wireless systems, such as radio frequency cables used to transfer data between servers and end-users or to enable access to the Internet without any external cables.

The Company manufactures on an OEM basis enclosures for communications products such as mobile handsets, smart phones, access point devices and Internet Protocol phones. In addition, the Company manufactures on both OEM and ODM bases enclosure for networking equipment such as switches and routers.

Beginning in 2002, the Company commenced offering full system assembly of mobile handsets. The Company also produces optical components and camera modules for mobile handsets.

Consumer Electronics

The Company manufactures input/output connectors and board-to-board connectors used in consumer electronic products such as game consoles, digital video players and LCD-TVs. For game consoles, the Company manufactures enclosures and provides full system assembly on an OEM basis. It also produces digital music players and digital cameras.

Raw Materials and Components

The Company has implemented various inventory and resource management systems to enable it to plan the global allocation of its resources, which helps to ensure an adequate and timely supply of principal raw materials and components. Each production division within the Company is responsible for procuring and ascertaining the quality of its raw materials and components.

The Company acquires materials and components through purchase agreements and purchase orders with its suppliers. The table below sets forth the principal raw materials and components used in the manufacture of the Company's products:

Products	Raw materials and components
Components and others	
Connectors and cable assemblies	Potassium gold cyanide, phosphorus bronze, plastic resin, copper alloy and raw cables
Electronic and other components	PCBs, connectors and passive components such as capacitors and resistors
Enclosures	Galvanised steel sheets, plastic resin, optical disk drives, card readers, switching power supplies, connectors and riser cards
System boards	PCBs, connectors, passive components such as resistors, capacitors and oscillators and active components such as ICs and chipsets
Systems	
Full system assembly Consumer products mobile handsets, game capsules	Battery packs, baseband and radio frequency chipsets, solid state filters, LCDs, ICs, plastic parts, metal sheets, cable assemblies, connectors, adapters, system boards, riser cards and expansion cards
Enterprise products server, data centre	Server enclosures, system boards, sub-system (add-on) cards, PSU, HDD, DIMM, CPU, rack cabinet, PDU, switch, cable kits, optics link, PCM mobile, IOM module, chassis enclosures, drives (HDD), sub-systems: PCBA, PSU, HDD, DIMM, fan module, cabling, CPU, rack cabinet, PDU, switch and optics link
Computing products	Housing assy, NAND, LCD, camera, WiFi module and HSG, tablets, desktop and laptop PCs enclosures, system boards, cathode ray tubes, riser cards and expansion cards

Technology, Research and Development

The Company utilizes proprietary management methods for IIDM-SM (Integration, Innovation, Design, Manufacturing to Sales and Marketing) coupled with precision molding, material technologies, sustainable manufacturing technology, SMT manufacturing technology, heat transfer technology, plastic processing, metal processing, testing capacities, automation capacities, photoelectric consolidation technologies, motherboard design, E-commerce capabilities, server design, wireless communications and light display modules to achieve core competitive advantages.

The Company considers its research and development activities critical to the continued success of its business. The Company's research and development efforts are focused on the following areas:

- design and development of new products, including collaboration with industry leaders;
- devising manufacturing solutions for the Company's customers;
- development of key technologies and expertise in material engineering optomechanics, energy efficiency solutions and process automation to maintain its leadership position in these areas;
- design and development of new production processes to improve production efficiency and reduce overall manufacturing costs; and
- establishment of Hon Hai Research Institute to strengthen the Company's in-house technology capability and in-depth study of prospective technology applications.

The Company believes that close involvement of its research and development teams with its customers at each stage of the design and development process positions the Company as an industry leader in technological innovation.

Previous new products from the Company's research and development efforts include flat panel displays, backlight modules, nano batteries, nano thermal solutions, aspheric lens for mobile phone camera, backplane connectors, high speed board to board connectors, high speed module jack connectors and burn-in/test sockets. The research and development department is currently focused on wireless networks, materials science and green manufacturing process in connection with application in 3C and other products, as well as chip design and manufacturing to be used in the Company's development of IIoT. The Company's global research and development centre in Dingpu is fitted with precision machinery, precision molds and nanotechnology research facilities. The Company also intends to establish IIoT research labs, robotics research facilities and labs catered to IIoT and AI applications.

In June 2020, the Company launched Hon Hai Research Institute (the "**Institute**") which is an important step in the Company's "3+3" strategy to strengthen the Company's in-house technology capability and enrich its innovative product pipeline. The Institute includes five research centres, namely the AI research centre, semiconductor research centre, next-generation communications research centre, information security research centre and quantum computing research centre, each of which has an average of 40 R&D professionals. The Institute also obtains advices from an advisory committee which comprises renowned academics and entrepreneurs.

Sales and Marketing

The Company identifies and targets industry leaders in the 3C industries with whom the Company believes it can develop long-term relationships. The Company intends to concentrate its sales efforts on increasing penetration of its existing customers, as well as targeting new customers that are emerging industry leaders.

Export sales outside of the ROC, which were mostly denominated in U.S. dollars, accounted for virtually all of the Company's consolidated operating revenue for the year ended 31 December 2020 and for the six months ending 30 June 2021. The Company has entered into corporate purchase agreements with certain of its key customers. However, such agreements do not obligate the customers to place an order with the Company. These agreements typically require the customers to provide rolling forecasts of the quantities of the products required. The Company's MRP system utilizes these rolling forecasts to plan the inventory levels for the Company's raw materials and components and the utilization of its production capacity. The precise terms for each shipment, such as pricing and quantities, are normally confirmed at the time each order is placed. Customers' orders are subject to cancellations and modifications before scheduled delivery dates.

The Company's principal customers generally are invoiced either at the time of shipment of the products or upon receipt of the products, with varying credit terms, depending, in part, on the customer's location and the product type. The Company's pricing policy takes account of a number of factors including customer relations, product specification, cost of production, mode of transportation and size of order.

The Company typically provides a warranty to its customers for its products. The Company believes that it has historically experienced a relatively low rejection rate for its products as a result of its quality control assurances system.

Supply Chain Management

The Company believes that an effective system of global SCM is critical to its eCMMS strategy.

The Company has installed the following systems to enhance its global SCM system:

- The MRP system, which enables the Company to manage its suppliers by implementing more effectively the “just-in-time” concept and also provides a projection of the raw materials required in the Company’s production operations.
- The ERP system, which provides inventory data to control the level of stocks and receivables, which enables the Company to more effectively plan and allocate its resources worldwide.
- The EDI system, which enables the Company to exchange data (including details of purchase orders) relating to particular transactions with its suppliers, customers and services providers.
- In addition, the Company has developed an in-house web-based turnkey system for certain of its customers. This customized system enables its customers to input their orders online and monitor the inventory level of raw materials, components, work-in-progress and finished goods, and the production and delivery schedules for such products.

The Company offers customers a flexible, just-in-time delivery service by coordinating delivery shipments with customers’ inventory requirements. Increasingly, consistent with the Company’s eCMMS strategy, the Company delivers products directly to its customers’ distribution channels or to end-users. The Company believes that this service provides its customers with a comprehensive logistics solution and enables such customers to be more responsive to market demands.

Competition

Components

The Company competes against a number of multi-national companies, including Luxshare in the global connector market. Certain contract electronic manufacturing services providers also produce enclosures as part of their vertical integration strategy and therefore effectively compete with the Company.

Modules and Systems

The contract electronic manufacturing industry, which engages in PCBAs and full system assembly, is comprised of a large number of companies. The Company’s competitors include Flextronics, Jabil Circuit, Luxshare, Pegatron and Quanta. The Company believes that the primary basis of competition in full system assembly for the 3C industries is the ability to provide a competitive overall manufacturing cost, mechanical engineering capabilities, a highly vertically integrated production process, flexibility, consistent quality of products and the ability to provide services in a timely manner. To remain competitive, the Company believes it must continue to provide competitive pricing, maintain stringent quality levels, and offer speedy, flexible and reliable delivery. See “*Risk Factors – Risks Relating to the Group’s Industry and Business – The Group operates in a highly competitive industry*”.

Principal Production Facilities

The Company's production facilities are located in Asia, Europe and Americas and consist of a global network of industrial parks, regional manufacturing operations as well as design and engineering centres. The following table sets out the geographical region and location of the principal production facilities of the Company as of 30 June 2021:

Geographical Region	Location
ROC	Taipei City, New Taipei City, Taoyuan City, Hsinchu County, Taichung City, Miaoli County, Tainan City, Kaohsiung City
PRC.	Guangdong, Zhejiang, Jiangsu, Hebei, Shanxi, Guangxi, Hubei, Shandong, Beijing, Henan, Tianjin, Sichuan, Shanghai, Hunan, Guizhou, Chongqing, Anhui
Asia (excluding ROC and PRC) . .	Singapore, Vietnam, India, Japan, Korea, Thailand, Malaysia
Europe.	Czech Republic, Slovakia, Hungary, UK, Russia
Americas	United States, Mexico, Brazil
Australia	Australia

Employees

As of 30 June 2021, the Company's global workforce totalled approximately 900,000 employees.

For its employees based in the ROC, the Company participates in defined benefit pension plan in accordance with the ROC Labor Standards Act, covering all regular employees for services provided prior to 1 July 2005 and employees who chose to remain in the benefit pension plan after the ROC Labor Pension Act became effective on 1 July 2005. The Company makes contributions based upon employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan as trustee under the name of an independent retirement fund committee. In accordance with the ROC Labor Pension Act, the Company has a defined contribution employee retirement plan covering all ROC employees. The Company contributes 6 per cent. of an employee's monthly salary and wages to the personal pension account of such employee each month with the ROC Bureau of Labor Insurance. Employees may choose to receive pension on a monthly basis or to receive a lump sum payment upon retirement in the amount of the balance in the personal pension account plus accumulated investment gains. The Company's employees in the ROC are not unionized and neither the Company nor any members of the Company has experienced any significant labour disputes in the past five years.

For its employees at the PRC facilities, the Company is required to participate in various pension programs and government-sponsored benefits. The Company has also implemented certain measures such as: reducing overtime hours for its employees, enhancing health and safety measures in all operations and revising a number of workplace policies and practices to ensure that it is providing its employees with a safe, satisfactory and healthy workplace.

For employees at the Company's other facilities outside of the ROC and PRC, the Company participates in various pension and government-sponsored benefit programs as required by the regulations in the applicable jurisdiction.

FIH Mobile, a consolidated subsidiary of the Company, adopted a share option scheme and a share scheme in 2013. FIT Hon Teng, a consolidated subsidiary of the Company, adopted a share option scheme in 2017, a first restricted share award scheme in 2018 and a second restricted share award scheme in 2019. The board of directors of Fii, another consolidated subsidiary of the Company, adopted the stock option scheme in 2019. The Company itself does not have any share option schemes.

Intellectual Property

The Company has made substantial investments in the development of new products and product designs, which the Company believes is one of its competitive advantages. See “– Technology, Research and Development” above. As a result, the Company places emphasis on the protection of its intellectual property rights. As of 30 June 2021, the Company had registered approximately 4,867 patents in the ROC, approximately 2,687 patents in the PRC, approximately 6,118 patents in the United States and approximately 687 patents in Japan.

The Company also has registered trademarks for **FOXCONN** and  in the ROC, the PRC, the United States and the European Union.

Environmental Issues

The Company has installed waste treatment facilities and implemented waste treatment procedures in each of its production facilities to treat waste discharged during the production process. The types of waste discharged include wastewater, polluted air emissions, metal trim waste products and non-hazardous wastes. Waste produced by the Company is treated before being discharged in compliance with applicable environmental standards in the jurisdiction where the facility is located. Furthermore, the Company has established its CSR committee which dedicates to amplify the Company’s corporate social responsibility and ensure that its operations will comply with its social and environmental code of conduct.

The Company believes that it is in compliance in all material respects with applicable environmental regulations currently in effect. Though the Company may face actions arising in the ordinary course of its business by the environmental regulatory authorities in some of the jurisdictions where it operates, the Company is not involved in any material legal proceedings relating to any breach of environmental laws and regulations which may have a material adverse effect on the Company’s business, financial condition, results of operations and future prospects.

As per the requirements of its customers, the Company has received ISO 14001 and ISO 50001 certification for certain of its facilities which certifies that its production operations conform to the prescribed environmental management system standard.

Litigation

In 2006, three of the Company’s indirectly wholly-owned subsidiaries, Shenzhen Futaihong Precision Industrial Co., Ltd., Hongfujin Precision Industry (Shenzhen) Co. Ltd. and Foxconn Precision Component (Beijing) Co., Ltd., filed an appeal to the High Court of Hong Kong against, amongst others, BYD Company Limited for misappropriation of confidential information and trade secrets. The Company does not believe that the litigation will have a material adverse effect on its business, financial condition, results of operations and future prospects. See “Risk Factors – Risks Relating to the Group’s Industry and Business – We may be involved in intellectual property disputes, especially in the new industries that we recently entered into”.

In March 2019, Microsoft Corporation and Microsoft Licensing, GP commenced proceedings in California against the Company over a dispute regarding royalty payments under a patent licensing agreement. While this dispute had reached a settlement in September 2020, the Company may still from time to time encounter future litigation initiated by its customers or third parties based on claims that the Company’s technologies, processes or products infringe the intellectual property rights of others or that the Company has misappropriated the trade secrets of others. See “Risk Factors – Risks Relating to the Group’s Industry and Business – We may be involved in intellectual property disputes, especially in the new industries that we recently entered into”.

During the years ended 31 December 2019 and 2020 and the six months ended 30 June 2021, the Company was also subject to legal or other disputes arising in the ordinary course of its business. The Company does not believe that any of these proceedings will have a material adverse effect on its business, financial condition, results of operations and future prospects.

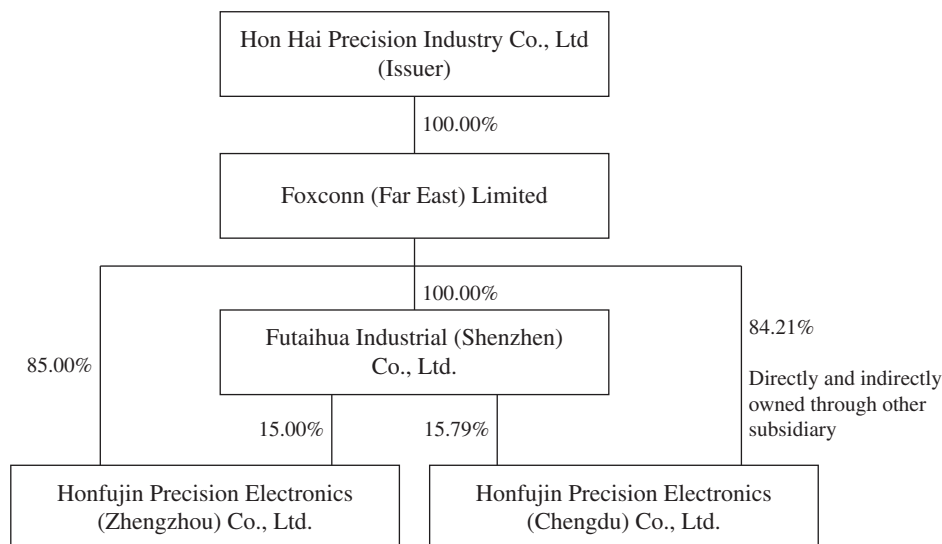
Except as described above, neither the Company nor any members of the Company is, or has been, involved in any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the preceding 12 months, a material effect on the financial position of the Company as a whole.

Insurance

The Company maintains various insurance policies with independent third party insurers in respect of certain risks on the Company's assets, including losses to its production facilities and inventory. The Company maintains a global transit insurance policy with independent third party insurers in connection with the transportation of its raw materials, products and equipment worldwide. The Company also maintains product liability insurance policies in respect of its products. The Company considers its insurance policies to be in line with industry standards.

Organisation of the Company

The following diagram gives an overview of the Company and certain of its principal subsidiaries as of 30 June 2021, together with details of the Company's direct and indirect equity interests:



Certain Principal Subsidiaries

In the ROC, most of the business of the Company is conducted, and assets of the Company are held, directly by or through Hon Hai Precision Industry Co., Ltd., while its subsidiaries hold the Company's production facilities in Asia, Europe and Americas and conduct the Company's overseas sales, marketing and research and development operations. The information set out below reflects the Company's direct and indirect equity interests in its certain principal subsidiaries as of 30 June 2021.

Company	Main business	Place of incorporation	Total paid-in Capital (in thousands)	The company's direct and indirect equity interest
Principal Subsidiaries				
Futaihua Industrial (Shenzhen) Co., Ltd	Manufacturing and marketing of computer components and computers	PRC	US\$370,000	100%
Honfujin Precision Electronics (Zhengzhou) Co., Ltd	Manufacturing and marketing of cell phones and components	PRC	US\$2,000,000	100%
Honfujin Precision Electronics (Chengdu) Co., Ltd	Manufacturing and marketing of tablet and PCs	PRC	US\$950,000	100%

Note:

- (1) There has been no material change in the Company's direct and indirect equity interests in each of its certain principal subsidiaries and affiliates since 30 June 2021.

Futaihua Industrial (Shenzhen) Co., Ltd.

Futaihua Industrial (Shenzhen) Co., Ltd. ("**Futaihua Shenzhen**") was established in the PRC in March 2007. Its registered office is at Buildings 4, 6, 7 and 13 (section I) of the B Block Workshop, Foxconn Guanlan Technology Park, Third Community, Guanlan Sub-District, Longhua New District, Shenzhen, PRC. Futaihua Shenzhen is engaged in the manufacture of Apple products, main logic boards, and finished products assembly, testing and maintenance.

As of and for the year ended 30 June 2021, Futaihua Shenzhen had total assets, revenue and net profit of RMB109,666 million (US\$16,985.10 million), RMB53,501 million (US\$8,286.25 million) and RMB2,186 million (US\$338.57 million), respectively, and these are prepared in accordance with Taiwan IFRS.

Honfujin Precision Electronics (Zhengzhou) Co., Ltd.

Honfujin Precision Electronics (Zhengzhou) Co., Ltd. ("**Honfujin Zhengzhou**") was established in the PRC in July 2010. Its registered office is at The Comprehensive Bonded Area, East-Side Of Changan Road, Zhengzhou Airport District, China. Honfujin Zhengzhou is engaged in the production and operation of the third generation and newer mobile communication system, mobile phone and base station, core network and testing equipment and its accessories, electronic devices components, digital audio, video

decoding apparatus and its accessories; development, design and manufacture of automation equipment, metal and non-metallic products die mold, testing tools and its accessories, LED display panel, mobile phone components, electronic devices; repair and warehousing of the above products; wholesale, import and export, complementary measures, product exhibition of the above products; bonded area warehousing and logistics; development of mobile communication system; testing, system integration, application services and related technical services and consulting; sales for polishing slurry, cleanser, cutting fluid, hydraulic oil, lubricant, Radio Frequency IDentification (“**RFID**”) reader, RFID tag, industrial data collector, industrial computer, testing and gauging equipment; eco-technology services.

As of and for the year ended 30 June 2021, Honfujin Zhengzhou had total assets, revenue and net profit of RMB97,306.3 million (US\$15,070.83 million), RMB176,748.09 million (US\$27,374.79 million) and RMB1,500 million (US\$232.32 million) respectively, and these are prepared in accordance with Taiwan IFRS.

Honfujin Precision Electronics (Chengdu) Co., Ltd.

Honfujin Precision Electronics (Chengdu) Co., Ltd. (“**Honfujin Chengdu**”) was established in the PRC in July 2010. Its registered office is at Chengdu High-tech District Export Processing Zone. The address is No. 888, He-Zuo Road, Hi-tech West Zone, Chengdu, China. Honfujin Chengdu is engaged in the manufacture of third and newer generation mobile communication system, mobile phone and subsequent base station, core network equipment and network testing equipment and spare parts, hardware plastic products, precision molds, large and medium-sized computer, portable computer, server, data communication multimedia system.

As of and for the year ended 30 June 2021, Honfujin Chengdu had total assets, revenue and net profit of RMB55,781 million (US\$8,639.37 million), RMB70,311 million (US\$10,889.79 million) and RMB173 million (US\$26.79 million), respectively, and these are prepared in accordance with Taiwan IFRS.

PRINCIPAL SHAREHOLDER OF THE COMPANY

The principal shareholder of the common shares of the Company as of 30 September 2021, as appears on the register of shareholders of the Company, was as follows:

Name of Shareholder	Number of common shares⁽¹⁾	Percentage of share capital
Gou Tai-Ming.	1,342,198,518	9.68

Note:

(1) Excludes the common shares held in trust.

As of 30 September 2021, Mr. Gou Tai-Ming, directly or indirectly, owned or controlled in aggregate 9.68 per cent. of the outstanding and issued common shares. Whilst Mr. Gou Tai-Ming has retired as Chairman of the Board of Directors and General Manager of the Company with effect from 22 June 2019, as a principal shareholder, Mr. Gou Tai-Ming is expected to continue to have significant influence in determining the outcome of any corporate transaction and also the power to prevent or cause a change in control. The interests of Mr. Gou may differ from the interests of other shareholders. See “*Risk Factors – Risks Relating to the Group’s Industry and Business – Principal shareholder’s interests may differ from those of other shareholders*”.

MANAGEMENT OF THE COMPANY

The Board of Directors has ultimate responsibility for the management of the business affairs of the Company. At present there are nine directors, three of which are Independent Directors, who are elected by the shareholders of the Company at the Company's shareholders' meeting. The term of office for directors is three years.

Under the Company's Articles of Incorporation, the Board of Directors is required to elect a director to act as the Chairman. The Chairman is a legal representative of the Company under the ROC Company Law. The Company's Articles of Incorporation also require the election of at least two independent directors and the number of independent directors shall not be less than one-fifth of the total number of directors. The Company's Articles of Incorporation further provide that the power of the supervisor is replaced by the Audit Committee composed of all but not less than three independent directors of the Company. Under the ROC Securities and Exchange Act, the Audit Committee has the same power of a supervisor of a company, which is responsible for overseeing the activities of the Board of Directors and has the power to investigate the business and financial conditions of the Company, examine its books, records and documents and request the Board of Directors to submit reports. The Audit Committee may engage independent experts to carry out any such investigations or examinations at the cost of the Company. The Audit Committee may convene shareholders meetings when it deems necessary.

The present Board of Directors was elected by the shareholders of the Company on 21 June 2019 for a term of three years commencing on 1 July 2019. Tai Cheng-Wu had resigned from the Board of Directors effective from 1 June 2020. Gou Tai-Ming retired as Chairman of the Board of Directors and General Manager of the Company with effect from 22 June 2019.

DIRECTORS

(i) Liu Young-Way

Liu Young-Way, aged 65, is the Chairman of the Board of Directors and General Manager of the Company. Mr. Liu also serves as the Chairman of Foxsemicon Integrated Technology Inc. He was also the president of the Company's S subgroup and previously a director of Sharp Corporation.

(ii) Lee Jay

Lee Jay, aged 64, is the representative of Hon Jin International Investment Co. Ltd., the Corporate Director of the Company. Mr. Lee was also the Vice Chairman of Fii, having resigned on 3 September 2019. He also serves as an Ohio Eminent Scholar and L.W. Scott Alter Chair Professor at the University of Cincinnati.

(iii) Gou Tai-Ming

Gou Tai-Ming, aged 71, is a Director of the Company. Mr. Gou was the Chairman of the Company from 20 February 1974 to 22 June 2019.

(iv) Lu Fang-Ming

Lu Fang-Ming, aged 67, is a Director. He served as the acting Chairman of the Company from 22 June 2019 to 30 June 2019. Mr. Lu was also the Chairman of APT but has since resigned on 26 August 2021. Mr. Lu was the corporate director of the Company, as a representative of Hon Jin International Investment Co. Ltd. from 1 July 2010 to 30 June 2019.

(v) Lu Sung-Ching

Lu Sung-Ching, aged 63, is the representative of Hon Jin International Investment Co. Ltd., the Corporate Director of the Company. Mr. Lu is also the Chairman of FIT, Hon Teng.

(vi) Liu Christina Yee-Ru

Liu Christina Yee-Ru, aged 66, is the representative of Fulldream Information Co., Ltd. and a Director of the Company. Dr. Liu also serves as a Managing Director of Bellwether International Group, Hong Kong. Dr. Liu has been a Director of the Company since 1 June 2020.

(vii) Wang James

Wang James, aged 61, is an Independent Director of the Company. Mr. Wang also serves as an independent director of HannStar Board Corporation, Luo Lih-Fen Holding Co., Ltd. and Apex Medical Corp. Mr. Wang has been an Independent Director of the Company since 31 January 2018.

(viii) Kuo Tei-Wei

Kuo Tei-Wei, aged 57, is an Independent Director of the Company. Mr. Kuo is also a Distinguished Professor at the Department of Information Engineering, National Taiwan University. Prior to this, Mr. Kuo has held various positions at the National Taiwan University, including Acting Principal and Professor and Dean of the Department of Information Engineering.

(ix) Kung Kuo-Chuan

Kung Kuo-Chuan, aged 53, is an Independent Director of the Company. Mr. Kung is also the Managing Partner of Nexus Point Advisors (HK) Limited.

As of 30 September 2021, the Directors, including any connected persons (which includes their spouses, children under the age of 20 years and nominees), held, directly or indirectly, 9.76 per cent. of the Company's issued common shares. Their respective shareholdings are set out below:

	Number of common shares held as of 30 September 2021	Percentage of total common shares outstanding as of 30 September 2021
Liu Young-Way	656,219	—
Gou Tai-Ming	1,342,198,518	9.68%
Lu Fang-Ming ⁽²⁾	9,448,592	0.07%
Hon Jin International Investment Co., Ltd. ⁽³⁾	1,483,078	0.01%
Lee Jay	0	—
Lu Sung-Ching ⁽⁴⁾	5,923	—
Fulldream Information Co., Ltd. ⁽⁵⁾	10,560	—
Liu Christina Yee-Ru	30,000	—
Wang James	0	—
Kuo Tei-Wei	0	—
Kung Kuo-Chuan	0	—
Total number of common shares held by the Directors, including any connected person ⁽¹⁾	1,353,832,890	9.76%

Notes:

- (1) Includes the shares held by the Director, his or her spouse, children under the age of 20 years and nominees but excludes the shares held in trust.
- (2) 1,959,012 shares are currently held by connected persons of Mr. Lu Fang-Ming as of 30 September 2021.
- (3) Mr. Lee Jay and Mr. Lu Sung-ching are the representatives of Hon Jin International Investment Co., Ltd.
- (4) 3,523 shares are currently held by connected persons of Mr. Lu Sung-Ching as of 30 September 2021.
- (5) Dr. Liu Christina Yee-Ru is the representative of Fulldream Information Co, Ltd.

None of the Directors has any options to subscribe for the common shares.

The aggregate remuneration and benefits in kind declared in favour of the Board of Directors of the Company for the year ended 31 December 2020 in their capacity as Directors was NT\$22.7 million (US\$0.81 million). The Company has no loans outstanding to any of its Directors and has no outstanding guarantees of any obligations of any of its Directors.

No loans or advances were made by the Company or any of its subsidiaries to, and no guarantees were given by the Company or any of its subsidiaries in relation to loans or advances received by, the Directors and none of the Directors has or has had interests in transactions which are or were unusual in their nature or conditions or significant in relation to the business of the Company or any of its subsidiaries and which were affected by the Company during the current financial year or the financial year immediately preceding the date of this document, or were affected by the Company during earlier financial years and remain, in any respect, outstanding or unperformed.

TAXATION

The following is a general description of certain tax considerations relating to the Notes and is based on law and relevant interpretation thereof in effect as of the date of this Offering Circular all of which are subject to changes and does not constitute legal or taxation advice. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. It is emphasised that none of the Issuers, the Guarantor nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for purchase, holding or disposal of the Notes.

HONG KONG

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the Notes is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong;
- (ii) interest on the Notes is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business;
- (iii) interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong) (the “**IRO**”) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or
- (iv) interest on the Notes is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal and redemption of Notes will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of Notes will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Notes will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on of a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed of.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

Stamp Duty

Stamp duty will not be payable on the issue of Bearer Notes provided that either:

- (i) such Bearer Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Bearer Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong) (the “SDO”).

If stamp duty is payable, it is payable by the Issuer on the issue of Bearer Notes at a rate of 3 per cent. of the market value of the Bearer Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of Bearer Notes.

No stamp duty is payable on the issue of Registered Notes. Stamp duty may be payable on any transfer of Registered Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfer of Registered Notes provided that either:

- (i) such Registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Registered Notes constitute loan capital (as defined in the SDO).

With effect from 1 August 2021, if stamp duty is payable in respect of the transfer of Registered Notes it will be payable at the rate of 0.26 per cent. (of which 0.13 per cent. is payable by the seller and 0.13 per cent. is payable by the purchaser) normally by reference to the consideration or its value, whichever is higher. In addition, stamp duty is payable at the fixed rate of HK\$5 on each instrument of transfer executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in Hong Kong.

ROC

The following is a summary of the main ROC tax considerations of Non-ROC Holders.

For the purposes of this section on ROC taxation, a “**Non-ROC Holder**” is a foreign individual who owns Notes and is not domiciled and physically present in the ROC for 183 days or more during any calendar year, or a corporation or a non-corporate body that owns Notes, is organised under the laws of a jurisdiction other than the ROC and has no fixed place of business or business agent in the ROC.

Interest Payments if Paid by the Guarantor

Payments of interest or premium (if any ever becomes payable on the Notes) to a Non-ROC Holder by the Guarantor would likely constitute ROC-sourced income and therefore be subject to ROC withholding tax at 20 per cent. at the time of payment, unless a lower withholding rate is provided under a tax treaty between the ROC and the jurisdiction where the Non-ROC Holder is a resident.

Sale

As Notes will be issued and offered outside of the ROC, the sale of the Notes is not subject to the securities transaction tax prescribed under the ROC Securities Transaction Tax Act. Moreover, any gains generated from the sale of the Notes would not be deemed ROC sourced income. Hence the Non-ROC Holders have no ROC income tax issue as regards any gains from the sale of the Notes.

Tax Treaties

The United States does not have an income tax treaty with the ROC. Thus far, the ROC has signed income tax treaties with Australia, Gambia, Indonesia, Malaysia, North Macedonia, the United Kingdom, the Netherlands, New Zealand, Singapore, South Africa, Eswatini, Vietnam, Senegal, Belgium, Sweden, Denmark, Israel, Paraguay, Hungary, France, India, Slovakia, Switzerland, Germany, Thailand, Kiribati, Luxembourg, Austria, Italy, Japan, Canada, Poland and Czech Republic. Most of these treaties provide a lower rate of withholding tax on interest paid by ROC companies to residents of those countries. Accordingly, holders of the Notes who are residents of any of the countries named above should consult their own tax advisers concerning their eligibility for the benefits under the relevant treaty with respect to the Notes.

PRC

Taxation on Interest and Other Payments

In accordance with the EIT Law and its implementation regulations and the Notice of the State Administration of Taxation on Issues about the Determination of Chinese-Controlled Enterprises Registered Abroad as Resident Enterprises on the Basis of Their Body of Actual Management (國家稅務總局關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知), all of which took effect on 1 January 2008, Chinese-Controlled enterprises established outside the PRC whose “actual management bodies” are within the PRC are considered as “PRC tax resident enterprises”.

As of the date of this Offering Circular, neither of the Issuers nor the Guarantor has been considered a PRC tax resident enterprise by the PRC tax authorities.

Pursuant to these provisions of the PRC tax law, if either of the Issuers is considered a PRC tax resident enterprise, they may be subject to EIT at the rate of 25 per cent. on their worldwide income and interest payable to non-resident enterprise Noteholders on the Notes may be regarded as non-resident enterprise Noteholders getting income from sources within the PRC and be subject to 10 per cent. EIT. Accordingly, the Relevant Issuer would be obliged to withhold EIT of 10 per cent. on payments of interests to non-resident enterprise Noteholders. In accordance with the Individual Income Tax Law of the PRC and its implementation regulations both of which were amended in 2018 and took effect on 1 January 2019, if the Relevant Issuer is considered a PRC tax resident enterprise, interest payable to non-resident individual Noteholders on the Notes may be regarded as non-resident individual Noteholders getting income from sources within the PRC and be subject to 20 per cent. individual income tax. Accordingly

the Relevant Issuer would be obliged to withhold individual income tax of 20 per cent. on payments of interests to non-resident individual Noteholders. However, it is uncertain whether the PRC tax authority will deem the Relevant Issuer as a PRC tax resident enterprise. If the Guarantor is required to perform its obligations under the Guarantee to repay the principal of the Notes and pay interest on the Notes, the interest paid by the Guarantor to non-resident Noteholders on the Notes may be regarded as income received by non-resident Noteholders from sources within the PRC and as a consequence the Guarantor may be obliged to withhold income tax of 10 per cent. for non-resident enterprise Noteholders and 20 per cent. for non-resident individual Noteholders on payments of such interest to non-resident Noteholders. To the extent that China has entered into arrangements relating to the avoidance of double-taxation with any jurisdiction, such as Hong Kong, that allow a lower rate of withholding tax, such lower rate may apply to Noteholders who qualify for such treaty benefits.

Furthermore, if either of the Issuers or the Guarantor is treated as a PRC tax resident enterprise under the EIT Law and related implementation regulations in the future, any gain realised by the non-resident enterprise Noteholders or non-resident individual Noteholders from the transfer of the Notes may be regarded as being derived from sources within the PRC and accordingly would be subject to up to 20 per cent. of PRC withholding tax.

In addition, if either of the Issuers is deemed to be a PRC tax resident enterprise by the PRC tax authorities in the future, such Issuer may be required to withhold VAT at a rate of 6 per cent. and certain surcharges on VAT for payments of interest and certain other amounts in respect of the Notes to any non-PRC Noteholders, if such non-PRC Noteholders are deemed to be providing financing service to the Issuer within the territory of Mainland China.

Stamp duty

No PRC stamp tax will be chargeable upon the issue or transfer (for so long as the register of holders of the Notes is maintained outside Mainland China) of a Note.

CAYMAN ISLANDS

The following is a discussion on certain Cayman Islands income tax consequences in relation to an investment in the Notes. The discussion is a general summary of the present laws, which is subject to any prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands laws.

Under existing Cayman Islands laws:

- (i) payments of interest and principal on the Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal to any holder of the Notes, nor will gains derived from the disposal of the Notes be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax;
- (ii) no stamp duty is payable in respect of the issue of the Notes. The Notes themselves will be stampable if they are executed in or brought into the Cayman Islands;
- (iii) an instrument of transfer in respect of a Note or a Certificate is stampable if executed in or brought into the Cayman Islands.

THE BAHAMAS

The following is a general summary of taxation in The Bahamas in relation to the Notes.

The Bahamas currently has no income, corporation or capital gains tax and no estate, inheritance, succession or gift tax.

CTT was incorporated under the laws of The Bahamas as an International Business Company with limited liability. Pursuant to the Removal of Preferential Exemption Act, 2018 which came into effect on 31 December 2018, CTT, being a company the operations of which are carried on outside The Bahamas and which was entitled to preferential exemptions which were not afforded to a company or entity the operations of which are carried out in The Bahamas, will be subject to the payment of taxes in The Bahamas with effect from 1 January 2022. CTT would as a result no longer enjoy the exemptions from the payment of Bahamian taxes formerly granted to it pursuant to Section 187 of the International Business Companies Act, 2000 (as amended).

SINGAPORE

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the Inland Revenue Authority (“IRAS”) of Singapore and the MAS in force as at the date of this Offering Circular, and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which could be made on a retroactive basis. These laws, guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offering Circular are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements below do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuers, the Guarantor, the Arranger, Dealers or any other persons involved in the issuance of the Notes accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17 per cent. The applicable rate for non-resident individuals is currently 22 per cent. However, if the payment is derived by a person not resident in Singapore from sources other than from its trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after 1 January 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standards 39 (“**FRS 39**”), 109 (“**FRS 109**”) or Singapore Financial Reporting Standards (International) 9 (“**SFRS(I) 9**”) may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be) (as modified by the applicable provisions of Singapore income tax law). Please see the section below on “Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes”.

Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes

Section 34A of the Income Tax Act provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and “opt-out” provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular entitled “Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition and Measurement”.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the Income Tax Act requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments”.

Holders of the Notes who may be subject to the tax treatment under Sections 34A or 34AA of the Income Tax Act should consult their own tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

THE PROPOSED FINANCIAL TRANSACTIONS TAX (THE “FTT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

FATCA WITHHOLDING TAX

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuers may be foreign financial institutions for these purposes. A number of jurisdictions (including the jurisdictions of the Issuers) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject

to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Relevant Issuer). However, if additional notes (as described under “*Terms and Conditions – Further Issues*”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

ENFORCEABILITY OF FOREIGN JUDGMENTS IN THE ROC

The Company is a company limited by shares and incorporated under the ROC Company Law. Certain of the Company's directors (including independent directors) and executive officers named in this Offering Circular are residents of the ROC, and some of the Company's assets and the assets of such persons are located in the ROC. As a result, it may be difficult for investors to enforce judgments obtained outside of the ROC against the Company or such persons in the ROC, including those predicated upon the civil liability provisions of the federal securities laws of the United States. Any final judgment obtained against the Company in any court other than the courts of the ROC in respect of any legal suit or proceeding arising out of or relating to the Notes will be enforced by the courts of the ROC without further review of the merits only if the court of the ROC in which enforcement is sought is satisfied that:

- the court rendering the judgment had jurisdiction over the subject matter according to the laws of the ROC;
- the judgment and the court procedures resulting in the judgment are not contrary to the public order or good morals of the ROC;
- if the judgment was rendered by default by the court rendering the judgment, (i) the Company was duly served within a reasonable period of time within the jurisdiction of such court in accordance with the laws and regulations of such jurisdiction, or (ii) process was served on the Company with judicial assistance of the ROC; and
- judgments of the courts of the ROC are recognised and enforceable in the jurisdiction of the court rendering the judgment on a reciprocal basis.

A party seeking to enforce a foreign judgment in the ROC would, except under limited circumstances, be required to obtain foreign exchange approval from the CBC for the remittance out of the ROC of any amounts recovered in respect of such judgment denominated in a currency other than NT dollars.

REMITTANCE OF RENMINBI INTO AND OUT OF THE PRC

Renminbi is not a freely convertible currency. The remittance of Renminbi into and out of the PRC is subject to control imposed under PRC law.

CURRENT ACCOUNT ITEMS

Under the PRC foreign exchange control regulations, current account item payments refer to any transaction for international receipts and payments involving goods, services, earnings and other frequent transfers.

Prior to July 2009, all current account items were required to be settled in foreign currencies with limited exceptions. Following progressive reforms, Renminbi settlement of imports and exports of goods and of services and other current account items became permissible nationwide in 2012, except that the key enterprises on a Supervision List determined by the PBOC and five other relevant authorities would be subject to enhanced scrutiny when banks process current account cross-border repatriations.

On 5 July 2013, the PBOC promulgated the Circular on Policies related to Simplifying the Procedures for Cross-border RMB Business Procedures and Improving Relevant Policies (关于简化跨境人民币业务流程和完善有关政策的通知 (Yin Fa [2013] No. 279)) (the “**2013 PBOC Circular**”) which simplified the procedures for cross-border Renminbi trade settlement under current account items. On 1 November 2014, the PBOC introduced a cash pooling arrangement for qualified multinational enterprise group companies, under which a multinational enterprise group can process cross-border Renminbi payments and receipts for current account items on a collective basis for eligible member companies in the group. On 5 September 2015, the PBOC promulgated the Circular on Further Facilitating the Cross-Border Bi-directional Renminbi Cash Pooling Business by Multinational Enterprise Groups (关于进一步便利跨国企业集团开展跨境双向人民币资金池业务的通知) (Yin Fa [2015] No. 168) (the “**2015 PBOC Circular**”), which, among others, have lowered the eligibility requirements for multinational enterprise groups and increased the cap for net cash inflow.

In 2014, the PBOC promulgated the Guiding Opinions on Implementing the Several Opinions of the General Office of the State Council on Supporting the Stable Growth of Foreign Trade 《关于贯彻落实<国务院办公厅关于支持外贸稳定增长的若干意见> (国办发[2014]19号)的指导意见》 (Yinfa [2014] No. 168), and regulated that on the basis of three principles of “Knowing your customers”, “Knowing your business” and “Due diligence”, individuals may apply to banks for personal cross-border trade settlements for trade in goods and services with personal valid identity certificates or business license.

In January 2018, the PBOC issued the Circular on Further Improving the Policy of Cross-Border RMB Business to Promote Trade and Investment Facilitation 《关于进一步完善人民币跨境业务政策促进贸易投资便利化的通知》 (Yinfa [2018] No. 3), which clarified that on the basis of three principles of “Knowing your customers”, “Knowing your business” and “Due diligence”, banks should handle RMB cross-border settlement services under other current accounts for individuals. Other current accounts mainly include remuneration and alimony.

In 2020, the PBOC, the National Development and Reform Commission, the Ministry of Commerce, the State-owned Assets Supervision and Administration Commission under the State Council, the China Banking and Insurance Regulatory Commission, and the State Administration of Foreign Exchange promulgated the Notice of Further Optimizing the Cross-border RMB Policies to Support the Stability of Foreign Trade and Foreign Investment (《中国人民银行国家发展和改革委员会商务部国务院国有资产监督管理委员会中国银行保险监督管理委员会国家外汇管理局关于进一步优化跨境人民币政策支持稳外贸

稳外资的通知》(Yinfa [2020] No. 330)) (the “**2020 Notice**”), implementing the pilot program of trade and investment facilitation at a higher level across China. Domestic banks may, on the basis of the “three principles for business development” and upon strength of the Description of Receipts/Payments in Cross-border RMB Settlement or receipt and payment instructions filed by excellent enterprises, directly handle cross-border RMB settlement for trade in goods and trade in services and lawful and compliant use of RMB revenue under capital accounts (including foreign direct investment capital, cross-border financing and repatriation of funds raised through overseas listing) in the territory of China for excellent enterprises.

The regulations referred to above are subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying these circulars and impose conditions for settlement of current account items.

CAPITAL ACCOUNT ITEMS

Under the applicable PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Except as otherwise specified by laws and regulations, capital account payments are generally subject to approval of and/or registration or filing with the relevant PRC authorities. On 7 April 2011, the Comprehensive Division of the State Administration of Foreign Exchange of the People’s Republic of China (“SAFE”) issued the Circular on Issues Concerning Regulation of Cross-Border RMB Capital Account Business Operation (《国家外汇管理局综合司关于规范跨境人民币资本项目业务操作有关问题的通知》 (Hui Zong Fa [2011] No. 38)), which clarifies that the borrowing by an onshore entity (including a financial institution) of Renminbi loans from an offshore creditor shall in principle follow the current regulations on borrowing foreign debts and the provision by an onshore entity (including a financial institution) of external guarantees in Renminbi shall in principle follow the current regulations on the provision of external guarantees in foreign currencies.

On 13 October 2011, the PBOC issued the Administrative Measures for the Settlement of Foreign Direct Investments in RMB 《外商直接投资人民币结算业务管理办法》 (Announcement of the People’s Bank of China [2011] No. 23) which set out operating procedures for PRC banks to handle Renminbi settlement relating to Renminbi FDI and borrowing by foreign invested enterprises of offshore Renminbi loans. Prior to the PBOC Renminbi FDI Measures, cross-border Renminbi settlement for Renminbi FDI has required approvals on a case-by-case basis from the PBOC. The new rules have less onerous PBOC approval requirement and post-event registration and filing requirements. Foreign invested enterprises, whether established or acquired by foreign investors, shall complete the corporate information registration after obtaining business license, and shall make post-event registration or filing with the PBOC of increases or decreases in registered capital, equity transfers or swaps, merger or acquisition or other changes to registered information.

On 14 June 2012, the PBOC promulgated the Circular of the People’s Bank of China on Clarifying the Operational Rules for RMB Account Settlement for Foreign Direct Investment (《关于明确外商直接投资人民币结算业务操作细则的通知》) (Yin Fa [2012] No. 165) (the “**PBOC Notice 2012**”), which provides more detailed requirements with respect to all accounts concerning capital injection, payment of purchase price in the merger and acquisition of PRC domestic enterprises, remittance of dividends and distribution, as well as Renminbi denominated cross-border loans. Foreign investors, foreign-invested enterprises and domestic shareholders must check and clarify all the existing Renminbi accounts and provide supplementary documents to open an account or modify the information within three months after the promulgation of the PBOC Notice 2012. For those who have more than one preliminary expense account (前期费用专用存款帐户), capital account (资本金专用存款帐户), merger and acquisition account (并购专

用存款帐户) or equity transfer account (股权转让专用存款帐户), they are required to choose one of them and close all of the other accounts. The funds in the accounts for Renminbi capital and Renminbi denominated cross-border loan (资本金专用存款帐户及人民币境外借款一般存款帐户) shall not be used for investment in securities, financial derivatives, entrustment loans, financial products or properties of non-self use. In addition, the foreign-invested non-investment enterprises shall not use the funds in the Renminbi capital account and Renminbi denominated cross-border loan account (资本金专用存款帐户及人民币境外借款一般存款帐户) for re-investment in PRC.

On 10 May 2013, SAFE promulgated the Circular of the State Administration of Foreign Exchange on Printing and Distributing the Administrative Provisions on Foreign Exchange in Domestic Direct Investment by Foreign Investors and Relevant Supporting Documents (《外国投资者境内直接投资外汇管理规定》 (Hui Fa [2013] No. 21)) (the “**Circular 21**”), which became effective on 13 May 2013. According to the SAFE Provisions, a foreign-invested enterprise that needs to remit funds abroad due to capital reduction, liquidation, advance recovery of investment, profit distribution, etc. may purchase foreign exchange and make external payment with the relevant bank after going through corresponding registration.

On 3 December 2013, MOFCOM promulgated the Announcement of the Ministry of Commerce [2013] No. 87 – Announcement on Issues Concerning Cross-border RMB Direct Investment (《关于跨境人民币直接投资有关问题的公告》 (Announcement of the Ministry of Commerce [2013] No. 87) (the “**Announcement**”), which became effective and implemented from 1 January 2014. According to the Announcement, foreign-invested enterprises shall not use the capital invested through Renminbi FDI to directly and indirectly invest in securities, financial derivatives (except for strategic investment in listed companies) or entrustment loans in the PRC. The MOFCOM Renminbi FDI Circular ceased to be effective from the date of the implementation of the Announcement.

On 10 January 2014, SAFE promulgated the Circular of the State Administration of Foreign Exchange on Further Improving and Adjusting the Policy for Foreign Exchange Control of Capital Accounts (《关于进一步改进和调整资本项目外汇管理政策的通知》 (Hui Fa [2014] No. 2)) which allows a domestic enterprise to lend to overseas enterprises with equity affiliation, provided that the domestic enterprise shall register the quotas of overseas lending with a SAFE branch, and the cumulative overseas loan amount may not exceed 30 per cent. of its owners’ equity; if the loan amount exceeds the said percentage, the SAFE branch shall decide on a case by case basis.

In November 2014, the PBOC promulgated the Circular of the People’s Bank of China on Matters relating to the Centralized Operation of Cross-border Renminbi Funds Carried out by Multinational Enterprise Groups 《中国人民银行关于跨国企业集团开展跨境人民币资金集中运营业务有关事宜的通知》 (Yinfa [2014] No. 324), specifically specifying requirements for transnational enterprise groups to conduct centralized operation of cross-border Renminbi funds, and eligible transnational enterprise groups may carry out cross-border Renminbi two-way capital pooling for the purposes of carrying out fund redeployment and collection operations among domestic and overseas non-financial member enterprises. While the 2015 PBOC Circular taking effect as of September 2015 has revoked and replaced relevant provisions regarding two-way cross-border Renminbi capital pool in this Circular.

On 30 March 2015, the SAFE promulgated the Circular of the State Administration of Foreign Exchange on Reforming the Management Approach regarding the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises (国家外汇管理局关于改革外商投资企业外汇资本金结汇管理方式的通知) (Hui Fa [2015] No. 19) (“**Circular 19**”), which will relax the capital account settlement for all foreign invested enterprises across the nation from 1 June 2015. According to Circular 19, Circular 142 and Circular 36 will cease to be effective on the same date of the implementation of Circular 19.

On 9 June 2016, the SAFE further promulgated the Circular of the SAFE on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (《国家外汇管理局关于改革和规范资本项目结汇管理政策的通知》(Hui Fa [2016] No. 16)) (“**Circular 16**”). According to Circular 16, in case of any discrepancy between Circular 19 and Circular 16, Circular 16 shall prevail. Circular 16 allows all foreign invested enterprises across the PRC to convert 100 per cent. (subject to future adjustment at discretion of SAFE) of the foreign currency capital (which has been processed through the SAFE’s equity interest confirmation procedure for capital contribution in cash or registered by a bank on the SAFE’s system for account-crediting for such capital contribution) into Renminbi at their own discretion without providing various supporting documents. However, to use the converted Renminbi, a foreign invested enterprise still needs to provide supporting documents and go through the review process with the banks for each withdrawal. A negative list with respect to the usage of the capital and the Renminbi proceeds through the aforementioned settlement procedure is set forth under the Circular 16.

In January 2018, PBOC issued the Circular on Further Improving the Policy of Cross-Border RMB Business to Promote Trade and Investment Facilitation (《关于进一步完善人民币跨境业务政策促进贸易投资便利化的通知》(Yinfa [2018] No. 3)), which further facilitated direct investment in Renminbi by foreign investors. If an overseas investor intends to set up a number of foreign-invested enterprises or projects in the PRC, he/she may open preliminary expenses Renminbi capital accounts. The foreign-invested enterprises may, in addition to opening Renminbi capital account in the registered bank, choose to open accounts(s) in banks located in other places, or open a number of Renminbi capital accounts, and funds can be mutually transferred between Renminbi capital accounts which have been registered under same name. Where foreign-invested enterprises’ Renminbi capital funds and overseas borrowing funds are used for wages, travel expenses, sporadic purchases, etc., the bank can directly handle the company’s payment instructions based on the three principles of “Knowing your customers”, “Knowing your business” and “Due diligence”.

The 2020 Notice further optimized the management of cross-border RMB investment and financing. It relaxed the restrictions on the use of RMB revenue under some capital accounts. The RMB revenue under capital accounts of domestic institutions (including foreign direct investment capital funds, cross-border financing and repatriation of funds raised through overseas listing) shall be used within the business scope approved by relevant departments of the state under certain circumstances. The 2020 Notice facilitated domestic reinvestment by foreign-funded enterprises. Non-investment foreign-funded enterprises may make domestic reinvestment with capital funds in RMB according to the law, under the premise that the regulations currently in force are complied with and that the projects invested in China are authentic and compliant. Where a foreign-funded enterprise makes domestic reinvestment with RMB revenue under capital accounts, the invested enterprise is not required to open any special deposit account for RMB capital funds. The 2020 Notice also cancelled the management requirements for special accounts concerning foreign direct investment business.

As new regulations, they will be subject to interpretation and application by the relevant PRC authorities. There is no assurance that approval of such remittances, borrowing or provision of external guarantee in Renminbi will continue to be granted or will not be revoked in the future. Further, since the remittance of Renminbi by way of investment or loans are now categorised as capital account items, such remittances will need to be made subject to the specific requirements or restrictions set out in the relevant SAFE rules.

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated dealer agreement (the “**Dealer Agreement**”) dated 12 November 2021 (as amended and/or supplemented from time to time), agreed with the Issuers and the Guarantor a basis upon which they or any of them may from time to time agree to subscribe for the Notes. Any such agreement will extend to those matters stated under “Clearance and Settlement” and “Terms and Conditions of the Notes”. The Relevant Issuer (failing which, the Guarantor) will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. Each Issuer (failing which, the Guarantor) has agreed, unless otherwise agreed in respect of an issue of Notes, to pay all expenses incidental to the performance of their respective obligations under the Dealer Agreement. The commissions in respect of an issue of Notes on a syndicated basis may be stated in the relevant Pricing Supplement.

Each Issuer (failing which, the Guarantor) has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Relevant Issuers.

In connection with the issue of any Tranche of Notes, the Dealer or Dealer(s) (if any) named as the stabilisation manager(s) (the “**Stabilisation Manager(s)**”) (or any person acting on behalf of any Stabilisation Manager(s)) may, to the extent permitted by applicable laws and rules, over-allot the Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail, but in so doing, the Stabilisation Manager(s) or any person acting on behalf of the Stabilisation Manager(s) shall act as principal and not as agent of the Issuer. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any loss or profit sustained as a consequence of any such over-allotment or stabilisation shall be for the account of the Dealers.

The Dealers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities (“**Banking Services or Transactions**”). The Dealers and their respective affiliates may have, from time to time, performed and may in the future perform, various Banking Services or Transactions with the Issuers, the Guarantor and/or their respective affiliates from time to time for which they have received, or will receive, fees and expenses.

In connection with each Tranche of Notes issued under the Programme, the Dealers or certain of their affiliates or affiliates of the Issuers or the Guarantor, may act as investors and place orders, receive allocations and place orders, receive allocations and may trade the Notes for their own account and such orders, allocations or trade of the Notes may be material. Such entities may hold or sell such Notes or purchase further Notes for their own account in the secondary market or deal in any other securities of the Issuers or the Guarantor, and therefore, they may offer or sell the Notes or other securities otherwise than in connection with the offering of the relevant Tranche of Notes. Accordingly, references herein to the Notes being ‘offered’ should be read as including any offering of the Notes to the Dealers and/or their respective affiliates or affiliates of the Issuers or the Guarantor as investors for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any applicable legal or regulatory requirements. If such transactions occur, the trading price and liquidity of the Notes may be impacted.

Furthermore, it is possible that a significant proportion of any Tranche of Notes may be initially allocated to, and subsequently held by, a limited number of investors. If this is the case, the trading price and liquidity of trading in such Notes may be constrained (see “*Risk Factors – Risks relating to the Market Generally – Notes issued under the Programme have no current active trading market and may trade at a discount to their initial offering price and/or with limited liquidity*”). The Issuers, the Guarantor and the Dealers are under no obligation to disclose the extent of the distribution of the Notes amongst individual investors, otherwise than in accordance with any applicable legal or regulatory requirements.

In the ordinary course of their various business activities, the Dealers and their respective affiliates may also make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuers, the Guarantor, including any Tranche of Notes and could adversely affect the trading price and liquidity of such Notes. The Dealers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Notes or other financial instruments of the Issuers or the Guarantor, and may recommend to their clients that they acquire long and/or short positions in the Notes or other financial instruments of the Issuers or the Guarantor.

The Dealers or certain of their affiliates may subscribe for the Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution.

In connection with each Tranche of Notes issued under the Programme, the Dealers or their respective affiliates may subscribe for the Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to Notes and/or other securities of the Issuers, the Guarantor or their respective subsidiaries or associates at the same time as the offer and sale of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of Notes).

SELLING RESTRICTIONS

United States of America

In respect of Notes offered or sold in reliance on Category 1 as specified in the applicable Pricing Supplement, the Notes and the Guarantee have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has represented and agreed that it has not offered or sold, and has agreed that it shall not offer or sell, any Notes and the Guarantee constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes and the Guarantee. Terms used in this paragraph have the meanings given to them by Regulation S.

In respect of Notes offered or sold in reliance on Category 2 as specified in the applicable Pricing Supplement, the Notes and the Guarantee have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Each Dealer has represented and agreed that it has not offered and sold the Notes of any identifiable Tranche, and has agreed that it will not offer and sell the Notes of any identifiable Tranche (i) as part of their distribution at any time and (ii) otherwise until

40 days after completion of the distribution of such Tranche as determined, and certified to the Relevant Issuer and each Relevant Dealer, by the Issuing and Paying Agent or, in the case of a Syndicated Issue, the Lead Manager, only in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Dealer has represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes and the Guarantee, and it and they have complied and shall comply with the offering restrictions requirement of Regulation S. Each Dealer has agreed to notify the Issuing and Paying Agent or, in the case of a Syndicated Issue, the Lead Manager when it has completed the distribution of its portion of the Notes of any identifiable Tranche so that the Issuing and Paying Agent or, in the case of a Syndicated Issue, the Lead Manager may determine the completion of the distribution of all Notes of that Tranche and notify the other Relevant Dealers of the end of the distribution compliance period. Each Dealer has agreed that, at or prior to confirmation of sale of Notes and the Guarantee, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes and the Guarantee from it during the distribution compliance period a confirmation or notice to substantially the following effect.

“The securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) and may not be offered and sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of an identifiable Tranche of Notes, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S.”

Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, unless the Pricing Supplement or the Subscription Agreement relating to one or more Tranches specifies that the applicable TEFRA exemption is either “C Rules” or “not applicable”, each Dealer has represented and agreed in relation to each Tranche of Notes in bearer form:

1. except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “**D Rules**”):
 - (i) it has not offered or sold, and during a 40-day restricted period shall not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person; and
 - (ii) it has not delivered and shall not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;
2. it has and throughout the restricted period shall have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;
3. if it is a United States person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it shall only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6); and
4. with respect to each affiliate that acquires from it Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, it either (a) repeats and confirms the representations contained in Clauses 1, 2 and 3 on behalf of such affiliate or (b) agrees that it shall obtain from such affiliate for the benefit of the Relevant Issuer the representations contained in Clauses 1, 2 and 3.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including the D Rules

In addition, to the extent that the Pricing Supplement or the Subscription Agreement relating to one or more Tranches of Bearer Notes specifies that the applicable TEFRA exemption is “C Rules”, under U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. In relation to each such Tranche, each Dealer has represented and agreed that it has not offered, sold or delivered, and shall not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with their original issuance of Notes in bearer form, each Dealer has represented and agreed that it has not communicated, and shall not communicate, directly or indirectly, with a prospective purchaser if either such purchaser or it is within the United States or its possessions or otherwise involve its U.S. office in the offer or sale of Notes in bearer form. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including the C Rules.

Each issuance of index-, commodity- or currency-linked Notes shall be subject to such additional U.S. selling restrictions as the Relevant Dealer(s) shall agree with the Relevant Issuer as a term of the issuance and purchase or, as the case may be, subscription of such Notes. Each Relevant Dealer has agreed that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”); and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of Sales to UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); or
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Relevant Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Relevant Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Taiwan

Each Dealer has represented, warranted and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, at any time, directly or indirectly, any Notes acquired by it as part of the offering in the ROC or to, or for the account or benefit of, any resident of the ROC, unless otherwise permitted by the laws and regulations of the ROC.

PRC

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by applicable laws of the PRC.

Hong Kong

In relation to each Tranche of Notes to be issued by the Issuers under the Programme, each Dealer has represented and agreed, and each further Dealer appointed under the Programme be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes, except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) other than (i) to “professional investors” as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA, except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Singapore SFA Product Classification: In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Notes, the Issuers have determined and hereby notify all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Cayman Islands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that no invitation has been or will be made to the public in the Cayman Islands to subscribe for any of the Notes.

The Bahamas

The Offering Circular has not been filed as a prospectus with nor has a receipt been issued by the Securities Commission of The Bahamas pursuant to the Securities Industry Act, 2011 for this Offering Circular. The Notes may not be offered or sold in The Bahamas except under circumstances which do not constitute a public offering of securities in or from The Bahamas. Accordingly, the Notes may be issued only in compliance with the laws or rules of the countries in which a distribution of Notes is made. This Offering Circular may not be considered as either an offer or a solicitation in any jurisdiction in which such offer or solicitation would be unlawful. No offer to sell (or solicitation of an offer to buy) will be made in any jurisdiction in which such offer or solicitation would be unlawful.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme shall be required to represent and agree that it will not offer or sell the Notes, or take any other action, which would amount to the Notes being offered or sold, directly or indirectly, in or from The Bahamas.

Each Dealer has further represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that the Notes shall not be offered or sold to any Bahamian Person unless the Bahamian Person has the prior permission of the Central Bank of the Bahamian. A “Bahamian Person” shall mean: (a) a national or citizen of the Commonwealth of the Bahamas or any other person designated “resident” in The Bahamas for exchange control purposes by the Central Bank of The Bahamas and (b) any corporation, partnership, estate, trust or other entity formed, organised or existing under the laws of the Commonwealth of The Bahamas which is designated as “resident” in The Bahamas for exchange control purposes by the Central Bank of The Bahamas and (c) any person acting, directly or indirectly, on behalf of or in concert with any of the foregoing persons.

GENERAL

None of the Issuers, the Guarantor or the Dealers represent that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale. These selling restrictions may be modified by the agreement of the Issuers and the relevant Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular. Each Dealer and each further Dealer appointed under the Programme shall, to the best of their knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which they purchases offer, sell or deliver Notes or have in their possession or distribute this Offering Circular, any other offering material or any Pricing Supplement, in all cases at their own expense.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

GENERAL INFORMATION

(1) LISTING

Application has been made to the SGX-ST for permission to deal in and quotation of any Notes that may be issued pursuant to the Programme and which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST.

For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes if traded, will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies).

For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption in the event that any of the Global Notes or Global Certificates is exchanged for definitive Notes. In addition, in the event that the Global Notes or Global Certificates is exchanged for definitive Notes, an announcement of such exchange will be made by the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore.

(2) AUTHORISATION

The establishment of the Programme was authorised by (1) a resolution of the board of directors of Foxconn (Far East) Limited and (2) a resolution of the board of directors of Competition Team Technologies passed on 13 July 2012 and 13 July 2012 respectively. The update of the Programme was authorised by (1) a resolution of the board of directors of Foxconn (Far East) Limited and (2) a resolution of the board of directors of Competition Team Technologies passed on 31 August 2020 and 31 August 2020 respectively. The giving of the Guarantee and the Programme were authorised by a resolution of the board of directors of the Guarantor passed on 13 July 2012, 13 November 2014, 11 May 2017 and 12 August 2020. With effect from 13 November 2014, the size of the Programme was increased from U.S.\$2,000,000,000 to U.S.\$3,500,000,000 in accordance with the terms of the Programme and with effect from 3 July 2017, the size of the Programme was further increased from U.S.\$3,500,000,000 to U.S.\$5,000,000,000 in accordance with the terms of the Programme. The accession of Foxconn Singapore Pte Ltd, ECMMS Precision Singapore Pte. Ltd. and Falcon Precision Trading Pte. Ltd. as Issuers of the Programme were authorised by their respective resolutions of the board of directors passed on 24 August 2020 respectively. Each of the Issuers and the Guarantor has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes and the giving of the Guarantee relating to them.

(3) LEGAL AND ARBITRATION PROCEEDINGS

Save as disclosed in this Offering Circular, none of the Issuers, the Guarantor and any other member of the Group is or has been involved in any legal or arbitration proceedings (nor are the Issuers or the Guarantor aware that any such proceedings are pending or threatened), which may have, or have had during the 12 months prior to the date of this Offering Circular, a material effect on the financial position or profitability of the Issuers, the Guarantor or the Group as a whole.

(4) SIGNIFICANT MATERIAL ADVERSE CHANGE

Except as disclosed in this Offering Circular, since 30 June 2021, there has been no material adverse change nor significant change in the financial or trading position or prospects of the Guarantor and the Group.

(5) DOCUMENTS ON DISPLAY

Copies of the following documents may be inspected by the holders of the Notes during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the principal office of the Guarantor at No. 2, Ziyou Street, Tucheng Industrial Zone, Tucheng District, New Taipei City, Taiwan, Republic of China for so long as the Notes are capable of being issued under the Programme:

- (i) the memorandum and articles of association of the Issuers and the Guarantor;
- (ii) the audited consolidated financial statements of the Guarantor as of and for the financial year ended 31 December 2020 (together with the English translations thereof);
- (iii) the unaudited consolidated interim financial statements of the Guarantor as of and for the six months ended 30 June 2020 and 2021 (together with the English translations thereof);
- (iv) copies of the latest annual report of the Group (together with the English translations thereof);
- (v) copies of all documents deemed to be incorporated by reference in this Offering Circular;
- (vi) a copy of this Offering Circular together with any supplement to this Offering Circular; and
- (vii) copies of the Agency Agreement and the Trust Deed.

(6) INFORMATION UNDERTAKING

Each of the Issuers and the Guarantor have undertaken in the Trust Deed to make available to the Trustee the latest annual consolidated financial statements of the Guarantor and a directors' certificate confirming no event of default and compliance by the Issuers and the Guarantor with certain of their respective obligations with respect to the Trust Deed within a certain period after the end of each financial year of the Guarantor.

(7) CLEARING OF THE NOTES

The Notes may be accepted for clearance through Euroclear, Clearstream, Luxembourg and CDP. The appropriate ISIN and common code in relation to the Notes of each Tranche will be specified in the relevant Pricing Supplement. The Notes may be accepted for clearance through CMU. The relevant CMU instrument number will be set out in the relevant Pricing Supplement (if applicable). The relevant Pricing Supplement shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

(8) LEGAL ENTITY IDENTIFIER

The legal entity identifier of Foxconn (Far East) Limited is 254900NAQSPFDWVY8H73. The legal entity identifier of Competition Team Technologies Limited is 254900B6P01H4XAT6880. The legal entity identifier of Foxconn Singapore Pte Ltd is 3003001GX1DM54M7IA09. The legal entity identifier ECMMS Precision Singapore Pte. Ltd. is 3003007VY5UUM23I1L19. The legal entity identifier of Falcon Precision Trading Pte. Ltd. is 30030010NCGR25V0PI19.

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Page references included in the audited consolidated financial statements for each of the years ended 31 December 2019 and 2020 and the unaudited consolidated interim financial statements for the six months ended 30 June 2020 and 2021 set forth above refer to pages in such audited consolidated financial statements and the unaudited consolidated interim financial statements as appeared in our annual report for the years ended 31 December 2019 and 2020 and interim report for the six months ended 30 June 2020 and 2021, as the case may be.

**HON HAI PRECISION INDUSTRY CO., LTD.
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2020 AND 2019**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Hon Hai Precision Industry Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Hon Hai Precision Industry Co., Ltd. and its subsidiaries (the "Group") as at December 31, 2020 and 2019, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other independent auditors, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audit of the consolidated financial statements as at and for the year ended December 31, 2020 in accordance with Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China; and in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. Financial-Supervisory-Securities-Auditing-1090360805 issued by the Financial Supervisory Commission on February 25, 2020 and generally accepted auditing standards in the Republic of China for our audit of the consolidated financial statements as at and for the year ended December 31, 2019. 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 Accountants in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of other independent auditors, 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 Group's 2020 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2020 consolidated financial statements are stated as follows:

Cut-off of hub sales revenue

Description

Refer to Note 4(34) for accounting policies on revenue recognition.

The Group recognizes revenue upon acceptance of the goods by the customers (when control of the products is transferred) if picked up from hub. For pick-ups from hub, the Group recognizes sales revenue based on movements of inventories contained in the statements or other information provided by the hub custodians. As the hubs are located around the world with numerous custodians, the frequency and contents of statements provided by custodians vary, and the process of revenue recognition involves numerous manual procedures, these factors may potentially result in inaccurate timing of sales revenue recognition and discrepancy between the physical inventory quantities in the hubs and quantities as reflected in the accounting records.

As there are numerous daily sales revenue transactions from hubs and the transaction amounts prior to and after the balance sheet date are significant to the financial statements, we identified the cut-off of hub sales revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Assessed and tested the appropriateness of internal controls over cut-off of hub sales revenue for a specific period prior to and after the balance sheet date, including agreeing to respective supporting documents provided by hub custodians, and validated the proper timing of recognizing movements of inventories and respective transfer of cost of goods sold.
- B. Confirmed or conducted physical count of inventory quantities held at hubs and agreed to accounting records.

Allowance for inventory valuation losses

Description

Refer to Note 4(14) for accounting policies on inventory valuation, Note 5(2)3 for uncertainty of accounting estimates and assumptions in relation to inventory valuation losses, and Note 6(7) for details of inventories. As at December 31, 2020, the Group's inventories and allowance for inventory valuation losses amounted to NT\$608,332,105 thousand and NT\$26,218,370 thousand, respectively.

The Group is primarily engaged in manufacturing and sales of 3C electronic products. Due to rapid technological innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses arising from market value decline or obsolescence. The Group recognizes inventories at the lower of cost and net realisable value, and the net realisable value is estimated based on historical experience. An allowance for inventory valuation losses is provided for those inventories aged over a certain time period and those individually identified as obsolete or damaged.

As the amounts of inventories are material, the types of inventories vary, and the estimation of net realisable value for individually obsolete or damaged inventories is subject to management's judgment, we considered the allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in relation to the provision for inventory valuation losses for individually obsolete or damaged inventories:

- A. Ensured consistent application of accounting policies in relation to allowance for inventory valuation losses and assessed the reasonableness of these policies.
- B. Validated the appropriateness of system logic of inventory aging report utilised by management to ensure proper classification of inventories aged over a certain period of time.
- C. Evaluated the reasonableness of inventories individually identified as obsolete or damaged by checking the related supporting documents and comparing with the information obtained from physical inventory.
- D. Discussed with management the net realisable value of inventories aged over a certain period of time and individually identified as obsolete or damaged, validated respective supporting documents and reperformed the calculation.

Financial assets and financial liabilities offsetting agreement with financial institutions

Description

Refer to Note 4(27) for accounting policies on offsetting of financial instruments, Note 5(1)2 for significant judgement on applying accounting policies on offsetting of financial instruments, and Note 6(16) for details of offsetting of financial instruments. As of December 31, 2020, the financial instruments that were offset amounted to NT\$1,259,254,404 thousand.

The Group has entered into financial assets and financial liabilities offsetting agreements, which are in compliance with IAS 32, 'Financial instruments: Presentation', whereby financial assets and liabilities are offset and reported in the net amount since the Group has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

As the determination of whether the Group meets the criteria for offsetting prescribed in IAS 32, 'Financial instruments: Presentation' is subject to management's judgment, and the Group has entered into various individually significant financial assets and financial liabilities offsetting agreements, which would have material effect on the financial statements should the financial assets and financial liabilities be presented separately, we considered offsetting of financial assets and liabilities a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Assessed and tested internal controls over financial assets and financial liabilities offsetting agreements with financial institutions, including control processes in determining whether such agreements meet the criteria under IAS 32, 'Financial instruments: Presentation', and ascertained whether the offsetting made in the financial statements was properly approved and accounted for in compliance with the guidance in IAS 32.
- B. Obtained and reviewed the terms of the above agreements and confirmed whether the criteria under IAS 32, 'Financial instruments: Presentation' were met and the accounting treatment was prescribed in the guidance.
- C. Confirmed the existence and the rights and obligations of financial assets and financial liabilities offsetting agreements with respective financial institutions.

Impairment assessment on goodwill arising from acquisition of Belkin International Inc. (“Belkin”).

Description

Refer to the Note 4(20) for accounting policy on impairment assessment of goodwill, Note 5(2)2 for the accounting policy on impairment of non-financial assets, critical accounting estimates and assumptions of impairment assessment and Note 6(13) for the details of impairment loss.

As of December 31, 2020, the Group had goodwill arising from acquisition of 100% equity interest in Belkin for NT\$13,563,157 thousand.

Impairment assessment was performed based on the value in use calculation using the discounted cash flow model to determine the recoverable amounts of the cash-generating unit (“CGU”). Significant judgment and estimates about the key assumptions including revenue growth rate, long-term growth rate and discount rate applied to future cash flow forecast are required and will influence the collectible amount and the impairment of goodwill significantly due to the significant judgments and inherent uncertainty. Therefore, we considered the impairment assessment on goodwill arising from acquisition of Belkin International Inc. and its subsidiaries a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Tested the underlying calculations used in the valuation mode.
- B. Involved valuation specialists to assess the reasonableness of the key assumptions, including expected growth rate and discount rate used as follows:
 - (a) Evaluated the assumptions used, mainly revenue growth rate and long-term growth rate within the impairment assessment by comparing them to historical results, economic and industry forecast;
 - (b) Benchmarked the discount rate range which is used in determining the recoverable amount against certain market data and industry research; and
 - (c) Performed sensitivity analysis over key assumptions in the model in order to assess the potential impact of a range of possible outcomes.

Impairment assessment of operating assets of Asia Pacific Telecom Co., Ltd. and its subsidiaries

Description

Refer to Notes 4(16) and (19) for accounting policies applied to property, plant and equipment and intangible assets. Note 4(20) for accounting policies on impairment assessment of non-financial assets.

Note 5(2)1 for critical accounting estimate and key sources of assumption uncertainty applied to property, plant and equipment, intangible assets and other operating assets, Notes 6(9), (13) and (14) for details of account items.

The subsidiaries' operating assets represent a significant percentage of the Group's total assets, and the valuation of these assets is affected by the overall industry development and the Group's operations. The Group used the value in use to estimate the recoverable amount which involves management's judgements, such as the estimation of future cash flow and determination of discount rate, etc. Management's judgment mentioned above involve future years' forecast which are highly uncertain and have a material impact to the estimation of value in use. Therefore, we identified the impairment assessment of operating assets as a key audit matter.

How our audit addressed the matter

We performed the following key audit procedures in respect of the above key audit matter:

- A. We assessed the expected future cash flows prepared by management and its decision process, compared and assessed the consistency of the expected future cash flows with operation plans.
- B. We also obtained and assessed the information provided by the Group and the valuation report prepared by external professional valuers engaged by the Group.
 - (a) Compared the parameters used in predicting future cash flows with historical experience, economic and industrial forecasts.
 - (b) Compared the parameters used in determining discount rate with the assumptions on capital cost of cash generating units, and with returns rate on similar assets.
 - (c) Verified the valuation model calculation.
 - (d) Assessed the future cash flow sensitivity analysis prepared by management based on the alternative hypothesis using different discount rates, and confirmed whether management has appropriately considered the possible impact on the estimation uncertainty of impairment assessment.

Other matter – Reference to audits of other independent auditors

We did not audit the financial statements of certain consolidated subsidiaries. Those financial statements were audited by other independent accountants, whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements relative to these consolidated subsidiaries was based solely on the reports of other independent auditors. Total assets of these consolidated subsidiaries amounted to NT\$151,573,867 thousand and NT\$208,374,823 thousand, constituting 4.13% and 6.27% of the consolidated total assets

as of December 31, 2020 and 2019, respectively, and total operating revenues amounted to NT\$232,746,063 thousand and NT\$458,130,373 thousand, constituting 4.34% and 8.57% of the consolidated total operating revenues for the years then ended, respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Hon Hai Precision Industry Co., Ltd. as at and for the years ended December 31, 2020 and 2019.

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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the Audit Committee, are responsible for overseeing the Group’s financial reporting process.

Auditors’ responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a 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 generally accepted auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected

to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

We also:

- A. 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 controls.
- B. 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 controls.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. 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 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 report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- E. 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.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit.

We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in

internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

Hsu, Yung-Chien Hsu, Sheng-Chung
for and on behalf of PricewaterhouseCoopers, Taiwan
March 30, 2021

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets			December 31, 2020		December 31, 2019	
			Notes	AMOUNT	%	AMOUNT
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,232,794,015	34	\$ 857,864,362	26
1110	Financial assets at fair value through profit or loss - current	6(2)	6,285,594	-	2,952,049	-
1136	Financial assets at amortised cost, net-current	6(4) and 8	38,783,566	1	52,954,877	1
1170	Accounts receivable, net	6(5)	903,070,230	25	987,278,438	30
1180	Accounts receivable - related parties	7	39,414,164	1	44,754,604	1
1200	Other receivables	6(6)(11)	58,237,719	2	67,854,299	2
1210	Other receivables - related parties	7	5,285,774	-	24,366,543	1
130X	Inventory	6(7)	582,113,735	16	515,772,177	15
1410	Prepayments	7	18,664,505	-	19,895,574	1
11XX	Total current assets		2,884,649,302	79	2,573,692,923	77
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	83,681,186	2	82,660,725	3
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	87,074,089	2	68,807,217	2
1535	Financial assets at amortised cost, net - non-current	6(4) and 8	18,786,030	1	12,528,569	-
1550	Investments accounted for using equity method	6(8)	175,199,441	5	168,631,642	5
1600	Property, plant and equipment	6(9) and 8	287,091,978	8	287,523,253	9
1755	Right-of-use assets	6(10) and 7	46,268,685	1	46,760,340	1
1760	Investment property - net	6(12)	11,083,273	-	4,419,912	-
1780	Intangible assets	6(13)	44,760,083	1	41,380,353	1
1840	Deferred income tax assets	6(37)	19,946,852	1	18,701,465	1
1900	Other non-current assets	6(11)(14) and 8	15,734,671	-	15,835,299	1
15XX	Total non-current assets		789,626,288	21	747,248,775	23
1XXX	Total assets		\$ 3,674,275,590	100	\$ 3,320,941,698	100

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Liabilities and Equity	Notes	December 31, 2020		December 31, 2019	
		AMOUNT	%	AMOUNT	%
Current liabilities					
2100 Short-term loans	6(16)	\$ 446,422,100	12	\$ 380,866,050	11
2110 Short-term notes and bills payable	6(15)	39,101,893	1	30,528,296	1
2120 Financial liabilities at fair value through profit or loss - current	6(2)	2,291,221	-	1,881,685	-
2170 Accounts payable		1,037,912,518	28	870,678,994	26
2180 Accounts payable - related parties	7	27,680,046	1	35,509,127	1
2200 Other payables	6(17) and 7	220,177,215	6	217,732,729	7
2230 Current tax liabilities	6(37)	24,004,318	1	18,531,289	1
2250 Provisions for liabilities - current	6(24)	4,136,517	-	2,725,293	-
2280 Current lease liabilities	7	9,058,272	-	7,131,038	-
2300 Other current liabilities	6(18)	105,473,211	3	91,876,860	3
21XX Total current liabilities		<u>1,916,257,311</u>	<u>52</u>	<u>1,657,461,361</u>	<u>50</u>
Non-current liabilities					
2530 Corporate bonds payable	6(19)	201,691,563	5	175,505,344	5
2540 Long-term loans	6(20)	31,593,197	1	41,576,252	1
2550 Provisions for liabilities - non-current	6(24)	407,915	-	369,953	-
2570 Deferred income tax liabilities	6(37)	18,805,119	1	18,261,509	1
2580 Non-current lease liabilities	7	20,390,740	1	20,875,343	1
2600 Other non-current liabilities	6(23)	10,983,336	-	7,266,519	-
25XX Total non-current liabilities		<u>283,871,870</u>	<u>8</u>	<u>263,854,920</u>	<u>8</u>
2XXX Total liabilities		<u>2,200,129,181</u>	<u>60</u>	<u>1,921,316,281</u>	<u>58</u>
Equity					
Equity attributable to owners of parent					
Share capital	6(25)				
3110 Common stock		138,629,906	4	138,629,906	4
Capital reserve	6(26)				
3200 Capital surplus		202,645,942	5	199,383,371	6
Retained earnings	6(27)				
3310 Legal reserve		161,043,748	4	149,512,874	4
3320 Special reserve		102,451,720	3	60,309,927	2
3350 Unappropriated retained earnings		779,836,380	21	794,615,182	24
Other equity interest	6(28)				
3400 Other equity interest		(87,315,126) (	2) (	102,451,720) (	3)
3500 Treasury stocks	6(25)	(15,194)	-	(15,194)	-
31XX Equity attributable to owners of the parent		<u>1,297,277,376</u>	<u>35</u>	<u>1,239,984,346</u>	<u>37</u>
36XX Non-controlling interest	6(29)	<u>176,869,033</u>	<u>5</u>	<u>159,641,071</u>	<u>5</u>
3XXX Total equity		<u>1,474,146,409</u>	<u>40</u>	<u>1,399,625,417</u>	<u>42</u>
Commitments and Contingent Liabilities	9				
Subsequent Events	11				
3X2X Total liabilities and equity		<u>\$ 3,674,275,590</u>	<u>100</u>	<u>\$ 3,320,941,698</u>	<u>100</u>

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

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE AMOUNTS)

Items	Notes	Year ended December 31			
		2020		2019	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(30) and 7	\$ 5,358,023,065	100	\$ 5,342,810,995	100
5000 Operating costs	6(7)(34)(35) and 7	(5,055,104,342)	(94)	(5,026,942,570)	(94)
5900 Net operating margin		302,918,723	6	315,868,425	6
Operating expenses	6(34)(35)				
6100 Selling expenses		(27,243,581)	(1)	(30,129,101)	(1)
6200 General and administrative expenses		(70,737,182)	(1)	(79,294,289)	(1)
6300 Research and development expenses		(94,110,512)	(2)	(91,548,149)	(2)
6000 Total operating expenses		(192,091,275)	(4)	(200,971,539)	(4)
6900 Operating profit		110,827,448	2	114,896,886	2
Non-operating income and expenses					
7100 Interest income	6(31)	47,934,352	1	75,819,336	2
7010 Other income	6(32)	11,887,533	-	14,560,918	-
7020 Other gains and losses	6(33)	7,314,465	-	5,567,450	-
7050 Finance costs	6(36)	(40,317,013)	-	(66,600,696)	(1)
7060 Share of profit of associates and joint ventures accounted for under equity method	6(8)	7,825,449	-	19,634,053	-
7000 Total non-operating income and expenses		34,644,786	1	48,981,061	1
7900 Profit before income tax		145,472,234	3	163,877,947	3
7950 Income tax expense	6(37)	(31,146,647)	(1)	(31,692,859)	-
8200 Profit for the year		\$ 114,325,587	2	\$ 132,185,088	3

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE AMOUNTS)

		Year ended December 31			
		2020		2019	
Items	Notes	AMOUNT	%	AMOUNT	%
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Losses on defined benefit plans	6(21)	(\$ 47,626)	- (\$ 7,404)	-
8316	Unrealised gain on valuation of financial assets at fair value through other comprehensive income	6(3)(28)(29)			
			19,999,225	- 4,720,616	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method	6(28)			
			497,658	- 3,028,377	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(37)			
			9,525	- 1,481	-
8310	Other comprehensive income that will not be reclassified to profit or loss				
			20,458,782	- 7,743,070	-
Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(28)(29)			
			(15,380,879)	- (51,266,536)	(1)
8370	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method	6(28)			
			2,094,637	- (1,096,843)	-
8360	Other comprehensive loss that will be reclassified to profit or loss				
			(13,286,242)	- (52,363,379)	(1)
8300	Other comprehensive income (loss) for the year		\$ 7,172,540	- (\$ 44,620,309)	(1)
8500	Total comprehensive income for the year		\$ 121,498,127	2 \$ 87,564,779	2
Profit attributable to:					
8610	Owners of the parent		\$ 101,794,807	2 \$ 115,308,736	3
8620	Non-controlling interest		12,530,780	- 16,876,352	-
			\$ 114,325,587	2 \$ 132,185,088	3
Comprehensive income attributable to:					
8710	Owners of the parent		\$ 112,236,799	2 \$ 74,706,141	2
8720	Non-controlling interest		9,261,328	- 12,858,638	-
			\$ 121,498,127	2 \$ 87,564,779	2
Earnings per share					
9750	Basic earnings per share	6(38)			
			\$ 7.34	\$ 8.32	
9850	Diluted earnings per share				
			\$ 7.28	\$ 8.24	

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

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Notes	Equity attributable to owners of the parent										
	Retained Earnings					Other Equity Interest					
	Share capital - common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	Total	Non-controlling interest	Total equity
2019											
Balance at January 1, 2019	\$ 138,629,906	\$ 190,018,456	\$ 136,606,364	\$ 27,539,310	\$ 779,409,554	\$ 65,399,183	\$ 5,089,256	(\$ 15,194)	\$ 1,211,878,469	\$ 120,555,419	\$ 1,332,433,888
Profit	-	-	-	-	115,308,736	-	-	-	115,308,736	16,876,352	132,185,088
Other comprehensive income (loss)	-	-	-	-	(5,923)	(48,490,283)	7,893,611	-	(40,602,595)	(4,017,714)	(44,620,309)
Total comprehensive income (loss)	-	-	-	-	115,302,813	(48,490,283)	7,893,611	-	74,706,141	12,858,638	87,564,779
Appropriations of 2018 earnings: 6(27)											
Legal reserve	-	-	12,906,510	-	(12,906,510)	-	-	-	-	-	-
Special reserve	-	-	32,770,617	-	(32,770,617)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(55,451,962)	-	-	-	(55,451,962)	-	(55,451,962)
Changes in equity of associates and joint ventures accounted for using the equity method	-	(950,756)	-	-	(513,217)	-	-	-	(1,463,973)	-	(1,463,973)
Adjustments arising from changes in percentage of ownership in subsidiaries	-	10,315,671	-	-	-	-	-	-	10,315,671	-	10,315,671
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	26,227,014	26,227,014
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	1,545,121	-	(1,545,121)	-	-	-	-
Balance at December 31, 2019	\$ 138,629,906	\$ 199,383,371	\$ 149,512,874	\$ 60,309,927	\$ 794,615,182	\$ 113,889,466	\$ 11,437,746	(\$ 15,194)	\$ 1,239,984,346	\$ 159,641,071	\$ 1,399,625,417
2020											
Balance at January 1, 2020	\$ 138,629,906	\$ 199,383,371	\$ 149,512,874	\$ 60,309,927	\$ 794,615,182	\$ 113,889,466	\$ 11,437,746	(\$ 15,194)	\$ 1,239,984,346	\$ 159,641,071	\$ 1,399,625,417
Profit	-	-	-	-	101,794,807	-	-	-	101,794,807	12,530,780	114,325,587
Other comprehensive income (loss)	-	-	-	-	(38,101)	(10,662,513)	21,142,606	-	10,441,992	(3,269,452)	7,172,540
Total comprehensive income (loss)	-	-	-	-	101,756,706	(10,662,513)	21,142,606	-	112,236,799	9,261,328	121,498,127
Appropriations of 2019 earnings: 6(27)											
Legal reserve	-	-	11,530,874	-	(11,530,874)	-	-	-	-	-	-
Cash dividends	-	-	-	42,141,793	(42,141,793)	-	-	-	-	-	-
Changes in equity of associates and joint ventures accounted for using the equity method	-	-	-	-	(58,224,561)	-	-	-	(58,224,561)	-	(58,224,561)
Adjustments arising from changes in percentage of ownership in subsidiaries	-	10,032	-	-	22,673	-	-	-	32,705	-	32,705
Increase in non-controlling interests	-	3,252,539	-	-	(4,452)	-	-	-	3,248,087	-	3,248,087
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	7,966,634	7,966,634
Balance at December 31, 2020	\$ 138,629,906	\$ 202,645,942	\$ 161,043,748	\$ 102,451,720	\$ 779,836,380	\$ 124,551,979	\$ 4,656,501	(\$ 15,194)	\$ 1,297,277,376	\$ 176,869,033	\$ 1,474,146,409

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

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Year ended December 31	
	Notes	2020	2019
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 145,472,234	\$ 163,877,947
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(34)	60,952,265	65,144,046
Amortization	6(34)	4,161,469	1,864,811
Cost of share-based payments	6(35)	4,403,815	3,831,801
Provision for doubtful accounts and sales discount	12(2)	1,705,559	1,876,660
Impairment loss	6(33)	959,481	391,323
Loss on disposal of property, plant and equipment, net	6(33)	873,283	837,950
Gain on financial assets or liabilities at fair value through profit or loss, net		(13,727,567)	(10,996,109)
Share of profit of associates and joint ventures accounted for using equity method	6(8)	(7,825,449)	(19,634,053)
Loss on disposal of investments	6(33)	(633,645)	(1,869,967)
Interest expense	6(36)	40,148,900	66,108,704
Interest income	6(31)	(47,934,352)	(75,819,336)
Dividend income	6(32)	(4,891,042)	(6,423,484)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss, mandatorily measured at fair value		9,572,395	7,762,176
Notes receivable		190,805	536,036
Accounts receivable		83,147,102	22,456,556
Accounts receivable due from related parties		6,788,779	3,418,255
Other receivables	(	5,026,811)	5,878,317
Inventories	(	66,341,558)	110,599,948
Prepayments		1,231,069	(299,314)
Changes in operating liabilities			
Accounts payable		167,233,525	(36,285,069)
Accounts payable to related parties	(	7,829,082)	(6,831,622)
Other payables		18,463,204	(12,493,588)
Provisions for liabilities		1,449,186	(2,556,901)
Other current liabilities		9,687,771	1,233,013
Contract liabilities		1,751,652	10,310,227
Accrued pension liabilities		16,324	(179,233)
Cash inflow generated from operations		403,999,312	292,739,094
Income taxes paid	(	26,375,395)	(44,721,356)
Net cash flows from operating activities		377,623,917	248,017,738

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Year ended December 31	
	Notes	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	6(40)	(\$ 65,500,041)	(\$ 77,521,451)
Proceeds from disposal of property, plant and equipment	6(40)	6,104,599	6,569,952
Acquisition of financial assets at fair value through profit or loss		(12,793,651)	(22,036,448)
Net cash flow from acquisition of subsidiaries	6(39)	(1,211,884)	(3,989,043)
Proceeds from disposal of financial assets at fair value through profit or loss		14,729,300	20,768,886
Acquisition of financial assets at fair value through other comprehensive income		(5,150,525)	(1,264,282)
Proceeds from disposal of financial assets at fair value through other comprehensive income		3,326,838	2,845,909
Proceeds from repayments of financial assets at amortised cost-non-current		14,171,311	25,989,262
Acquisition of financial assets at amortised cost-non-current		(7,420,291)	-
Proceeds from repayments of financial assets at amortised cost-current		1,279,800	1,369,020
Other receivables due from related parties		17,101,208	30,049,126
Acquisition of investments accounted for using equity method	6(8)	(3,131,377)	(1,243,716)
Interest received		62,711,773	76,563,195
Dividends received		10,168,019	11,228,694
Acquisition of right-of-use assets		(1,495,068)	(469,473)
Acquisition of intangible assets	6(13)	(541,250)	(21,271)
Proceeds from disposal of right-of-use asset		397,145	-
Proceeds from disposal of investments accounted for using equity method		657,350	-
(Increase) decrease in other non-current assets		(375,283)	2,036,918
Other investing activities		1,557,802	(290,947)
Net cash flows from investing activities		34,585,775	70,584,331
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (decrease) in short-term loans		65,556,050	(153,984,671)
Increase in short-term notes and bills payable		8,549,712	10,538,810
Proceeds from issuing bonds		72,922,000	36,770,000
Repayments of bonds		(40,199,748)	(11,000,000)
Proceeds from long-term debt		1,877,645	21,128,785
Repayments of long-term debt		(12,043,607)	(1,068,637)
Increase (decrease) in other non-current liabilities		449,683	(626,579)
Payment of lease liabilities		(7,701,599)	(4,712,236)
Changes in non-controlling interests	6(29)	3,110,549	4,939,701
Cash dividends paid to non-controlling interest	6(29)	(2,685,915)	(1,848,441)
Interest paid		(56,728,260)	(62,779,924)
Cash dividends paid	6(27)	(58,224,561)	(55,451,962)
Net cash flows used in financing activities		(25,118,051)	(218,095,154)
Net effect of changes in foreign currency exchange rates		(12,161,988)	(31,304,878)
Net increase in cash and cash equivalents		374,929,653	69,202,037
Cash and cash equivalents at beginning of year		857,864,362	788,662,325
Cash and cash equivalents at end of year		\$ 1,232,794,015	\$ 857,864,362

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

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANISATION

Hon Hai Precision Industry Co., Ltd. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in the manufacture, sales and service of connectors, case, thermal module, wired/wireless communication products, optical products, power supply modules, and assemblies for use in the IT, communications, automotive equipment, precision molding, automobile, and consumer electronics industries.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorized for issuance by the Board of Directors on March 30, 2021.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC effective from 2020 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1 and IAS 8, ‘Disclosure initiative-definition of	January 1, 2020
Amendments to IFRS 3, ‘Definition of a business’	January 1, 2020
Amendments to IFRS 9, IAS 39 and IFRS 7, ‘Interest rate benchmark reform’	January 1, 2020
Amendment to IFRS 16, ‘Covid-19-related rent concessions’	June 1, 2020 (Note)

Note: Earlier application from January 1, 2020 is allowed by the FSC.

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2021 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 4, 'Extension of the temporary exemption from applying IFRS 9'	January 1, 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, 'Interest Rate Benchmark Reform— Phase 2'	January 1, 2021

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
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 International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	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
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts—cost of fulfilling a	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the principal accounting policies applied in the preparation of these consolidated financial statements set out below have been consistently applied to all the periods presented.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

- A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
- (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
 - (b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
 - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
 - (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. 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.
 - (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary

should be reclassified from equity to profit or loss.

B. Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary	Main Business Activities	Ownership (%)		Note
			December 31, 2020	December 31, 2019	
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Investment holdings in companies in Mainland China, Hong Kong, Europe and America primarily engaged in manufacturing, sale, research and development of computer cases, connectors and computer components	100	100	(a) (b) (c)
"	Foxconn Holding Ltd. and subsidiaries	Investment holdings in hi-tech companies in Asia-Pacific and America	100	100	
"	Hyield Venture Capital Co., Ltd. and subsidiaries	Venture capital investments in companies primarily engaged in manufacturing of automobile wires/ electronic devices and electronic components, and services of planning, advisory and business management	100	100	
"	Bao Shin International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in manufacturing and sale of machinery and equipment	100	100	
"	Hon Yuan International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in manufacturing and sale of machinery and equipment	100	100	

Investor	Subsidiary	Main Business Activities	Ownership (%)		Note
			December 31, 2020	December 31, 2019	
Hon Hai Precision Industry Co., Ltd.	Hon Chi International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in software and electronic information application services, and manufacturing and sale of machinery and equipment	100	100	
"	Lin Yih International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in manufacturing electronic components	100	100	
"	Hon Hai/Foxconn Logistics California LLC.	Logistics services in America	100	100	
"	Hon Hai/Foxconn Logistics Texas LLC.	Logistics services in America	100	100	
"	Ambit International Ltd. and subsidiaries	Investment holdings in companies in Mainland China primarily engaged in manufacturing and sale of power supply modules, application modules and network cables assemblies	100	100	
"	Foxconn Singapore (Pte) Ltd. and subsidiaries	Asia-Pacific sales company and development of educational technology	100	100	
"	Foxconn International Inc.	Patent applications in America	100	100	
"	Altus Technology Inc.	Leasing services	100	100	

Investor	Subsidiary	Main Business Activities	Ownership (%)		Note
			December 31, 2020	December 31, 2019	
Hon Hai Precision Industry Co., Ltd.	Premier Image Technology -Hong Kong Limited and subsidiaries	Investment holdings in companies in Mainland China, primarily engaged in manufacturing and trading of portable cameras	99.96	99.96	
"	Foxconn SA B.V. and subsidiaries	Investment holdings in Russian domestic sales companies	100	100	
"	Margini Holdings Limited and subsidiaries	Investment holdings in Vietnam export processing and construction services companies and Brazil domestic sales companies	100	100	
"	Jin Ji City Trading Co., Ltd. -Hong Kong	Investment holdings and reinvestment in businesses relating to robots, automatic equipment, moulds, parts, accessories and corresponding services	100	100	
"	Foxconn Holdings B.V. - Netherlands and subsidiaries	Investment holdings in companies in Europe	100	100	
"	Syntrend Creative Park Co., Ltd.	Retail of office machinery and equipment and electronic appliances, and information/software services	74.80	74.80	
"	Perobot Co., Ltd.	Sale, software development, repair services, after-sale services and rental services of robots	100	100	
"	ECMMS Precision Singapore Pte. Ltd.	Manufacturing and sales of computers and data processing equipment	100	100	

Investor	Subsidiary	Main Business Activities	Ownership (%)		Note
			December 31, 2020	December 31, 2019	
Hon Hai Precision Industry Co., Ltd.	Fenix Brazilfenix Industria De Electronicos Ltda.	Manufacturing WIFI cards and modules	100	100	
"	Foxconn MOEBG Industria De Eletronicos Ltda.-Brazil	CFTV, DVR, bluetooth module, set-top box and optical network terminal	100	100	
"	Asia Pacific Telecom Co., Ltd.	Concession of telecom industry, storage of data and manufacturing of wire or wireless communication, installation of computer and satellite TV channels and telecom-related business, and providing 3rd-Generation of mobile phone services	40.74	40.74	(e)
"	Foxtron Vehicle Technologies Co., Ltd.	Complete electric vehicles design, and development, including technical authorisation and transfer. Also offering complete solutions for autonomous driving systems, new energy power and IoV systems.	51	-	(d)

- (a) The Group acquired 100% equity interest in Mingyang Realty Development (Kunshan) Co., Ltd. and Tuoizhan Property Development Co., Ltd. on April 12, 2019 and May 9, 2019, respectively and were included in the consolidated financial statements since the acquisition date.
- (b) The Group acquired 100% equity interest in Shandong Chengshang Energy Co., Ltd. in the second quarter 2020 and was included in the consolidated financial statements since the acquisition date.

- (c) The Company's subsidiary, HongFuJin Precision Electronics (ZhengZhou) Co., Ltd., merged with a 100% subsidiary, Zhengzhou Fulianwang Electronic Technology Co., Ltd., due to reorganization in the second quarter of 2020. HongFuJin Precision Electronics (ZhengZhou) Co., Ltd. was the surviving company.
- (d) The Group established Foxtron Vehicle Technologies Co., Ltd. with Hua-Chuang Automobile Information Technical Center Co., Ltd. (the "Hua-Chuang") on November 6, 2020. Hua-Chuang contributed assets with value of \$7,542,000 as capital, while the Group contributed cash of \$7,850,321 as capital and owned 51% equity interest. It was included in the consolidated financial statements since the setup date.
- (e) The Group acquired the new shares issued by Asia Pacific Telecom Co., Ltd. (the "Asia Pacific") in the amount of \$10,000,000 on November 21, 2019. After the acquisition, the Group owned 40.74% equity interest in Asia Pacific which represented the majority of the voting right of its shareholders and has control over the main activities of Asia Pacific. Accordingly, it was included in the consolidated financial statements since the control date.
- C. Subsidiaries not included in the consolidated financial statements: None.
- D. Adjustments for subsidiaries with different balance sheet dates: None.
- E. Significant restrictions: None.
- F. Subsidiaries that have non-controlling interests that are material to the Group:

The information on non-controlling interest and respective subsidiaries are as follows:

Name of subsidiary	Principal place of business	Non-controlling interest		Non-controlling interest		Description
		December 31, 2020		December 31, 2019		
		Amount	Ownership %	Amount	Ownership %	
FIH Mobile Limited	Cayman	\$ 22,199,143	38%	\$ 23,939,629	38%	
Foxconn Ventures Pte. Ltd.	Singapore	23,229,225	46%	20,563,572	46%	
Foxconn Interconnect Technology Limited	Cayman	15,483,980	25%	15,271,092	23%	
Foxconn Industrial Internet Co., Ltd.	China	72,472,774	16%	61,422,746	16%	
Asia Pacific Telecom Co., Ltd.	Taiwan	18,972,448	59%	22,642,298	59%	
		<u>\$ 152,357,570</u>		<u>\$ 143,839,337</u>		

Summarised financial information of the subsidiary:

Balance sheets

	FIH Mobile Limited	
	December 31, 2020	December 31, 2019
Current assets	\$ 135,380,945	\$ 171,075,653
Non-current assets	37,075,808	38,859,935
Current liabilities	(111,999,810)	(145,825,230)
Non-current liabilities	(1,159,695)	(1,134,435)
Total net assets	<u>\$ 59,297,248</u>	<u>\$ 62,975,923</u>
	Foxconn Interconnect Technology Limited	
	December 31, 2020	December 31, 2019
Current assets	\$ 81,114,425	\$ 82,202,432
Non-current assets	51,002,668	49,920,298
Current liabilities	(50,978,118)	(49,832,096)
Non-current liabilities	(18,756,900)	(20,011,770)
Total net assets	<u>\$ 62,382,075</u>	<u>\$ 62,278,864</u>
	Foxconn Ventures Pte. Ltd.	
	December 31, 2020	December 31, 2019
Current assets	\$ 26,545,134	\$ 15,515,189
Non-current assets	24,903,894	30,975,076
Current liabilities	(4,025)	(1,295,604)
Total net assets	<u>\$ 51,445,003</u>	<u>\$ 45,194,661</u>
	Foxconn Industrial Internet Co., Ltd.	
	December 31, 2020	December 31, 2019
Current assets	\$ 932,125,404	\$ 845,699,832
Non-current assets	62,506,190	54,267,529
Current liabilities	(528,560,676)	(503,806,489)
Non-current liabilities	(10,377,869)	(9,099,406)
Total net assets	<u>\$ 455,693,049</u>	<u>\$ 387,061,466</u>
	Asia Pacific Telecom Co., Ltd.	
	December 31, 2020	December 31, 2019
Current assets	\$ 8,171,700	\$ 10,939,105
Non-current assets	31,504,947	34,811,852
Current liabilities	(6,974,568)	(7,319,667)
Non-current liabilities	(2,962,107)	(2,675,397)
Total net assets	<u>\$ 29,739,972</u>	<u>\$ 35,755,893</u>

Statements of comprehensive income

	FIH Mobile Limited	
	Years ended December 31,	
	2020	2019
Revenue and other operating revenue	\$ 274,842,128	\$ 461,221,823
Loss for the year from continuing operations	(5,136,859)	(376,436)
Other comprehensive income (loss), net of tax	4,883,944	(1,097,822)
Total comprehensive loss for the year	(\$ 252,915)	(\$ 1,474,258)
Comprehensive loss attributable to non-controlling interest	(\$ 195,740)	(\$ 538,832)
Dividends paid to non-controlling interest	\$ -	\$ -
	Foxconn Interconnect Technology Limited	
	Years ended December 31,	
	2020	2019
Revenue and other operating revenue	\$ 126,032,636	\$ 135,150,328
Income for the year from continuing operations	1,257,219	7,211,148
Other comprehensive income (loss), net of tax	2,082,995	(1,050,538)
Total comprehensive income for the year	\$ 3,340,214	\$ 6,160,610
Comprehensive income attributable to non-controlling interest	\$ 900,428	\$ 1,505,152
Dividends paid to non-controlling interest	\$ -	\$ 743,712
	Foxconn Ventures Pte. Ltd.	
	Years ended December 31,	
	2020	2019
Revenue and other operating revenue	\$ -	\$ -
Income for the year from continuing operations	10,632,011	5,877,261
Other comprehensive loss, net of tax	(2,303,007)	(404,102)
Total comprehensive income for the year	\$ 8,329,004	\$ 5,473,159
Comprehensive income attributable to non-controlling interest	\$ 3,789,697	\$ 2,490,287
Dividends paid to non-controlling interest	\$ -	\$ -

	Foxconn Industrial Internet Co., Ltd.	
	Years ended December 31,	
	2020	2019
Revenue and other operating revenue	\$ 1,846,851,234	\$ 1,827,674,405
Income for the year from continuing operations	74,980,558	81,619,395
Other comprehensive (loss) income, net of tax	(37,959)	6,490
Total comprehensive income for the year	\$ 74,942,599	\$ 81,625,885
Comprehensive income attributable to non-controlling interest	\$ 11,792,663	\$ 12,910,527
Dividends paid to non-controlling interest	\$ 2,685,915	\$ 1,749,477

	Asia Pacific Telecom Co., Ltd.	
	Years ended December 31,	
	2020	2019
Revenue and other operating revenue	\$ 13,587,443	\$ 14,246,066
Loss for the year from continuing operations	(5,819,980)	(5,161,873)
Other comprehensive income, net of tax	858	3,847
Total comprehensive loss for the year	(\$ 5,819,122)	(\$ 5,158,026)
Comprehensive loss attributable to non-controlling interest	(\$ 3,669,850)	(\$ 334,301)
Dividends paid to non-controlling interest	\$ -	\$ -

Statements of cash flows

	FIH Mobile Limited	
	Years ended December 31,	
	2020	2019
Net cash used in operating activities	(\$ 17,603,061)	(\$ 14,065,132)
Net cash provided by investing activities	14,737,118	44,638,058
Net cash provided by (used in) financing activities	7,932,819	(26,919,766)
Effect of exchange rates on cash and cash equivalents	1,599,237	263,137
Increase in cash and cash equivalents	6,666,113	3,916,297
Cash and cash equivalents, beginning of year	46,079,951	43,847,968
Cash and cash equivalents, end of year	\$ 52,746,064	\$ 47,764,265

	Foxconn Interconnect Technology Limited	
	Years ended December 31,	
	2020	2019
Net cash provided by operating activities	\$ 3,400,496	\$ 9,676,066
Net cash used in investing activities	(10,507,921)	(12,899,454)
Net cash provided by (used in) financing activities	2,105,467	(1,992,366)
Effect of exchange rates on cash and cash equivalents	1,413,507	(122,805)
Decrease in cash and cash equivalents	(3,588,451)	(5,338,559)
Cash and cash equivalents, beginning of year	25,407,321	32,913,710
Cash and cash equivalents, end of year	<u>\$ 21,818,870</u>	<u>\$ 27,575,151</u>
	Foxconn Ventures Pte. Ltd.	
	Years ended December 31,	
	2020	2019
Net cash provided by operating activities	\$ 82,297	\$ 182,644
Net cash provided by investing activities	12,167,737	13,350,706
Net cash provided by financing activities	-	-
Increase in cash and cash equivalents	12,250,034	13,533,350
Cash and cash equivalents, beginning of year	15,425,649	2,456,128
Cash and cash equivalents, end of year	<u>\$ 27,675,683</u>	<u>\$ 15,989,478</u>
	Foxconn Industrial Internet Co., Ltd.	
	Years ended December 31,	
	2020	2019
Net cash provided by operating activities	\$ 32,943,047	\$ 28,820,961
Net cash used in investing activities	(27,659,807)	(12,611,175)
Net cash provided by financing activities	34,921,791	12,173,675
Effect of exchange rates on cash and cash equivalents	(2,860,756)	433,356
Increase in cash and cash equivalents	37,344,275	28,816,817
Cash and cash equivalents, beginning of year	283,994,561	269,144,472
Cash and cash equivalents, end of year	<u>\$ 321,338,836</u>	<u>\$ 297,961,289</u>

Asia Pacific Telecom Co., Ltd.		
Years ended December 31,		
	2020	2019
Net cash provided by operating activities	\$ 1,107,170	\$ 1,486,927
Net cash used in investing activities	(1,094,815)	(3,954,550)
Net cash (used in) provided by financing activities	(2,344,696)	9,669,716
Effect of exchange rates on cash and cash equivalents	30	(49)
(Decrease) increase in cash and cash equivalents	(2,332,311)	7,202,044
Cash and cash equivalents, beginning of year	8,204,093	1,002,049
Cash and cash equivalents, end of year	\$ 5,871,782	\$ 8,204,093

(4) Foreign currency translation

- A. The consolidated financial statements are presented in New Taiwan Dollars, which is the Company's functional and the Group's presentation currency.
- B. Foreign currency transactions and balances
 - (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
 - (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
 - (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
 - (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within "other gains and losses".
- C. Translation of foreign operations
 - (a) The operating results and financial position of all the group entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) When the foreign operation of an associate is partially disposed of or sold, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, if the Group still retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.
 - (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.
 - (d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
 - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. 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.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the above criteria and are held for the purpose of meeting short-term cash commitment in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.
- D. The Group recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at fair value through other comprehensive income

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:
 - (a) The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets; and
 - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value:
 - (a) The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.
 - (b) Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognized in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified

from equity to profit or loss.

(9) Financial assets at amortised cost

- A. Financial assets at amortised cost are those that meet all of the following criteria:
 - (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
 - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at amortised cost are recognized and derecognized using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognized in profit or loss when the asset is derecognized or impaired.
- D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.
- C. The Group's operating pattern of accounts receivable that are expected to be factored is for the purpose of selling, and the accounts receivable are subsequently measured at fair value, with any changes in fair value recognized in other comprehensive income.

(11) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortised cost including accounts receivable, at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognizes the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognizes a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred; and the Group has not retained control of the financial asset.

(13) Leasing arrangement (lessor) – Lease receivable / Operating lease

- A. Based on the terms of a lease contract, a lease is classified as a finance lease if the lessee assumes substantially all the risks and rewards incidental to ownership of the leased asset.
- (a) At commencement of the lease term, the lessor should record a finance lease in the balance sheet as 'lease receivables' at an amount equal to the net investment in the lease (including initial direct costs). The difference between gross lease receivable and the present value of the receivable is recognized as 'unearned finance income of finance lease'.
- (b) The lessor should allocate finance income over the lease term based on a systematic and rational basis reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.
- (c) Lease payments (excluding costs for services) during the lease term are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.
- B. Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(14) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average cost method. The cost of finished goods and work in process comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expense.

(15) Investments accounted for under the equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealised gains on transactions between the Group and its associates are eliminated to the

extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.
 - F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.
 - G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
 - H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss proportionately.
- (16) Property, plant and equipment
- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
 - B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
 - C. While land is not depreciated, other property, plant and equipment that apply cost model are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each component of property, plant and equipment that is significant in relation to the total cost

of the item is depreciated separately.

- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change.

The estimated useful lives of property, plant and equipment are as follows:

Buildings	5 ~ 51 years
(Auxiliary buildings	6 ~ 11 years)
Machinery and equipment	3 ~ 9 years
Computer and communication equipment	3 ~ 25 years
Other equipment	1 ~ 25 years

(17) Leasing arrangements (lessee) — right-of-use assets/ lease liabilities

- A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:
- (a) Fixed payments, less any lease incentives receivable;
 - (b) Variable lease payments that depend on an index or a rate;
 - (c) Amounts expected to be payable by the lessee under residual value guarantees;
 - (d) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
 - (e) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
- (a) The amount of the initial measurement of lease liability;
 - (b) Any lease payments made at or before the commencement date;
 - (c) Any initial direct costs incurred by the lessee; and
 - (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying

asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

- D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize the difference between remeasured lease liability in profit or loss.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Investment property is depreciated on a straight-line basis over its estimated useful life of 6 to 51 years.

(19) Intangible assets

- A. Trademark right is stated at cost and regarded as having an indefinite useful life as it was assessed to generate continuous net cash inflow in the foreseeable future. Trademark right is not amortised, but is tested annually for impairment.
- B. Goodwill is generated by adopting the acquisition method when merger and acquisition occurs.
- C. Patent is amortised on a straight-line basis over its estimated useful life of 2 to 20 years.
- D. Customer relationship and developed technologies are amortised on a straight-line basis over its estimated life of 12 years and 2 to 7 years, respectively.
- E. Concession obtained individually is stated initially at its costs and is amortised on a straight-line basis over its useful life as follows:
- (a) The concession of the mobile broadband spectrum (4G) 700MHz frequency group started from December 2014 and is amortised until 2030. The useful life of the concession is 16 years.
 - (b) The concession of the mobile broadband spectrum (4G) 2600MHz frequency group started from October 2017 and is amortised until 2033. The useful life of the concession is 16 years.
 - (c) The Group obtained the concession of the mobile broadband spectrum (4G) 700MHz frequency group in December 2015 and is amortised until 2030. The useful life of the concession is 15 years.
 - (d) The Group obtained the concession of the mobile broadband spectrum (4G) 900MHz frequency group in December 2015 and is amortised until 2030. The useful life of the concession is 15 years.
- F. Internally generated intangible assets—research and development expenditures
- (a) Research expenditures are recognized as an expense as incurred.
 - (b) Development expenditures that do not meet the following criteria are recognized as expenses as incurred, but are recognized as intangible assets when the following criteria are met:

- i. It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- ii. An entity intends to complete the intangible asset and use or sell it;
- iii. An entity has the ability to use or sell the intangible asset;
- iv. It can be demonstrated how the intangible asset will generate probable future economic benefits;
- v. Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- vi. The expenditure attributable to the intangible asset during its development can be reliably measured.

(20) Impairment of non-financial assets

- A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior periods no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognized.
- B. The recoverable amount of goodwill shall be evaluated periodically. An impairment is recognized when recoverable amount is lower than carrying amount. Impairment loss should not be reversed in the future.
- C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(21) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(22) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are subsequently measured

at initial invoice amount as the effect of discounting is immaterial.

(23) Financial liabilities at fair value through profit or loss

- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges. Financial liabilities that meet one of the following criteria are designated as at fair value through profit or loss at initial recognition:
- (a) Hybrid (combined) contracts; or
 - (b) They eliminate or significantly reduce a measurement or recognition inconsistency; or
 - (c) They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management policy.
- B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.
- C. If the credit risk results in fair value changes in financial liabilities designated as at fair value through profit or loss, they are recognized in other comprehensive income in the circumstances other than avoiding accounting mismatch or recognizing in profit or loss for loan commitments or financial guarantee contracts.

(24) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognized at fair value less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to 'finance costs'.

(25) Convertible bonds payable

Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

- (a) The embedded call options and put options are recognized initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognized as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.
- (b) The host contracts of bonds or are initially recognized at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

- (c) The embedded conversion options which meet the definition of an equity instrument are initially recognized in 'capital surplus—share options' at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.
 - (d) Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.
 - (e) When bondholders exercise conversion options, the liability component of the bonds shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and 'capital surplus—share options'.
- (26) Derecognition of financial liabilities
- A financial liability is derecognized when the obligation specified in the contract is either discharged or cancelled or expires.
- (27) Offsetting financial instruments
- Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.
- (28) Non-hedging and embedded derivatives
- A. Non-hedging derivatives are initially recognized at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognized in profit or loss.
 - B. Under the financial assets, the hybrid contracts embedded with derivatives are initially recognized as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial assets at amortised cost based on the contract terms.
 - C. Under the non-financial assets, whether the hybrid contracts embedded with derivatives are accounted for separately at initial recognition is based on whether the economic characteristics and risks of an embedded derivative are closely related in the host contract. When they are closely related, the entire hybrid instrument is accounted for by its nature in accordance with the applicable standard. When they are not closely related, the derivative is accounted for differently from the host contract as derivative while the host contract is accounted for by its nature in accordance with the applicable standard. Alternatively, the entire hybrid instrument is designated as financial liabilities at fair value through profit or loss upon initial recognition.
- (29) Provisions
- Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market

assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense. Provisions are not recognized for future operating losses.

(30) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expense when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.
- ii. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii. Past service costs are recognized immediately in profit or loss.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognized as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(31) Employee share-based payment

- A. For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognized

as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognized is based on the number of equity instruments that eventually vest.

B. Restricted stocks:

- (a) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date, and are recognized as compensation cost over the vesting period.
- (b) For restricted stocks where those stocks do not restrict distribution of dividends to employees and employees are not required to return the dividends received if they resign during the vesting period, the Group recognizes the fair value of the dividends received by the employees who are expected to resign during the vesting period as compensation cost at the date of dividends declared.
- (c) For restricted stocks where employees have to pay to acquire those stocks, if employees resign during the vesting period, they must return the stocks to the Group and the Group must refund their payments on the stocks, the Group recognizes the payments from the employees who are expected to resign during the vesting period as liabilities at the grant date, and recognizes the payments from the employees who are expected to be eventually vested with the stocks in 'capital surplus – others'.

(32) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or

loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognized for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

(33) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(34) Revenue recognition

- A. The Group manufactures and sells consumer electronics products. Sales are recognized when control of the products has transferred, being when the products are delivered to the customers, the customers has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customers, and either the customers has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- B. The Group renders telecommunication service. Service revenue is measured by the fair value of the consideration received or receivable taking into account business tax and rebates for the sale of goods to external customers in the ordinary course of the Group's activities. The main methods of revenue recognition are as follows:

- (a) The communication charges of fixed network and mobile services, as well as the connection charges among telecom operators, are recognized on the basis of the contract terms, which are calculated by predetermined rates and the actual usage volume.
- (b) Fixed monthly service fees are recognized monthly.
- (c) Prepaid card revenue is recognized on the basis of the actual usage volume by the customers.
- C. The Group recognizes an asset (shown as 'other non-current assets') the incremental costs (mainly comprised of sales commissions) of obtaining a telecommunication contract if the Group expects to recover those costs. The recognized asset is amortised and consistent with the transfers to the customer of the goods or services to which the asset relates. The Group recognizes an impairment loss to the extent that the carrying amount of the asset exceeds the remaining amount of consideration that the Group expects to receive less the costs that have not been recognized as expenses.
- D. Sales revenue is recognized based on the price specified in the contract, net of the estimated sales discounts and allowances. Revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. The contract cost does not include a significant financing component as the sales are made with credit term consistent with market practice.
- E. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.
- F. The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognized as a provision.
- G. The customer pays at the time specified in the payment schedule. If the products sold exceed the payment, a contract asset is recognized. If the payments exceed the products sold, a contract liability is recognized.

(35) Government grants

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes expenses for the related costs for which the grants are intended to compensate. Government grants related to property, plant and equipment are recognized as non-current liabilities and are amortised to profit or loss over the estimated useful lives of the related assets using the straight-line method.

(36) Business combinations

- A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the

acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

- B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognized and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognized directly in profit or loss on the acquisition date.

(37) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

5. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS ON UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgments in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. The above information is addressed below:

(1) Critical judgments in applying the Group's accounting policies

A. Revenue recognition

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognizes revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Group recognizes revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the good or service before it is provided to a customer include the following:

- (a) The Group is primarily responsible for the provision of goods or services;

(b) The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer.

(c) The Group has discretion in establishing prices for the goods or services.

B. Offsetting financial instruments

The Company's financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(2) Critical accounting estimates and assumptions

The Group makes estimates and assumptions based on the expectation of future events that are believed to be reasonable under the circumstances at the end of the reporting period. The resulting accounting estimates might be different from the actual results. The estimates and assumptions that may significantly adjust the carrying amounts of assets and liabilities within the next financial year are addressed below:

A. Impairment assessment of tangible and intangible assets (excluding goodwill)

The Group assesses impairment based on its subjective judgement and determines the separate cash flows of a specific group of assets, useful lives of assets and the future possible income and expenses arising from the assets depending on how assets are utilized and industrial characteristics. Any changes of economic circumstances or estimates due to the change of Group strategy might cause adjustments on impairment of assets.

B. Impairment assessment of goodwill

The Group assesses impairment of goodwill based on subjective judgment which includes identifying and allocating assets, liabilities and goodwill to related cash-generating unit to determine recoverable amount of this unit. Details of impairment assessment of goodwill is provided in Note 6(13).

As of December 31, 2020, the Group recognized goodwill after impairment assessment of \$14,916,895.

C. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date based on judgments and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be significant changes to the evaluation.

As of December 31, 2020, the carrying amount of inventories was \$582,113,735.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Cash on hand and revolving funds	\$ 146,814	\$ 216,905
Checking accounts and demand deposits	1,008,741,819	649,335,476
Cash equivalents - Time deposits	215,392,563	208,182,131
Cash equivalents - Repo bonds	8,512,819	129,850
	<u>\$ 1,232,794,015</u>	<u>\$ 857,864,362</u>

A. The Group transacts with a variety of financial institutions with high credit quality for the purpose of dispersing credit risk, so it expects that the probability of counterparty default is low.

B. The Group's time deposits pledged to others as collateral and with maturity of over three months had been transferred to "Financial assets at amortised cost". Please refer to Note 6(4) for details.

(2) Financial assets and liabilities at fair value through profit or loss

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
<u>Assets</u>		
Current items:		
Beneficiary certificates	\$ 535,164	\$ 639,679
Derivatives	5,750,430	2,312,370
	<u>\$ 6,285,594</u>	<u>\$ 2,952,049</u>
Non-current items:		
Equity instruments	\$ 3,187,930	\$ 12,744,243
Beneficiary certificates	79,443,386	63,546,321
Derivatives	1,049,870	6,370,161
	<u>\$ 83,681,186</u>	<u>\$ 82,660,725</u>
<u>Liabilities</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Current items:		
Derivatives	<u>(\$ 2,291,221)</u>	<u>(\$ 1,881,685)</u>

A. The descriptions of financial assets and liabilities at fair value through profit or loss are as follows:

- (a) Equity instruments: Including listed, unlisted and emerging stocks.
- (b) Beneficiary certificates: Including investment in open-end funds and private equity fund.
- (c) Derivatives: Including cross currency swap contracts, forward exchange contracts and convertible bonds payable.

B. Amounts recognized in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Years ended December 31,	
	2020	2019
Equity instruments	1,975,357	\$ 9,373,702
Beneficiary certificates	9,686,785	(4,720,893)
Derivatives	2,065,425	6,343,300
	<u>\$ 13,727,567</u>	<u>\$ 10,996,109</u>

C. The non-hedging derivative instruments transaction and contract information are as follows:

	December 31, 2020		
	Contract amount		
<u>Derivative Financial Assets</u>	(Notional Principal in thousands)		Contract period
Current items:			
Cross currency swap contracts	USD (BUY)	1,600,000	2016.09.13~2021.09.24
	JPY (BUY)	38,000,000	2020.12.11~2021.06.28
	TWD (SELL)	38,582,000	2020.12.11~2021.06.28
	JPY (SELL)	61,555,000	2016.09.13~2021.09.24
Foreign exchange forward contracts	RMB (BUY)	59,779,402	2020.10.26~2021.06.23
	CZK (BUY)	1,070,550	2020.12.28~2021.02.26
	BRL (BUY)	262,540	2020.12.28~2021.01.29
	JPY (BUY)	14,216,752	2020.11.04~2021.02.08
	USD (BUY)	50,000	2020.12.31~2021.01.06
	RMB (SELL)	325,505	2020.12.31~2021.01.06
	USD (SELL)	9,208,233	2020.10.26~2021.06.23
Convertible contract	USD	30,000	2016.12.19~2021.12.15
Non-current items:			
Cross currency swap contracts	USD (BUY)	400,000	2016.09.13~2026.09.24
	JPY (SELL)	41,064,000	2016.09.13~2026.09.24
<u>Derivative Financial Liabilities</u>			
Current items:			
Cross currency swap contracts	USD (BUY)	3,050,000	2020.03.03~2021.07.14
	TWD (SELL)	88,925,000	2020.03.03~2021.07.14
Foreign exchange forward contracts	USD (BUY)	420,128	2020.06.08~2021.04.30
	BRL (BUY)	260,490	2020.12.28~2021.01.29
	MXN (BUY)	3,619,834	2020.12.09~2021.02.26
	RMB (BUY)	4,070,580	2020.12.17~2021.05.31
	USD (SELL)	852,000	2020.12.09~2021.05.31
	RMB (SELL)	2,616,495	2020.12.04~2021.02.09
	MXN (SELL)	452,693	2020.06.08~2021.04.30

	December 31, 2019		
	Contract amount		
<u>Derivative Financial Assets</u>	(Notional Principal in thousands)		Contract period
Current items:			
Cross currency swap contracts	JPY (BUY)	27,500,000	2019.12.23~2020.03.26
	TWD (SELL)	7,584,500	2019.12.23~2020.03.26
Foreign exchange forward contracts	EUR (BUY)	128,000	2019.12.11~2020.03.18
	CZK (BUY)	5,766,370	2019.11.05~2020.02.18
	MXN (BUY)	3,803,496	2019.10.22~2020.02.27
	RMB (BUY)	43,373,233	2019.10.23~2020.05.28
	TWD (BUY)	47,466,350	2019.11.11~2020.04.01
	USD (SELL)	8,323,670	2019.10.22~2020.05.28
Capital guarantee financial product	USD	56,000	2019.11.29~2020.12.10
Non-current items:			
Convertible contract	USD	30,000	2016.12.19~2021.12.15
Cross currency swap contracts	USD (BUY)	1,000,000	2016.09.13~2026.09.18
	JPY (SELL)	102,619,000	2016.09.13~2026.09.18
<u>Derivative Financial Liabilities</u>			
Current items:			
Cross currency swap contracts	USD (BUY)	1,700,000	2019.09.09~2020.05.29
	JPY (BUY)	141,250,000	2019.11.19~2020.06.30
	TWD (SELL)	92,004,305	2019.09.09~2020.06.30
Foreign exchange forward contracts	USD (BUY)	90,473	2019.05.24~2020.03.30
	RMB (BUY)	1,316,383	2019.12.18~2020.04.10
	MXN (SELL)	467,519	2019.05.24~2020.03.30
	USD (SELL)	188,000	2019.12.18~2020.04.10
	HKD (SELL)	475,569	2019.12.11~2020.03.02
	AUD (SELL)	9,000	2019.12.11~2020.01.13

(a) Cross currency swap contracts

The cross currency swap contracts signed by the Company are to fulfill capital movement. For exchange rate, principals denominated in two currencies are exchanged at the same exchange rate at the initial and final exchanges. Thus, there is no foreign exchange risk. For interest rate, the fixed rate between two currencies is used to exchange. Thus, there is no interest rate risk.

(b) Forward foreign exchange contracts

The Group enters into foreign exchange forward transactions to hedge the following risk of exchange rate:

A. Operating activities: Import of raw materials and export sales

B. Investing activities: Import of machinery and equipment

C. Financing activities: Long-term and short-term foreign currency assets and liabilities

(c) Financial products

All of the structured products the Group entered into an agreement with financial institutions pertain to hybrid financial products which are principal guaranteed products in combination with embedded derivative financial products.

(d) Convertible bonds payable

The Company's indirect subsidiary, PCE Paragon Solutions Kft., acquired convertible bonds issued by Nanthealth, Inc. in the amount of US\$30 million. The convertible bonds are embedded derivatives. Based on the contract, PCE Paragon Solutions Kft. has the right to require conversion after issue date and until maturity date if the written consent is submitted in advance. If there are remaining convertible bonds at maturity, such convertible bonds will be redeemed in the form of cash.

D. Details of the Group's investment in equity instruments and beneficiary certificates are provided in Table 3.

E. The Group has no financial assets at fair value through profit or loss pledged to others.

F. Information relating to credit risk of financial assets and liabilities at fair value through profit or loss is provided in Note 12(2).

(3) Financial assets at fair value through other comprehensive income

Items	December 31, 2020	December 31, 2019
Equity instruments	\$ 55,486,110	\$ 59,365,998
Valuation adjustment	31,587,979	9,441,219
	<u>\$ 87,074,089</u>	<u>\$ 68,807,217</u>

A. The Group has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income.

B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Years ended December 31,	
	2020	2019
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income	<u>\$ 19,999,225</u>	<u>\$ 4,720,616</u>
Cumulative gains (loss) reclassified to retained earnings due to derecognition	<u>(\$ 4,656,501)</u>	<u>\$ 1,545,121</u>

C. The Group has no financial assets at fair value through other comprehensive income pledged to others.

D. Details of the Group's investment in equity instruments is provided in Table 3.

(4) Financial assets at amortised cost

Items	December 31, 2020	December 31, 2019
Current items:		
Capital guarantee financial products	\$ -	\$ 18,341,333
Time deposits with maturity over three months	36,252,968	33,401,517
Refundable deposits	1,815,433	758,872
Restricted bank deposits	468,414	133,411
Pledged time deposits	246,751	319,744
	<u>\$ 38,783,566</u>	<u>\$ 52,954,877</u>
Non-current items:		
Financial bonds-trust fund	\$ 11,321,960	\$ 12,484,790
Time deposits with maturity over twelve months	6,010,077	-
Restricted bank deposits	1,400,641	-
Pledged time deposits	53,352	43,779
	<u>\$ 18,786,030</u>	<u>\$ 12,528,569</u>

A. Amounts recognized in profit or loss in relation to financial assets at amortised cost are listed below:

	Years ended December 31,	
	2020	2019
Interest income	<u>\$ 3,867,799</u>	<u>\$ 2,337,822</u>

B. The Group invested in the trust fund named Guangdong Finance Trust - Peng Yun Tian Hua Collection Fund Trust in December 2017 which was mainly created for the investment in Guangzhou Guangyin Nanyue Intelligent Technology Industrial Investment Partnership. As of December 31, 2020, the Group has invested a total of RMB 3.5 billion and has redeemed RMB 900 million. Under the agreement, the Group will take over the share in the trust of the preferred beneficiary, Bank of Guangzhou, in case it initiates a redemption.

C. The counterparties of the Group's investments have good credit quality.

D. Information relating to financial asset at amortised cost pledged as collateral is provided in Note 8.

(5) Notes and accounts receivable

	December 31, 2020	December 31, 2019
Notes receivable	\$ 249,501	\$ 440,306
Accounts receivable	909,750,714	992,631,562
Less: Allowance for sales returns and allowances	(6,929,985)	(5,793,430)
	<u>\$ 903,070,230</u>	<u>\$ 987,278,438</u>

A. As of December 31, 2020 and 2019, accounts receivable and notes receivable were all from

contracts with customers. As of January 1, 2019, the balance of receivables from contracts with customers amounted to \$1,062,285,356.

- B. On December 31, 2020 and 2019, the Group had accounts receivable are expected to be factored were classified as financial assets at fair value through other comprehensive income in the amounts of \$109,052,508 and \$108,993,188, respectively.
- C. The Group entered into a factoring agreement with the following banks to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognized the transferred accounts receivable.

As of December 31, 2020 and 2019, the relevant information of accounts receivable factored but unsettled were as follows:

December 31, 2020			
Accounts receivable factoring not due yet	Amount of accounts receivable derecognized	Amount advanced	Amount of consideration retained
\$ 37,739,204	\$ 37,739,204	\$ 37,739,204	\$ -
December 31, 2019			
Accounts receivable factoring not due yet	Amount of accounts receivable derecognized	Amount advanced	Amount of consideration retained
\$ 15,957,505	\$ 15,957,505	\$ 15,957,505	\$ -

As of December 31, 2020 and 2019, the Group has no retention for the factoring of accounts receivable.

- D. As of December 31, 2020 and 2019, the Group has not signed promissory notes as guarantee for accounts receivable in commercial dispute.
- E. For the years ended December 31, 2020 and 2019, the financing charges (expenses) incurred from accounts receivable factoring information is provided in Note 6(36).
- F. The Group does not hold any collateral as security.
- G. Information relating to credit risk is provided in Note 12(2).

(6) Other receivables

	December 31, 2020	December 31, 2019
Tax refund receivable	\$ 30,296,437	\$ 27,552,147
Interest receivable	13,230,731	28,008,152
Loans to others	2,181,655	2,280,745
Others	12,528,896	10,013,255
	<u>\$ 58,237,719</u>	<u>\$ 67,854,299</u>

The Group's other receivables are due from entities and government agencies with good credit quality. There is no significant credit risk as default is unlikely to occur.

(7) Inventories

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Raw materials	\$ 184,832,767	\$ 148,887,252
Work in process	124,724,802	105,747,965
Finished goods	268,629,479	261,457,747
Inventory in transit	<u>30,145,057</u>	<u>23,526,271</u>
	608,332,105	539,619,235
Less: Allowance for inventory obsolescence and market price decline	(26,218,370)	(23,847,058)
	<u>\$ 582,113,735</u>	<u>\$ 515,772,177</u>

Expenses and losses incurred on inventories for the years ended December 31, 2020 and 2019 were as follows:

	<u>Years ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
Cost of inventories sold	\$ 5,057,980,656	\$ 5,032,378,954
Loss on inventory obsolescence and market price decline (Gain from price recovery)	2,441,825	(303,359)
Revenue from sale of scraps	(5,711,177)	(5,431,538)
Others	<u>393,038</u>	<u>298,513</u>
	<u>\$ 5,055,104,342</u>	<u>\$ 5,026,942,570</u>

As the Group sold some inventory with net realizable value lower than its cost, the allowance for inventory obsolescence and market price decline was reversed for the year ended December 31, 2019.

(8) Investments accounted for using equity method

	<u>2020</u>	<u>2019</u>
At January 1	\$ 168,631,642	\$ 160,316,664
Addition of investments accounted for using equity method	3,131,377	1,243,716
Disposal of investments accounted for using equity method	(23,705)	(4,493,137)
Earnings distribution of investments accounted for using equity method	(5,262,181)	(4,805,210)
Share of profit or loss of investments accounted for using equity method	7,825,449	19,634,053
Changes in retained earnings	22,673	(513,217)
Changes in capital surplus	10,032	(950,756)
Changes in other equity items	2,592,295	1,931,534
Impairment loss	-	(157,082)
Others	(1,728,141)	(3,574,923)
At December 31	<u>\$ 175,199,441</u>	<u>\$ 168,631,642</u>

- A. The Group acquired the new shares issued by Asia Pacific Telecom Co., Ltd. (the “Asia Pacific”) in 2019. After the acquisition, the Company owned 40.74% equity interest in Asia Pacific which represented majority of the voting rights of its shareholders and the Company has control over the main activities of Asia Pacific. Accordingly, it was included in the consolidated financial statements since the control date. Meanwhile, the Company lost significant influence over Asia Pacific and remeasured the fair value of the remaining investment. The Company recognized the difference between the fair value and book value of \$1,691,090 (shown as “other gains and losses”). Details of business combination about Asia Pacific is provided in Note 6(39).
- B. The Group has assessed impairment of certain investees for the years ended December 31, 2020 and 2019, and has accrued impairment loss of \$0 and \$157,082, respectively (shown as “other gains and losses”).
- C. Associates

(a) The basic information of the associates that are material to the Group is as follows:

Company name	Principal place of business	Shareholding ratio		Nature of relationship	Method of measurement
		December 31, 2020	December 31, 2019		
Sharp Corporation	Japan	42%	42%	Strategic Investment	Equity method
Foxconn Technology Co., Ltd.	Taiwan	29%	29%	Supplier	Equity method
Zhen Ding Technology Holding Limited	Cayman	32%	34%	Supplier	Equity method

(b) The summarized financial information of the associates that are material to the Group is as follows:

Balance sheet

	Sharp Corporation	
	December 31, 2020	December 31, 2019
Current assets	\$ 328,978,941	\$ 318,630,526
Non-current assets	206,441,054	214,183,459
Current liabilities	(258,063,115)	(254,314,425)
Non-current liabilities	(191,282,832)	(185,840,064)
Total net assets	86,074,048	92,659,496
Effect of accounting principles	(5,682,633)	(11,943,340)
The fair value adjustment of trademarks, other intangible net assets and tangible net assets	110,989,019	112,859,837
Total net assets after adjustment	\$ 191,380,434	\$ 193,575,993
Share in associate's net assets (Note)	\$ 73,338,398	\$ 73,410,848
Goodwill	12,197,171	12,450,964
Others	(670,048)	(975,970)
Carrying amount of the associate	\$ 84,865,521	\$ 84,885,842

Note: Share in associate's net assets is determined based on the equity of ordinary shares, excluding Class C shares of Sharp Corporation.

	Foxconn Technology Co., Ltd.	
	December 31, 2020	December 31, 2019
Current assets	\$ 113,612,184	\$ 108,072,195
Non-current assets	55,497,536	56,503,622
Current liabilities	(58,012,616)	(54,840,529)
Non-current liabilities	(828,349)	(1,129,678)
Total net assets	<u>\$ 110,268,755</u>	<u>\$ 108,605,610</u>
Share in associate's net assets	\$ 32,501,783	\$ 32,011,570
Goodwill	338,190	338,190
Others	(592,437)	3,930
Carrying amount of the associate	<u>\$ 32,247,536</u>	<u>\$ 32,353,690</u>

	Zhen Ding Technology Holding Limited	
	December 31, 2020	December 31, 2019
Current assets	\$ 99,312,005	\$ 83,203,716
Non-current assets	81,808,482	56,677,619
Current liabilities	(63,423,798)	(39,032,879)
Non-current liabilities	(13,658,813)	(10,504,355)
Total net assets	<u>\$ 104,037,876</u>	<u>\$ 90,344,101</u>
Share in associate's net assets	\$ 25,297,197	\$ 22,741,808
Others	122,937	(28,971)
Carrying amount of the associate	<u>\$ 25,420,134</u>	<u>\$ 22,712,837</u>

Statement of comprehensive income

	Sharp Corporation	
	Years ended December 31,	
	2020	2019
Revenue	\$ 645,878,758	\$ 676,371,949
Profit for the year from continuing operations	2,500,510	18,648,819
Other comprehensive income, net of tax	<u>865,144</u>	<u>7,421,513</u>
Total comprehensive income	3,365,654	26,070,332
Effect of accounting principles	<u>5,383,833</u>	<u>10,277,033</u>
Total comprehensive income after adjustment	<u>\$ 8,749,487</u>	<u>\$ 36,347,365</u>
Dividends received from associates	<u>\$ 1,105,471</u>	<u>\$ 1,277,406</u>

	Foxconn Technology Co., Ltd.	
	Years ended December 31,	
	2020	2019
Revenue	\$ 104,789,599	\$ 99,802,129
Profit for the year from continuing operations	4,686,123	7,037,114
Other comprehensive income, net of tax	513,048	6,824,527
Total comprehensive income	\$ 5,199,171	\$ 13,861,641
Dividends received from associates	\$ 1,042,301	\$ 1,334,145

	Zhen Ding Technology Holding Limited	
	Years ended December 31,	
	2020	2019
Revenue	\$ 131,278,537	\$ 120,067,508
Profit for the year from continuing operations	11,508,290	12,401,617
Other comprehensive income (loss), net of tax	1,194,101	(3,312,504)
Total comprehensive income	\$ 12,702,391	\$ 9,089,113
Dividends received from associates	\$ 1,374,359	\$ 1,336,457

- (c) The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarized below:

As of December 31, 2020 and 2019, the carrying amount of the Group's individually immaterial associates amounted to \$32,666,250 and \$28,679,273, respectively.

	Years ended December 31,	
	2020	2019
Profit for the year from continuing operations	\$ 7,256,748	\$ 3,351,246
Other comprehensive income (loss), net of tax	1,371,830	(779,886)
Total comprehensive income	\$ 8,628,578	\$ 2,571,360

- (d) The fair value of the Group's material associates which have quoted market price was as follows:

	December 31, 2020	December 31, 2019
Sharp Corporation	\$ 95,941,221	\$ 103,325,835
Foxconn Technology Co., Ltd.	22,263,548	27,600,129
Zhen Ding Technology Holding Limited	34,828,781	38,968,380
	\$ 153,033,550	\$ 169,894,344

- (e) The Group is the single largest shareholder of the following companies, and has no control, but only has a significant influence on the company as described below.
- i. The Group is the single largest shareholder of Sharp Corporation with a 42% equity interest. Given that the director candidates of Sharp Corporation are decided by the nomination committee chaired by an outside director, and then resolved by Board of Directors, the shareholders will adopt a majority decision. Natural persons are elected as directors, legal shareholders cannot dominate, and the main managerial officers of Sharp Corporation is not appointed by the Group, which indicate that the Group has no current ability to direct the relevant activities of Sharp Corporation. Thus, the Group has no control, but only has significant influence, over the investee.
 - ii. The Group is the single largest shareholder of Foxconn Technology Co., Ltd. with a 29% equity interest. Given that the Group does not hold the voting rights of more than half of its shareholders attendance rate, which indicates that the Group has no current ability to direct the relevant activities of Foxconn Technology Co., Ltd., the Group has no control, but only has significant influence, over the investee.
 - iii. The Group is the single largest shareholder of Zhen Ding Technology Holding Limited with a 32% equity interest. Given that the Group does not hold the voting rights of more than half of its shareholders attendance rate, which indicates that the Group has no current ability to direct the relevant activities of Zhen Ding Technology Holding Limited, the Group has no control, but only has significant influence, over the investee.

(9) Property, plant and equipment

	2020						
	Machinery and equipment			Computer and communication equipment		Construction in progress	Total
	Land	Buildings			Others		
At January 1, 2020							
Cost	\$ 14,233,757	\$ 208,869,510	\$ 275,816,855	\$ 39,326,807	\$ 160,547,139	\$ 28,415,269	\$ 727,209,337
Accumulated depreciation and impairment	-	(88,283,906)	(208,403,723)	(29,795,877)	(113,202,578)	-	(439,686,084)
	<u>\$ 14,233,757</u>	<u>\$ 120,585,604</u>	<u>\$ 67,413,132</u>	<u>\$ 9,530,930</u>	<u>\$ 47,344,561</u>	<u>\$ 28,415,269</u>	<u>\$ 287,523,253</u>
2020							
Opening net book amount as at January 1	\$ 14,233,757	\$ 120,585,604	\$ 67,413,132	\$ 9,530,930	\$ 47,344,561	\$ 28,415,269	\$ 287,523,253
Additions	185,346	3,069,325	20,683,563	1,352,450	16,620,782	23,985,927	65,897,393
Transfer	1,181	2,471,466	3,424,276	1,137,498	3,732,238	(16,962,187)	(6,195,528)
Acquired through business combinations	-	2,396	147	-	1,384,078	1,195,685	2,582,306
Disposals	(58,861)	(600,188)	(3,891,260)	(208,172)	(1,838,861)	(330,269)	(6,927,611)
Depreciation charge	-	(10,388,031)	(22,493,118)	(3,162,970)	(15,487,260)	-	(51,531,379)
Impairments	-	-	(959,481)	-	-	-	(959,481)
Net exchange differences	(2,030,887)	419,248	255,356	(51,421)	(1,470,554)	(418,717)	(3,296,975)
Closing net book amount as at December 31	<u>\$ 12,330,536</u>	<u>\$ 115,559,820</u>	<u>\$ 64,432,615</u>	<u>\$ 8,598,315</u>	<u>\$ 50,284,984</u>	<u>\$ 35,885,708</u>	<u>\$ 287,091,978</u>
At December 31, 2020							
Cost	\$ 12,330,536	\$ 214,266,695	\$ 279,733,859	\$ 41,002,101	\$ 174,306,451	\$ 35,885,708	\$ 757,525,350
Accumulated depreciation and impairment	-	(98,706,875)	(215,301,244)	(32,403,786)	(124,021,467)	-	(470,433,372)
	<u>\$ 12,330,536</u>	<u>\$ 115,559,820</u>	<u>\$ 64,432,615</u>	<u>\$ 8,598,315</u>	<u>\$ 50,284,984</u>	<u>\$ 35,885,708</u>	<u>\$ 287,091,978</u>

2019

	Land	Buildings	Machinery and equipment	Computer and communication equipment	Others	Construction in progress	Total
<u>At January 1, 2019</u>							
Cost	\$ 4,187,609	\$ 199,046,485	\$ 249,832,617	\$ 8,768,524	\$ 151,844,877	\$ 24,418,437	\$ 638,098,549
Accumulated depreciation and impairment	-	(81,242,477)	(169,196,450)	(7,112,646)	(102,686,964)	-	(360,238,537)
	<u>\$ 4,187,609</u>	<u>\$ 117,804,008</u>	<u>\$ 80,636,167</u>	<u>\$ 1,655,878</u>	<u>\$ 49,157,913</u>	<u>\$ 24,418,437</u>	<u>\$ 277,860,012</u>
<u>2019</u>							
Opening net book amount as at January 1	\$ 4,187,609	\$ 117,804,008	\$ 80,636,167	\$ 1,655,878	\$ 49,157,913	\$ 24,418,437	\$ 277,860,012
Additions	7,505,720	15,068,196	14,351,055	660,831	12,788,063	19,100,838	69,474,703
Transfer	-	6,479,118	5,799,056	78,160	580,476	(13,898,334)	(961,524)
Acquired through business combinations	1,319,286	459,236	7,054	8,501,571	156,039	1,604,762	12,047,948
Disposals	-	(159,250)	(2,299,953)	(49,796)	(1,176,296)	(1,566,386)	(5,251,681)
Depreciation charge	-	(12,770,961)	(27,207,430)	(565,709)	(16,204,358)	-	(56,748,458)
Impairments	-	-	(95,971)	-	-	-	(95,971)
Net exchange differences	1,221,142	(6,294,743)	(3,776,846)	(750,005)	2,042,724	(1,244,048)	(8,801,776)
Closing net book amount as at December 31	<u>\$ 14,233,757</u>	<u>\$ 120,585,604</u>	<u>\$ 67,413,132</u>	<u>\$ 9,530,930</u>	<u>\$ 47,344,561</u>	<u>\$ 28,415,269</u>	<u>\$ 287,523,253</u>
<u>At December 31, 2019</u>							
Cost	\$ 14,233,757	\$ 208,869,510	\$ 275,816,855	\$ 39,326,807	\$ 160,547,139	\$ 28,415,269	\$ 727,209,337
Accumulated depreciation and impairment	-	(88,283,906)	(208,403,723)	(29,795,877)	(113,202,578)	-	(439,686,084)
	<u>\$ 14,233,757</u>	<u>\$ 120,585,604</u>	<u>\$ 67,413,132</u>	<u>\$ 9,530,930</u>	<u>\$ 47,344,561</u>	<u>\$ 28,415,269</u>	<u>\$ 287,523,253</u>

Details of property, plant and equipment pledged as collateral are provided in Note 8.

(10) Leasing arrangements—lessee

- A. The Group leases various assets including land, land use right, buildings, transportation equipment and other equipment. Except for contracts of land use right which cover periods of 50 years, other rental contracts are typically made for periods of 1 to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Short-term leases with a lease term of 12 months, including dormitories, business vehicles and office.
- C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Land and land use right	\$ 18,525,528	\$ 21,248,308
Buildings	25,881,653	23,633,305
Other equipment	1,861,504	1,878,727
	<u>\$ 46,268,685</u>	<u>\$ 46,760,340</u>
	<u>Years ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land and land use right	\$ 821,887	\$ 2,372,018
Buildings	8,194,638	5,731,167
Other equipment	404,361	292,403
	<u>\$ 9,420,886</u>	<u>\$ 8,395,588</u>

- D. For the years ended December 31, 2020 and 2019, the additions to right-of-use assets were \$16,428,979 and \$11,422,804, respectively.
- E. The information on income and expense accounts relating to lease contracts is as follows:

	<u>Years ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	<u>\$ 1,193,246</u>	<u>\$ 1,174,008</u>
Expense on short-term lease contracts	<u>\$ 4,084,492</u>	<u>\$ 3,385,617</u>

- F. For the years ended December 31, 2020 and 2019, the Group's total cash outflow for leases were \$14,077,260 and \$9,741,334, respectively.

(11) Leasing arrangements—lessor

- A. The Group mainly leases machinery and equipment. Rental contracts are typically made for 5 years.

B. The maturity analysis of the undiscounted lease payments in the finance lease is as follows:

	December 31, 2020	December 31, 2019
No later than one year	\$ 469,917	\$ 496,589
Later than one year but not later than five years	1,517,607	1,941,955
	<u>\$ 1,987,524</u>	<u>\$ 2,438,544</u>

C. Reconciliation of the undiscounted lease payments and the net investment in the finance lease is provided as follows:

	December 31, 2020	
	Current	Non-current
Undiscounted lease payments	\$ 467,917	\$ 1,517,607
Unearned finance income	(8,636)	(58,441)
Net investment in lease	<u>\$ 459,281</u>	<u>\$ 1,459,166</u>
	December 31, 2019	
	Current	Non-current
Undiscounted lease payments	\$ 496,589	\$ 1,941,955
Unearned finance income	(27,548)	(69,638)
Net investment in lease	<u>\$ 469,041</u>	<u>\$ 1,872,317</u>

The net investment in the financial lease is shown as “other receivable” and “other non-current asset”, respectively.

(12) Investment property

	Land and buildings	
	2020	2019
<u>At January 1</u>		
Cost	\$ 8,015,199	\$ 4,129,588
Accumulated depreciation and impairment	(3,595,287)	(1,605,625)
	<u>\$ 4,419,912</u>	<u>\$ 2,523,963</u>
<u>Year ended December 31</u>		
Opening net book amount as at January 1	\$ 4,419,912	\$ 2,523,963
Transfer	7,411,747	418,901
Acquired through business combinations	-	2,047,982
Depreciation charge	(737,696)	(272,910)
Net exchange differences	(10,690)	(298,024)
Closing net book amount as at December 31	<u>\$ 11,083,273</u>	<u>\$ 4,419,912</u>
<u>At December 31</u>		
Cost	\$ 15,528,707	\$ 8,015,199
Accumulated depreciation and impairment	(4,445,434)	(3,595,287)
	<u>\$ 11,083,273</u>	<u>\$ 4,419,912</u>

A. Rental income from the lease of the investment property and direct operating expenses arising

from the investment property are shown below:

	Years ended December 31,	
	2020	2019
Rental income from the lease of the investment property	\$ <u>894,888</u>	\$ <u>548,677</u>
Direct operating expenses arising from the investment property that generated rental income for the year	\$ <u>737,696</u>	\$ <u>272,910</u>

- B. The Group assesses the recoverable amounts of those assets where there is an indication that they are impaired. There was no impairment loss during the years ended December 31, 2020 and 2019.
- C. The fair value of the investment property held by the Group as at December 31, 2020 and 2019 was \$28,531,066 and \$5,045,896, respectively, which was revalued by independent appraisers. The valuation is based on latest market price of similar investment property in the same area and condition which is categorized within Level 3 in the fair value hierarchy.

2020

63~

2019

	Goodwill	Concession	Patents	Trademarks	Developed technology	Customer relationships	Total
At January 1							
Cost	\$ 17,491,247	\$ -	\$ 4,903,625	\$ 7,683,529	\$ 4,343,649	\$ 1,787,904	\$ 36,209,954
Accumulated amortization and impairment	(2,440,238)	-	(2,563,462)	(72,280)	(760,559)	(16,390)	(5,852,929)
	<u>\$ 15,051,009</u>	<u>\$ -</u>	<u>\$ 2,340,163</u>	<u>\$ 7,611,249</u>	<u>\$ 3,583,090</u>	<u>\$ 1,771,514</u>	<u>\$ 30,357,025</u>
Opening net book amount as at January 1	\$ 15,051,009	\$ -	\$ 2,340,163	\$ 7,611,249	\$ 3,583,090	\$ 1,771,514	\$ 30,357,025
Acquired through business combinations	861,693	10,460,762	-	2,221,851	-	-	13,544,306
Additions	-	-	21,261	10	-	-	21,271
Amortization charge	-	(101,590)	(423,090)	(241,865)	(705,269)	(200,594)	(1,672,408)
Impairment loss	(95,037)	-	-	-	(43,233)	-	(138,270)
Net exchange differences	(411,124)	-	(44,463)	(175,556)	(63,791)	(36,637)	(731,571)
Closing net book amount as at December 31	<u>\$ 15,406,541</u>	<u>\$ 10,359,172</u>	<u>\$ 1,893,871</u>	<u>\$ 9,415,689</u>	<u>\$ 2,770,797</u>	<u>\$ 1,534,283</u>	<u>\$ 41,380,353</u>
At December 31							
Cost	\$ 17,880,175	\$ 14,169,255	\$ 4,805,694	\$ 9,721,511	\$ 4,239,016	\$ 1,744,836	\$ 52,560,487
Accumulated amortization and impairment	(2,473,634)	(3,810,083)	(2,911,823)	(305,822)	(1,468,219)	(210,553)	(11,180,134)
	<u>\$ 15,406,541</u>	<u>\$ 10,359,172</u>	<u>\$ 1,893,871</u>	<u>\$ 9,415,689</u>	<u>\$ 2,770,797</u>	<u>\$ 1,534,283</u>	<u>\$ 41,380,353</u>

A. Impairment assessment for goodwill of Belkin International Inc.

The Group acquired Belkin International Inc. (referred herein as “Belkin”) which generated goodwill of \$13,563,157. Impairment assessment of goodwill is allocated to the Belkin’s CGU. The recoverable amount of the CGU relating to the goodwill arising from acquisition of Belkin was determined based on value-in-use calculation. The calculation uses projected cash flows based on financial budgets for the next five-year period.

Management determined budgeted gross margin based on past performance and their expectations of market development. The weighted average growth rates used are consistent with the projection included in industry reports. Cash flows beyond the five-year period are extrapolated using the estimated growth rates. As of December 31, 2020, pre tax discount rate is 16.5%.

Based on previous assessment, there is no impairment loss on goodwill as of December 31, 2020.

B. The details of amortization are as follows:

	Years ended December 31,	
	2020	2019
Operating costs	\$ 2,302,573	\$ 1,672,408
(14) <u>Other non-current assets</u>		
	December 31, 2020	December 31, 2019
Utility duct access	\$ 913,198	\$ 1,095,837
Computer software cost	2,369,522	2,713,429
Refundable deposits	2,483,407	2,737,880
Assets recognized for incremental costs of obtaining contract with customers	2,146,582	2,081,358
Prepayments for equipment	1,748,399	704,407
Others	6,073,563	6,502,388
	<u>\$ 15,734,671</u>	<u>\$ 15,835,299</u>

A. Refundable deposits mainly pertain to deposits for the lease of office buildings and data centers as well as bid bond for 1800MHz, 3.5GHz and 28GHz spectrum. The Company participated in the National Communications Commission’s mobile broadband auction of 2019 for the bidding of 1800MHz, 3.5GHz and 28GHz spectrum, and paid the bid bond amounting to \$1,000,000 in September 2019 which was refunded later in March 2020.

B. Utility duct access

A subsidiary of the Company, Asia Pacific Telecom Co., Ltd. (“Asia Pacific”), entered into a use of assets contract with Taiwan Railways Administration (“TRA”) in January 2001. According to the contract, TRA provides the right to use 50% of the capacity of optical fiber duct (30 cm width), which was along the same path on both of the rails for 25 years since the Ministry of Transportation and Communication issued the 3G license. Under the contract, Asia Pacific should pay \$8,425,569 as compensation for the 25-year use right to TRA, and both parties agreed that TRA can use the compensation of \$8,000,000 as capital to invest in Asia Pacific. Under the

contract, Asia Pacific should pay \$100,000 per year to TRA for 25 years as compensation of the use right, and TRA will no longer allow other telecom companies to use the optical fiber ducts; if any, Asia Pacific can deduct the payment based on the percentage that the other telecom companies used.

C. Incremental costs of obtaining a contract

A subsidiary of the Company, Asia Pacific Telecom Co., Ltd., recognizes the incremental costs (mainly comprised of sales commissions) of obtaining a contract with a customer as an asset if the Group expects to recover those costs. The recognized asset is amortised on a systematic basis that is consistent with the transfers to the customer of the goods or services to which the asset relates. The Group recognized amortised costs of \$1,858,896 and \$192,403 in profit or loss for the years ended December 31, 2020 and 2019.

D. Details of other non-current assets pledged as collateral are provided in Note 8.

(15) Short-term notes and bills payable

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Commercial paper	\$ 39,139,779	\$ 30,590,067
Less: Unamortized discount	(37,886)	(61,771)
	<u>\$ 39,101,893</u>	<u>\$ 30,528,296</u>
Interest rates per annum	<u>0.498%~1.238%</u>	<u>0.718%~1.438%</u>

(16) Short-term loans

<u>Type of loans</u>	<u>December 31, 2020</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank loans			
Credit loans	<u>\$ 446,422,100</u>	0.08%~8%	None
<u>Type of loans</u>	<u>December 31, 2019</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank loans			
Credit loans	<u>\$ 380,866,050</u>	0.34%~8.45%	None

The Group has signed an agreement to offset financial assets and liabilities with financial institutions. The agreement meets the offsetting criteria of IAS 32, whereby the financial assets and liabilities are offset and reported in the net amount in the balance sheet. Details of the offset as of December 31, 2020 and 2019 are as follows:

	<u>December 31, 2020</u>		
<u>Description</u>	<u>Gross amount of recognized financial assets and liabilities</u>	<u>Gross amount of recognized financial assets and liabilities offset in the balance sheet</u>	<u>Net amount of financial assets and liabilities presented in the balance sheet</u>
Bank deposits and loans	<u>\$ 1,259,254,404</u>	<u>\$ 1,259,254,404</u>	<u>\$ -</u>

December 31, 2019			
Description	Gross amount of recognized financial assets and liabilities	Gross amount of recognized financial assets and liabilities offset in the balance sheet	Net amount of financial assets and liabilities presented in the balance sheet
Bank deposits and loans	\$ 1,424,606,382	\$ 1,424,606,382	\$ -

(17) Other payables

	December 31, 2020	December 31, 2019
Awards and salaries payable	\$ 54,865,333	\$ 50,765,551
Accrued interest payable	11,989,073	28,568,433
Employees' bonuses payable	20,510,641	17,584,644
Payables for equipment	22,979,363	22,418,721
Consumption goods expense payable (including indirect materials)	12,695,792	10,509,888
Royalty fees payable	6,186,346	7,206,087
Tax payable	6,074,678	6,152,745
Restricted stock repurchase obligation	3,436,024	4,052,806
Others	81,439,965	70,473,854
	<u>\$ 220,177,215</u>	<u>\$ 217,732,729</u>

A subsidiary of the Company, Foxconn Industrial Internet Co., Ltd., issued employees' restricted shares in 2019. Employees have to pay to acquire those stocks, and if employees resign during the vesting period, they must return the stocks to the Group and the Group must refund payments made on the stocks. The Group recognizes the payments from the employees who are expected to resign during the vesting period as liabilities at the grant date.

(18) Other current liabilities

	December 31, 2020	December 31, 2019
Receipts in advance of payments for equipment on behalf of others	\$ 17,510,796	\$ 8,218,433
Contract liabilities - advance payment	17,761,388	18,231,021
Contract liabilities - deferred income	7,451,145	6,922,868
Bonds payable maturing within one year	42,231,956	38,546,364
Long-term loans maturing within one year	14,718,255	14,553,911
Others	5,799,671	5,404,263
	<u>\$ 105,473,211</u>	<u>\$ 91,876,860</u>

(19) Bonds payable

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Convertible bonds payable	\$ 14,778,442	\$ 16,596,000
Add: Premium on bonds payable	7,500	7,500
Less: Discount on bonds payable	(442,599)	(752,592)
	14,343,343	15,850,908
Corporate bonds payable	130,400,000	124,450,000
Foreign unsecured corporate bonds	99,180,176	73,750,800
	243,923,519	214,051,708
Less: Current portion (shown as “other current liabilities”)	(42,231,956)	(38,546,364)
	<u>\$ 201,691,563</u>	<u>\$ 175,505,344</u>

A. First overseas convertible bond issue of 2017

- (a) The Company issued the first overseas unsecured convertible bonds totaling USD 500 million with the approval of the competent authority on August 22, 2017. The bonds carry zero coupon rate over five years. The circulation period is from November 6, 2017 to November 6, 2022.
- (b) The conversion price is adjusted in line with the model specified in the conversion rules. As of December 31, 2020, there has not been any converted common stock at the conversion price of NT\$157.135 (using the exchange rate of 1 USD: 30.192 TWD) which was adjusted by the Company on July 31, 2020 based on the conversion rules of the first overseas convertible bond issue of 2017.
- (c) In accordance with the conversion rules, if the convertible bond is purchased (including purchased from the secondary market), early redeemed, or repaid at maturity by the Company, or if the convertible bond is converted into common stocks or redeemed by the bondholder, the bond is to be retired and will not be reissued.
- (d) In accordance with the conversion rules, the rights and obligations of common stocks converted are the same as the outstanding ones previously subscribed.
- (e) The conversion options for the first overseas convertible bond issue of 2017 are separated from the liabilities and recorded as ‘capital surplus – share options’ amounting to \$1,099,253.
- (f) In accordance with the conversion rules, bondholders have the right to request the Company to redeem any bonds at the price of the bonds’ par value upon three years from the issue date. On November 6, 2020, bondholders requested to redeem bonds totaling \$1,817,558 (USD 60,200 thousand).

B. First unsecured convertible bond issue of 2018

- (a) ShunSin Technology Holdings Limited, a subsidiary of the Company, issued the first unsecured convertible bonds totaling \$1,500 million with the approval of the competent authority on January 10, 2018. The bonds carry zero coupon rate over five years. The

circulation period is from February 12, 2018 to February 12, 2023.

- (b) The conversion price is NT\$171.3 after adjusting in line with the model specified in the conversion rules.
- (c) As the bondholders have the right to request the Company to redeem the bond at the price of the bond's par value after three years from the bonds' issue date (February 12, 2021 is the selling base day of the bondholders), the subsidiary, ShunSin Technology Holdings Limited, needs to redeem the bonds at par value, therefore the corporate bonds payable and the financial assets and liabilities at fair value through profit or loss-non-current were reclassified into other current liabilities. Nevertheless, the bonds payable is not required to be fully paid off within one year.
- (d) In accordance with the conversion rules, bondholders have the right to request the Company to redeem the bonds at the price of the bonds' par value after three years from the bonds' issue date. On February 12, 2021, no bondholder has requested to redeem the bonds.
- (e) The conversion options of the bonds were separated from liabilities and recognized respectively as equity and liabilities at its issuance as follows:

Convertible bonds' present value at compound interest	\$	1,357,350
Embedded derivatives (i.e. put options and redemption rights)		13,650
Components of equity at issuance		<u>129,000</u>
	\$	<u>1,500,000</u>

- (f) The details of financial asset (liabilities) at fair value through profit or loss are as follows.

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Embedded derivatives (i.e. put options and redemption rights)	\$ 2,250	(\$ 22,800)
Valuation gain	<u>300</u>	<u>25,050</u>
	<u>\$ 2,550</u>	<u>\$ 2,250</u>

- C. For details of principal, interest rate, maturity and other information of corporate bonds payable and foreign unsecured corporate bonds, please refer to Table 10.

(20) Long-term loans

<u>Institution</u>	<u>Loan period</u>	<u>Interest rate</u>	<u>Collateral</u>	<u>December 31, 2020</u>
Long-term loans				
Mizuho Corporate Bank Ltd., etc. syndicated loan	2019/03/19~ 2022/02/26	0.9952%~ 1.0452%	None	\$ 16,376,000
Mizuho Corporate Bank Ltd., etc. syndicated loan	2020/11/21~ 2025/11/25 2011/11/30~	0.4800%	None	4,552,600
First Commercial Bank	2030/11/30 2013/09/06~	1.2791%	Yes	2,022,857
First Commercial Bank	2033/09/06 2015/04/09~	1.4905%	Yes	1,147,355
First Commercial Bank	2022/03/10	1.5433%	None	1,929
The Shanghai Commercial & Savings Bank, Ltd.	2013/6/17~ 2028/04/15 2019/01/29~	1.6700%	Yes	11,400
Jincheng Bank Company Limited	2022/01/25	9.1000%	Yes	322,240
Jih Sun International Bank Ltd.	2019/11/25~ 2022/11/25	1.0300%	None	1,000,000
Agricultural Bank of China Limited	2017/5/23~ 2027/12/26 2019/12/16~	4.4100%~ 4.900%	None	6,549,138
Taiwan Cooperative Bank	2024/12/16	1.5000%	None	8,737
SG Equipment Finance	2017/11/09~			
Czech Republic s.r.o.	2022/08/15	3.4700%	Yes	2,404
ChinaTrust Commercial Bank Ltd., etc. syndicated loan	2020/10/29~ 2022/12/26	1.8499%	None	840,000
Other loan				
China Bills Finance Corporation etc. syndicated loan	2018/8/22~ 2021/08/21	1.038%~ 1.046%	None	13,500,000
				46,334,660
Less: Current portion				(14,718,255)
Administration fee of syndicated loans				(12,555)
Unamortized discount				(10,653)
				<u>\$ 31,593,197</u>

Institution	Loan period	Interest rate	Collateral	December 31, 2019
Long-term loans				
Mizuho Corporate Bank Ltd., etc. syndicated loan	2019/03/19~ 2022/02/26	2.7048%~ 2.7600%	None	\$ 17,238,500
Mizuho Corporate Bank Ltd., etc. syndicated loan	2015/11/30~ 2020/11/30	0.4800%	None	5,038,500
Citi Bank	2017/05/17~ 2020/05/17	0.5500%	None	2,760,000
ING Bank, N.V. etc. syndicated loan	2013/01/07~ 2020/07/29	1.7900%	None	142,035
First Commercial Bank	2011/11/30~ 2030/11/30	1.5433%	Yes	2,142,857
First Commercial Bank	2013/09/06~ 2033/09/06	1.7548%	Yes	1,235,613
First Commercial Bank	2015/04/09~ 2022/04/09	1.8076%	None	3,472
The Shanghai Commercial & Savings Bank, Ltd.	2013/6/17~ 2028/04/15	1.9900%~ 2.2000%	Yes	14,782
Jincheng Bank Company Limited	2019/01/29~ 2022/01/25	9.1000%	Yes	361,628
Jih Sun International Bank Ltd.	2019/11/25~ 2022/11/25	1.0300%	None	1,000,000
Agricultural Bank of China Limited	2017/5/23~ 2027/12/26	4.4100%~ 4.900%	None	6,332,503
Taiwan Cooperative Bank	2019/12/16~ 2024/12/16	1.6500%	None	1,000
Other loan				
China Bills Finance Corporation etc. syndicated loan	2017/12/25~ 2020/4/25	1.038%~ 1.046%	None	19,900,000
Others			None	6,081
				56,176,971
Less: Current portion				(14,553,911)
Administration fee of syndicated loans				(24,709)
Unamortized discount				(22,099)
				<u>\$ 41,576,252</u>

A. Throughout the term of Mizuho Corporate Bank Ltd., JihSun International Commercial Bank Co., Ltd., ING Bank, N.V., First Commercial Bank, Citibank Ltd. and ChinaTrust Commercial Bank Ltd., etc. syndicated long-term loan agreement, the Group shall maintain certain financial ratios including current ratio, net debt to tangible assets and interest coverage ratio, to be tested semi-annually and annually on consolidated basis.

B. Details of long-term loans pledged as collateral are provided in Note 8.

(21) Pensions

A. Defined benefit plans

- (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.
- (b) The amounts recognized in the balance sheet are as follows (shown as "other non-current liabilities"):

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Present value of defined benefit obligations	\$ 1,944,761	\$ 1,954,134
Fair value of plan assets	(543,215)	(566,295)
Net defined benefit liability	<u>\$ 1,401,546</u>	<u>\$ 1,387,839</u>

(c) Movements in net defined benefit liabilities are as follows:

	2020		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	\$ 1,954,134	\$ 566,295	\$ 1,387,839
Current service cost	8,223	-	8,223
Interest income	-	4,530	(4,530)
Interest expense	15,633	-	15,633
	<u>1,977,990</u>	<u>570,825</u>	<u>1,407,165</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	21,537	(21,537)
Change in financial assumptions	94,390	-	94,390
Experience adjustments	(25,227)	-	(25,227)
	<u>69,163</u>	<u>21,537</u>	<u>47,626</u>
Pension fund contribution	-	15,947	(15,947)
Paid pension	(102,392)	(65,094)	(37,298)
At December 31	<u>\$ 1,944,761</u>	<u>\$ 543,215</u>	<u>\$ 1,401,546</u>

	2019		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	\$ 2,085,143	\$ 651,298	\$ 1,433,845
Current service cost	10,865	-	10,865
Interest income	-	7,165	(7,165)
Interest expense	22,937	-	22,937
	<u>2,118,945</u>	<u>658,463</u>	<u>1,460,482</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	23,659	(23,659)
Change in financial assumptions	73,724	-	73,724
Experience adjustments	(42,661)	-	(42,661)
	<u>31,063</u>	<u>23,659</u>	<u>7,404</u>
Pension fund contribution	-	17,929	(17,929)
Paid pension	(195,874)	(133,756)	(62,118)
At December 31	<u>\$ 1,954,134</u>	<u>\$ 566,295</u>	<u>\$ 1,387,839</u>

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2020 and 2019 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	2020	2019
Discount rate	0.4%	0.80%
Future salary increases	3.5%	3.50%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
	0.25%	0.25%	0.25%	0.25%
<u>December 31, 2020</u>				
Effect on present value of defined benefit obligation	(\$ 59,721)	\$ 62,244	\$ 55,505	(\$ 53,680)
<u>December 31, 2019</u>				
Effect on present value of defined benefit obligation	(\$ 61,696)	\$ 64,388	\$ 57,843	(\$ 55,861)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period

(g) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2021 amount to \$15,845.

(h) As of December 31, 2020, the weighted average duration of the retirement plan is 13 years

B. Defined contribution plans

(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The subsidiaries in mainland China have defined contribution pension plans and contribute an amount monthly based on 8%~9% of employees’ monthly salaries and wages to an independent fund administered by a government agency. The plan is administered by the government of mainland China. Other than the monthly contributions, the Group does not have further pension liabilities.

(c) The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2020 and 2019 were \$10,737,739 and \$15,145,169, respectively. As a result of the coronavirus pandemic in China in early 2020, the local government reduced by

half the pension insurance for a period of six months from February 2020.

(22) Share-based payment

As of December 31, 2020 and 2019, the share-based payment transactions of Foxconn Interconnect Limited and Foxconn Industrial Internet Co., Ltd., subsidiaries of the Company, are set forth below:

Type of arrangement	Grant date	Quantity granted	Vesting conditions
Senior management share grant plan	January 1, 2015	349,440,000	Note (1)
Employee restricted shares plans	January 1, 2016	65,624,000	Note (2)
Restricted share plan	December 6, 2017	259,240,433	Note (3)
"	April 30, 2019	149,183,352	Note (3)
"	September 11, 2019	10,348,325	Note (3)
"	December 31, 2019	18,881,226	Note (3)
Employee stock options	April 30, 2019	25,947,021	Note (4)
"	September 11, 2019	473,000	Note (4)
"	December 31, 2019	6,013,755	Note (4)
Share award scheme	June, 2018	2,874,000	Note (5)
"	August, 2019	2,983,000	Note (5)
"	November and December, 2020	6,483,000	Note (5)
Employee stock options	December 28, 2018	41,763,000	Note (6)

Note 1: Grantees do not need to pay to acquire those shares. Issuance of shares is based on grantees' service periods. Shares will be vested from March 31, 2017 in accordance with the number of the grantees' shares at 9% in each quarter of 2017, 3% in each quarter of 2018 and 3.25% in each quarter from 2019 to 2022. Such vesting schedule was subsequently revised by the Company in May 2017, under which the shares will be vested from March 31, 2018 in accordance with the number of the grantees' shares at 12% in each quarter of 2018 and 3.25% in each quarter from 2019 to 2022.

Note 2: Grantees do not need to pay to acquire those shares. Issuance of shares is based on grantees' service periods and certain performance indicators. Shares will be vested from December 31, 2016 in accordance with the number of the grantees' shares on every December 31 at 25% over the 4-year period, subject to performance related adjustment.

Note 3: The employees can only exercise the rights after fulfilling the stipulated term of service under the limited partnership agreement. The difference between the fair value of the equity instrument and the consideration paid by the employee to acquire the instrument is amortised over a service period of 3 to 5 years starting from the grant date.

Note 4: From the date of grant that exercises issue annually in five years, each issue exercises 20% equally.

Note 5: Vested immediately.

Note 6: Vesting period is over 1 to 4 years starting from grant date which was December 28, 2018.

A. Senior management share grant plan-Foxconn Interconnect Technology Limited

The weighted average fair value of shares granted under this plan determined using the H-model was USD 0.25 per share. The significant inputs into the model were weighted average cost of

capital of 13.4%, perpetuity growth rate of 3%, discount for lack of marketability of 20% and control premium of 20%. The volatility is measured at the standard deviation of continuously compounded share returns based on statistical analysis of daily share prices of comparable companies in the market. For the years ended December 31, 2020 and 2019, expenses incurred on senior management share grant plan were \$129,724 (USD4,390 thousand) and \$205,459 (USD6,647 thousand), respectively.

B. Employees' share restricted share plan-Foxconn Interconnect Technology Limited

The weighted average fair value of shares granted determined using the market approach was USD0.375 per share. The significant input applied in this approach was price/earnings ratio of 13.5. For the years ended December 31, 2020 and 2019, expenses incurred on employees' restricted share plan were \$0 (USD0) and a reversal of \$11,591 (USD375 thousand), respectively.

C. Restricted share plan-Foxconn Industrial Internet Co., Ltd

The fair value of shares granted was RMB3,873,301 thousand. For the years ended December 31, 2020 and 2019, expenses incurred on restricted share plan were \$3,894,434 (RMB909,532 thousand) and \$3,191,075 (RMB712,962 thousand), respectively.

D. Employee stock options-Foxconn Industrial Internet Co., Ltd

The increment of fair value related to the Options determined using the Black-Scholes model was RMB217,098 thousand. For the years ended December 31, 2020 and 2019, expenses incurred on employee stock options were \$274,570 (RMB64,125 thousand) and \$185,236 (RMB41,386 thousand), respectively.

E. Share award scheme-Foxconn Interconnect Technology Limited

Existing shares of the Company will be purchased by an independent trustee of the share award scheme from the market out of cash contributed by the Group and be held in trust until such shares are awarded and vested in accordance with the provisions of the share award scheme from 2018. For the years ended December 31, 2020 and 2019, expenses incurred on share award scheme were \$63,096 (USD2,135 thousand) and \$123,578 (USD4,182 thousand), respectively.

F. Employee stock options-Foxconn Interconnect Technology Limited

On December 28, 2018, the Company granted certain eligible employees an aggregated 41,763,000 share options at an exercise price of HKD3.422 per share and will be vested over 1-year to 4-year period. The share options granted are subject to performance related adjustment. The fair value of the options determined using the Black-Scholes model was \$185,091 (USD6,139 thousand), and the share-based payment expenses incurred under this transaction for the years ended December 31, 2020 and 2019 were \$41,991 (USD1,421 thousand) and \$115,665 (USD3,742 thousand), respectively.

(23) Other non-current liabilities

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Deferred government grants	\$ 4,598,516	\$ 3,040,714
Reserve for retirement pension	1,460,160	1,443,836
Contract liabilities-non-current	1,693,008	-
Others	3,231,652	2,781,969
	<u>\$ 10,983,336</u>	<u>\$ 7,266,519</u>

(24) Provisions

	Warranty	Decommissioning liabilities	Others	Total
At January 1, 2020	\$ 2,707,812	\$ 369,953	\$ 17,481	\$ 3,095,246
Provisions during the year	3,252,760	37,962	1,138	3,291,860
Used during the year	(642,717)	-	(9,334)	(652,051)
Unused amounts reversed	(1,045,457)	-	(1,248)	(1,046,705)
Exchange differences	(143,918)	-	-	(143,918)
At December 31, 2020	<u>\$ 4,128,480</u>	<u>\$ 407,915</u>	<u>\$ 8,037</u>	<u>\$ 4,544,432</u>

Analysis of total provisions:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Current	<u>\$ 4,136,517</u>	<u>\$ 2,725,293</u>
Non-current	<u>\$ 407,915</u>	<u>\$ 369,953</u>

A. The Group provides warranties on 3C products sold. Provision for warranty is estimated based on historical warranty data of 3C products.

B. In accordance with the applicable agreements or the law/regulation requirements, the Group bears dismantling, removing the asset and restoring the site obligations for certain base stations. Provision was recognized at the present value of costs which was estimated to be incurred for dismantling, removing the asset and restoring the site. The decommissioning activities are ongoing.

(25) Share capital – common stock

A. As of December 31, 2020, the Company's authorised capital was \$180,000,000, consisting of 18 billion shares of ordinary stock, and the paid-in capital was \$138,629,906, consisting of 13,862,991 thousand shares with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

B. Pursuant to the resolution adopted at the stockholders' meeting held on June 1, 1999, and after obtaining approval from the SFC, the Company issued 25 million units of global depository receipts (GDRs) in Europe, Asia and the USA. The issuance amounted to USD 347,250 thousand, and the main terms and conditions of the GDRs are as follows:

(a) Voting

Holders of GDRs have no right to directly exercise voting rights or attend the Company's stockholders' meeting, except when a motion is on the election of directors or supervisors.

A holder or holders together holding at least 51% of the GDRs outstanding at the relevant record date of the stockholders' meeting can instruct the Depositary to vote in the same direction in respect of one or more resolutions to be proposed at the meeting.

(b) Sale and withdrawal of GDRs

Under the current R.O.C. law, shares represented by the GDRs may be withdrawn by holders of GDRs commencing three months after the initial issue of GDRs. A holder of a GDR may, provided that the Company has delivered to the custodian physical share certificates in respect of the Deposited Shares, request the Depositary to sell or cause to be sold on behalf of such holder the shares represented by such GDRs.

(c) Dividends

GDR holders are entitled to receive dividends to the same extent as the holders of common stock.

(d) As of December 31, 2020, 94,433 thousand units of GDRs were outstanding, which represents 188,867 thousand shares of common stock.

C. Treasury stocks

The Company's subsidiary, Hon Jin International Investment Co., Ltd., acquired ordinary shares issued by the Company in 1998. As of December 31, 2020 and 2019, the subsidiary all owned a total of 1,483,078 shares. The original cost of treasury stocks was \$18,901, and the cost after capital reduction was \$15,194.

(26) Capital surplus

Pursuant to the R.O.C. Company Act, capital reserve arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital reserve to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital reserve should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2020				
	Share premium	Changes in ownership interests in subsidiaries	Net change in equity of associates	Share option	Total
At January 1, 2020	\$ 88,501,031	\$ 99,189,558	\$ 10,593,529	\$ 1,099,253	\$199,383,371
Adjustments arising from changes in percentage of ownership in subsidiaries	-	3,252,539	-	-	3,252,539
Changes in equity of associates and joint ventures accounted for under the equity method	-	-	10,032	-	10,032
At December 31, 2020	<u>\$ 88,501,031</u>	<u>\$102,442,097</u>	<u>\$ 10,603,561</u>	<u>\$ 1,099,253</u>	<u>\$202,645,942</u>
	2019				
	Share premium	Changes in ownership interests in subsidiaries	Net change in equity of associates	Share option	Total
At January 1, 2019	\$ 88,501,031	\$ 88,873,887	\$ 11,544,285	\$ 1,099,253	\$190,018,456
Adjustments arising from changes in percentage of ownership in subsidiaries	-	10,315,671	-	-	10,315,671
Changes in equity of associates and joint ventures accounted for under the equity method	-	-	(950,756)	-	(950,756)
At December 31, 2019	<u>\$ 88,501,031</u>	<u>\$ 99,189,558</u>	<u>\$ 10,593,529</u>	<u>\$ 1,099,253</u>	<u>\$199,383,371</u>

(27) Retained earnings

A. The annual net income of the Company shall be appropriated in accordance with the priorities listed as follows:

- (a) Recovering of losses;
- (b) Appropriation of 10% for legal reserve.
- (c) Appropriation or reversal of special reserve pursuant to applicable law or regulation.

As to the earnings available for appropriation to shareholders including accumulated unappropriated earnings and earnings available for appropriation this year, the board of directors is authorised to draft an appropriation plan in accordance with the dividend policy in Section D of the Articles of Incorporation.

The board of directors is authorised to distribute dividends and bonuses in whole or in part, which may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors.

The Company is currently at a developing stage. The Company's dividend distribution policy is subject to the Company's current and future investment environment, fund requirements, competition from local and abroad, and capital budgets, as well as taking into consideration the interests of shareholders and the long-term financial planning. Shareholder dividends are set

aside on accumulated unappropriated earnings, which shall not be less than 15% of earnings available for appropriation for the year and cash dividends shall not be less 10% of total dividends.

- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
- C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- D. The appropriations of 2020 earnings was proposed during the board meeting on March 30, 2021. The appropriation of 2019 earnings had been resolved at the shareholders' meeting on June 23, 2020. Details are summarized as follows:

	2020		2019	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 9,711,843	\$ -	\$ 11,530,874	\$ -
Special reserve	(15,136,594)	-	42,141,793	-
Cash dividends	55,451,962	4.0	58,224,561	4.2
	<u>\$ 50,027,211</u>	<u>\$ 4.0</u>	<u>\$ 111,897,228</u>	<u>\$ 4.2</u>

The information on distribution of earnings will be posted on the "Market Observation Post System" of the TSEC.

(28) Other equity items

	Financial assets at fair value through other comprehensive income	Currency translation adjustments	Total
At January 1, 2020	\$ 11,437,746	(\$ 113,889,466)	(\$ 102,451,720)
- Group	25,301,449	(12,757,150)	12,544,299
- Associates	497,658	2,094,637	2,592,295
At December 31, 2020	<u>\$ 37,236,853</u>	<u>(\$ 124,551,979)</u>	<u>(\$ 87,315,126)</u>

	Financial assets at fair value through other comprehensive income	Currency translation adjustments	Total
At January 1, 2019	\$ 5,089,256	(\$ 65,399,183)	(\$ 60,309,927)
- Group	3,320,113	(47,393,440)	(44,073,327)
- Associates	3,028,377	(1,096,843)	1,931,534
At December 31, 2019	<u>\$ 11,437,746</u>	<u>(\$ 113,889,466)</u>	<u>(\$ 102,451,720)</u>

(29) Non-controlling interests

	Years ended December 31,	
	2020	2019
At January 1	\$ 159,641,071	\$ 120,555,419
Share attributable to non-controlling interests:		
Gain for the year	12,530,780	16,876,352
Currency translation difference	(2,623,729)	(3,873,096)
Unrealised losses on investments in equity instruments measured at fair value through other comprehensive income	(645,723)	(144,618)
Changes in non-controlling interest	<u>7,966,634</u>	<u>26,227,014</u>
At December 31	<u>\$ 176,869,033</u>	<u>\$ 159,641,071</u>

- A. Certain subsidiaries of the Group have issued employee share-based payment and new shares during 2020 and 2019. The Group has not purchased additional shares in proportion to its ownership and thus, the non-controlling interest of the Group increased by \$424,634 and \$3,091,260 and equity attributable to owners of the parent increased by \$3,252,539 and \$10,315,671 for the years ended December 31, 2020 and 2019, respectively.
- B. The main reason of the change in 2020 is because the Group established Foxtron Vehicle Technologies Co., Ltd. (“Foxtron Vehicle”) together with Hua-Chuang Automobile Information Technical Center Co., Ltd., where the Group owned 51% equity interest in Foxtron Vehicle. The non-controlling interest of the Group increased by \$7,542,000 due to this transaction.
- C. The main reason of the change in 2019 is because the Group acquired the new shares issued by Asia Pacific Telecom Co., Ltd. (shown as “Asia Pacific”) on November 21, 2019. After acquisition, the Group owned 40.74% equity interest in Asia Pacific. The non-controlling interest of the Group increased by \$23,135,754 due to this transaction. Details are provided in Note 6(39).

(30) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time. Details of major product lines and geographical regions are provided in Note 14(5).

B. Contract assets and liabilities

The Group has recognized the following revenue-related contract liabilities:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>January 1, 2019</u>
Contract liabilities (shown as “other current liabilities” and “other non-current liabilities”)	<u>\$ 26,905,541</u>	<u>\$ 25,153,889</u>	<u>\$ 14,843,660</u>

Revenue of \$19,321,686 and \$9,253,850 were recognized in 2020 and 2019, respectively which were included in the contract liability balance at the beginning of the year.

C. Assets recognized from costs to obtaining a contract

Under IFRS 15, the incremental costs related to obtaining a telecommunication contract was recognized as an asset as the Group expects to recover these costs. For the details on incremental costs recognized during the year ended December 31, 2020, please refer to Note 6(14).

(31) Interest income

	<u>Years ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
Interest income from bank deposits	\$ 44,066,553	\$ 73,481,514
Interest income from current financial assets at amortised cost	<u>3,867,799</u>	<u>2,337,822</u>
	<u>\$ 47,934,352</u>	<u>\$ 75,819,336</u>

(32) Other income

	<u>Years ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
Rental income	2,937,565	2,878,314
Dividend income	4,891,042	6,423,484
Government grants	1,241,388	2,679,066
Other non-operating income	<u>2,817,538</u>	<u>2,580,054</u>
	<u>\$ 11,887,533</u>	<u>\$ 14,560,918</u>

(33) Other gains and losses

	Years ended December 31,	
	2020	2019
Net gain on financial assets and liabilities at fair value through profit or loss	\$ 13,727,567	\$ 10,996,109
Loss on disposal of property, plant and equipment	(873,283)	(837,950)
Gain on disposal of investment	633,645	1,869,967
Net currency exchange loss	(1,671,581)	(4,509,384)
Impairment loss	(959,481)	(391,323)
Other losses	(3,542,402)	(1,559,969)
	<u>\$ 7,314,465</u>	<u>\$ 5,567,450</u>

(34) Expenses by nature

Additional disclosures related to cost of sales and operating expenses are as follows:

	Years ended December 31,	
	2020	2019
Product warranty costs	\$ 36,411,836	\$ 49,931,158
Employee benefit expense	316,031,261	305,622,749
Depreciation	60,952,265	65,144,046
Amortisation	4,161,469	1,864,811
	<u>\$ 417,556,831</u>	<u>\$ 422,562,764</u>

(35) Employee benefit expense

	Years ended December 31,	
	2020	2019
Wages and salaries	\$ 276,615,237	\$ 261,371,295
Share-based payment	4,403,815	3,831,801
Labor and health insurance fees	8,187,657	10,392,808
Pension costs	10,757,065	15,180,806
Other personnel expenses	16,067,487	14,846,039
	<u>\$ 316,031,261</u>	<u>\$ 305,622,749</u>

- A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation. The ratio shall be between 5% and 7% for employees' compensation and 0% for directors' and supervisors' remuneration.
- B. For the years ended December 31, 2020 and 2019, employees' compensation was accrued at \$6,001,329 and \$6,350,593, respectively. The aforementioned amounts were recognized in salary expenses. The expenses recognized for 2020 and 2019 were both estimated and accrued based on 5% of profit of current year distributable.

For 2020, the employees' compensation resolved by the Board of Directors amounted to \$6,001,329 on March 30, 2021. The amount was the same as the amount recognized in the financial statements for the year ended December 31, 2020, and will be distributed in the form of cash.

Information about the appropriation of employees' compensation (bonus) and directors' and supervisors' remuneration by the Company as proposed by the Board of Directors and resolved by the stockholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(36) Financial costs

	Years ended December 31,	
	2020	2019
Interest expense:		
Bank borrowings	\$ 36,124,258	\$ 62,179,187
Corporate bonds	2,831,396	2,755,509
Interest expense from lease liability	1,193,246	1,174,008
Financing expense from accounts receivable factoring	168,113	491,992
	<u>\$ 40,317,013</u>	<u>\$ 66,600,696</u>

(37) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2020	2019
Current tax:		
Current tax on profits for the year	\$ 30,671,601	\$ 29,083,236
Tax on undistributed surplus earnings	422,473	1,876,967
Adjustments in respect of prior years	744,825	(408,665)
Total current tax	<u>31,838,899</u>	<u>30,551,538</u>
Deferred tax:		
Origination and reversal of temporary differences	188,548	2,043,859
Impact of change in tax rate	(880,800)	(902,538)
Total deferred tax	<u>(692,252)</u>	<u>1,141,321</u>
Income tax expense	<u>\$ 31,146,647</u>	<u>\$ 31,692,859</u>

(b) The income taxes (charge)/credit relating to components of other comprehensive income are as follows:

	Years ended December 31,	
	2020	2019
Remeasurement of defined benefit obligations	\$ 9,525	\$ 1,481

B. Reconciliations between income tax expense and accounting profit.

	Years ended December 31,	
	2020	2019
Tax calculated based on profit before tax and statutory tax rate	\$ 44,820,354	\$ 53,789,473
Expenses disallowed by tax regulation	(13,979,463)	(22,743,457)
Prior year income tax underestimation (overestimation)	744,825 (	408,665)
Tax on undistributed earnings	422,473	1,876,967
Others	(861,542)	(821,459)
Income tax expense	31,146,647	31,692,859
Change in deferred income tax	(188,548)	(2,043,859)
Impact of change in the tax rate	880,800	902,538
Prior year income tax (underestimation) overestimation	(744,825)	2,231,922
Prepaid income tax	(5,916,004)	(8,424,540)
Income tax payable (receivable) for prior years	638,116 (	2,909,750)
Others	(1,811,868)	(2,917,881)
Current income tax liability	\$ 24,004,318	\$ 18,531,289

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

	Years ended December 31, 2020			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Temporary differences:				
— Deferred tax assets:				
Reserve for inventory obsolescence and market price decline	\$ 1,392,595	\$ 661,334	\$ -	\$ 2,053,929
Deferred revenue	1,366,424	8,461	-	1,374,885
Unrealised loss on financial instruments	177,600	81,285	-	258,885
Accrued expenses	1,727,478	(17,293)	-	1,710,185
Difference between accounting and tax bases due to depreciation	1,841,610	78,080	-	1,919,690
Reserve for pension cost	278,064	3,004	9,525	290,593
Unused compensated absences	775,714	(238,383)	-	537,331
Others	<u>11,141,980</u>	<u>659,374</u>	<u>-</u>	<u>11,801,354</u>
	<u>18,701,465</u>	<u>1,235,862</u>	<u>9,525</u>	<u>19,946,852</u>
— Deferred tax liabilities:				
Foreign investment income using equity method	(4,378,792)	(437,189)	-	(4,815,981)
Unrealised exchange gain	(459,505)	(267,074)	-	(726,579)
Interest income	(3,711,661)	1,134,757	-	(2,576,904)
Others	<u>(9,711,551)</u>	<u>(974,104)</u>	<u>-</u>	<u>(10,685,655)</u>
	<u>(18,261,509)</u>	<u>(543,610)</u>	<u>-</u>	<u>(18,805,119)</u>
	<u>\$ 439,956</u>	<u>\$ 692,252</u>	<u>\$ 9,525</u>	<u>\$ 1,141,733</u>

	Years ended December 31, 2019			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Temporary differences:				
— Deferred tax assets:				
Reserve for inventory obsolescence and market price decline	\$ 2,593,980	(\$ 1,201,385)	\$ -	\$ 1,392,595
Deferred revenue	1,452,329	(85,905)	-	1,366,424
Unrealised loss on financial instruments	905,098	(727,498)	-	177,600
Accrued expenses	1,903,523	(176,045)	-	1,727,478
Difference between accounting and tax bases due to depreciation	4,028,238	(2,186,628)	-	1,841,610
Reserve for pension cost	286,833	(10,250)	1,481	278,064
Unused compensated absences	238,191	537,523	-	775,714
Others	4,821,112	6,320,868	-	11,141,980
	<u>16,229,304</u>	<u>2,470,680</u>	<u>1,481</u>	<u>18,701,465</u>
— Deferred tax liabilities:				
Foreign investment income using equity method	(5,545,097)	1,166,305	-	(4,378,792)
Unrealised exchange gain	(258,631)	(200,874)	-	(459,505)
Interest income	(2,896,500)	(815,161)	-	(3,711,661)
Unrealised gain on financial instruments	(272,430)	272,430	-	-
Others	(5,676,850)	(4,034,701)	-	(9,711,551)
	<u>(14,649,508)</u>	<u>(3,612,001)</u>	<u>-</u>	<u>(18,261,509)</u>
	<u>\$ 1,579,796</u>	<u>(\$ 1,141,321)</u>	<u>\$ 1,481</u>	<u>\$ 439,956</u>

D. The Company has not recognized taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2020 and 2019, the temporary differences unrecognized as deferred tax liabilities were \$1,120,928,606 and \$1,059,304,231, respectively.

E. The Company's income tax returns through 2018 have been assessed and approved by the Tax Authority.

F. The Company applied for and has been approved to repatriate funds overseas (including Mainland China) within the time limit in accordance with the "The Management, Utilization, and Taxation of Repatriated Offshore Funds Act" issued by R.O.C government. The tax rate for the fund repatriation is 8% for the first year and 10% for the second year. For exemption from taxation under the general income tax system, within 1 year after the repatriation of funds, the Company can apply with the Ministry of Economic Affairs to engage in substantive investment, and those who complete it within the time limit can enjoy a 50% tax refund.

(38) Earnings per share

Years ended December 31, 2020			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 101,794,807</u>	<u>13,861,508</u>	<u>\$ 7.34</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 101,794,807	13,861,508	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	65,232	
Convertible bonds-overseas	<u>227,880</u>	<u>96,070</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 102,022,687</u>	<u>14,022,810</u>	<u>\$ 7.28</u>
Years ended December 31, 2019			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 115,308,736</u>	<u>13,861,508</u>	<u>\$ 8.32</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 115,308,736	13,861,508	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	69,940	
Convertible bonds-overseas	<u>224,339</u>	<u>91,240</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 115,533,075</u>	<u>14,022,688</u>	<u>\$ 8.24</u>

(39) Business combinations

- A. The Group acquired the new shares issued by Asia Pacific Telecom Co., Ltd. (“Asia Pacific”) for \$10,000,000 on November 21, 2019. After acquisition, the Group owned 40.74% interest in Asia Pacific, which represented majority of the voting rights of its shareholders, and has control over the main activities of Asia Pacific. Accordingly, it was included in the consolidated financial statements since control date. Communications is the main business of Asia Pacific. With the acquisition, the Group expects to develop 5-generation (5G) communication.
- B. The Group established Foxtron Vehicle Technologies Co., Ltd. (“Foxtron Vehicle”) together with Hua-Chuang Co., Ltd. on November 6, 2020. Hua-Chuang Co., Ltd. contributed asset with a value of \$7,542,000 as capital, and the Group contributed cash amounting to \$7,850,321 as capital. From the business combination, the Group mainly obtained the technology in progress and construction in progress-mould equipment amounting to \$6,360,000 and \$1,128,000, respectively. With the acquisition, the Group looks forward to develop the business of electric vehicle.
- C. The fair value of identifiable assets acquired and liabilities assumed are summarized as follows:

	2020	2019
	Foxtron Vehicle Technologies Co., Ltd.	Asia Pacific Telecom Co., Ltd.
Purchase consideration		
Cash paid	\$ 7,850,321	\$ 10,000,000
Fair value of equity interest	-	6,393,680
Fair value of the non-controlling interest	7,542,000	22,862,687
	15,392,321	39,256,367
Recognized amount of identifiable assets acquired and liabilities assumed		
Cash and cash equivalents	7,850,321	9,297,209
Notes receivable and accounts receivable	-	1,965,828
Other receivables	-	117,277
Inventories	-	495,850
Property, plant and equipment	1,182,000	11,608,612
Right-of-use assets	-	3,207,059
Intangible assets	6,360,000	12,680,996
Deferred income tax assets	-	4,309,033
Other non-current assets	-	6,549,306
Short-term loans and notes and bills payable	- (3,285,344)	
Accounts payable	- (1,281,558)	
Other payables	- (2,686,196)	
Deferred income tax liabilities	- (608,502)	
Lease liabilities	- (3,207,059)	
Other liabilities	- (694,512)	
Total identifiable net assets	15,392,321	38,467,999
Goodwill	\$ -	\$ 788,368

- D. The fair value of the acquired identifiable tangible and intangible assets of \$7,542,000 (including electric vehicle platform, automobile power system and related developing technology, and mould equipment) is provisional pending the final purchase price allocation. For details, please refer to Notes 6(9) and 6(13).
- E. Fuxiang Precision Industrial (Kunshan) Co., Ltd., a subsidiary of the Company, acquired 100% equity interest in Mingyang Realty Development (Kunshan) Co., Ltd. and Tuozhan Property Development Co., Ltd. on April 12, 2019 and May 9, 2019, respectively, for a consideration of RMB217,730 thousand and RMB574,945 thousand, respectively. The combinations mainly acquired investment property of \$2,047,982 and goodwill of \$261,037.
- F. FuYang Soleros Technology (Nanyang) Co., Ltd., a subsidiary of the Company, acquired 100% equity interest in Shandong Chengshang Energy Co., Ltd. in the second quarter of 2020 for a consideration of RMB275,260 thousand. The combination mainly acquired property, plant and

equipment of \$1,400,306.

G. Foxconn Precision International Limited, a subsidiary of the Company, acquired 100% equity interest in Leapsy International Ltd. in the second quarter of 2020 for a consideration of RMB31,068 thousand. The combination mainly acquired patent of \$142,697.

(40) Supplemental cash flow information

A. Investing activities with partial cash payments

	Years ended December 31,	
	2020	2019
Purchase of property, plant and equipment	\$ 65,897,393	\$ 69,474,703
Add: Opening balance of payable on equipment	22,418,721	31,245,417
Less: Ending balance of payable on equipment	(22,979,363)	(22,418,721)
Net exchange differences	163,290	(779,948)
Cash paid during the year	<u>\$ 65,500,041</u>	<u>\$ 77,521,451</u>
Disposal of property, plant and equipment	\$ 6,054,328	\$ 4,413,731
Add: Opening balance of receivable on equipment	220,019	2,383,723
Less: Ending balance of receivable on equipment	(170,110)	(220,019)
Net exchange differences	362	(7,483)
Cash received during the year	<u>\$ 6,104,599</u>	<u>\$ 6,569,952</u>

B. Changes in liabilities from financing activities

For the years ended December 31, 2020 and 2019, liabilities from financing activities included short-term loans, short-term notes and bills payable, corporate bonds payable and long-term loans, the related changes resulting from cash flows from financing activities, discount amortisation and changes in exchange rate. Summarised amount is as follows, and relevant information is shown in the statements of cash flows:

	2020	2019
At January 1	\$ 681,576,217	\$ 778,219,243
Changes in cash flow from financing activities	96,662,052	(97,615,713)
Changes in other non-cash items	357,478	3,492,753
Impact of changes in foreign exchange rate	(2,836,783)	(2,520,066)
At December 31	<u>\$ 775,758,964</u>	<u>\$ 681,576,217</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Sharp Corporation and subsidiaries	Associate
Foxconn Technology Co., Ltd. and subsidiaries	Associate
Pan International Industrial Corporation and subsidiaries	Associate
Eson Precision Ind. Co., Ltd. and subsidiaries	Associate
General Interface Solution Holding Limited and subsidiaries	Associate
Zhen Ding Technology Holding Limited and subsidiaries	Associate
Ennoconn Corporation and subsidiaries	Associate
CyberTAN Technology, Inc. and subsidiaries	Associate
Foxsemicon Integrated Technology Inc. and subsidiaries	Associate
G-TECH Optoelectronics Corporation	Associate
Advanced Optoelectronic Technology Inc.	Associate
Ampower Technology Co., Ltd.	Associate
Asia Pacific Telecom Co., Ltd.	Associate
Fitipower Integrated Technology Inc.	Associate
Zeitec Semiconductor Co., Ltd.	Associate
Foxstar Technology Co., Ltd.	Associate
CJ Electric Systems Co., Ltd.	Associate
Ampower (BeiHai) Ltd.	Associate
SafeDX S.R.O.	Associate
Beijing HengYu New Energy Auto Rental Co., Ltd.	Associate
Shanghai Topone Logistics Co., Ltd.	Associate
Hangzhou GengDe Electronics Co., Ltd.	Associate
Shenzhen Lluvia Technology Co., Ltd.	Associate
Trans-Iot Technology Co., Ltd.	Associate
Hongkang Zhihui Corporation Limited	Associate
HaiWei Technology (Shenzhen) Co., Ltd.	Associate
Morgen Precision Industry Co., Ltd. and subsidiaries	Associate
He Cheng Da Technology (Shenzhen) Co., Ltd.	Associate
Sichuang Cheng Gong Fu Chuang Technology Co., Ltd.	Associate

Names of related parties	Relationship with the Group
Maxnerva Technology Services Ltd and subsidiaries	Associate
FuDongQun Automation Technology (Shenzhen) Co., Ltd.	Associate
Cheng Uei Precision Industry Co., Ltd. and subsidiaries	Other related party
Innolux Corporation and subsidiaries	Other related party
SIO International Holdings Limited and subsidiaries	Other related party
ES Platform Limited	Other related party

(2) Significant transactions and balances with related parties

A. Sales

	Years ended December 31,	
	2020	2019
Sales of goods:		
Associates	\$ 150,243,473	\$ 175,044,681
Other related parties	10,635,966	11,510,848
	<u>\$ 160,879,439</u>	<u>\$ 186,555,529</u>

The amounts above include administration and service revenue. Except for the circumstances in which there are no similar transactions for reference and accordingly the prices and credit periods are negotiated by both parties, the rest of the aforementioned related parties transactions are offered with prices very close to those offered to other customers and given a payment period of 45 to 90 days. For the transactions involving the sale of raw materials to the aforementioned related parties and subsequent repurchase of finished goods made from the same raw materials from the same party, the initial sale of raw materials is eliminated due to economic substance. The sales amount of materials and repurchase price of finished goods were offset against each other and shown at net amount in the financial statements.

B. Purchases

	Years ended December 31,	
	2020	2019
Purchase of goods:		
Associates	\$ 86,802,568	\$ 79,158,346
Other related parties	11,999,940	15,378,481
	<u>\$ 98,802,508</u>	<u>\$ 94,536,827</u>

Except for the circumstances in which there are no similar transactions for reference and accordingly the prices and payment terms are negotiated by both parties, the Group purchases from the supplier and aforementioned related parties at the prevailing market price. The payment terms dealt with other vendors and related parties are 45 to 90 days and 30 to 90 days, respectively.

C. Receivables from related parties

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Accounts receivable:		
Associates	\$ 37,132,298	\$ 44,003,230
Other related parties	2,296,652	2,214,499
Less: Reclassified as other receivables	-	(1,449,260)
Less: Allowance for doubtful accounts	(14,786)	(13,865)
	<u>39,414,164</u>	<u>44,754,604</u>
Other receivables - sale of property, plant and equipment:		
Associates	126,389	38,441
Other receivables - purchase of materials on behalf of related parties:		
Associates	1,075,843	1,467,582
Other related parties	50,738	121,893
Other receivables - disposal of investment:		
ES Platform Limited	5,172,696	21,859,451
Other receivables:		
Associates	-	1,449,260
Less: Allowance for doubtful accounts	(1,293,174)	(762,872)
	<u>5,132,492</u>	<u>24,173,755</u>
	<u>\$ 44,546,656</u>	<u>\$ 68,928,359</u>

(a) The amount is due 45 to 90 days after the transaction date.

(b) The Company disposed the preferred C stock shares without voting rights of Sharp Corporation on December 29, 2017. The consideration for the disposal of 1,136,363 shares was \$93,128,046 (¥352,490,712 thousand), which is due in each quarter beginning from the settlement date. Both of the transaction parties have agreed the last settlement date to be on March 31, 2022. As of December 31, 2020 and 2019, the allowance for doubtful accounts amounted to \$1,293,174 and \$762,872, respectively.

(c) The receivables are unsecured and non-interest bearing.

(d) Information relating to credit risk is provided in Note 12(2).

D. Payables to related parties

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Accounts payable:		
Associates	\$ 24,842,288	\$ 30,846,862
Other related parties	<u>2,837,758</u>	<u>4,662,265</u>
Subtotal	<u>27,680,046</u>	<u>35,509,127</u>
Other payables - acquisition of property, plant and equipment:		
Associates	456,315	311,969
Other payables - procurement of raw materials on behalf of others:		
Associates	<u>2,019,678</u>	<u>2,005,923</u>
Subtotal	<u>2,475,993</u>	<u>2,317,892</u>
Total	<u>\$ 30,156,039</u>	<u>\$ 37,827,019</u>

The amount is due 30 to 90 days after the transaction date. The payables are non-interest bearing.

E. Lease transactions—lessee

- (a) The Group leases buildings from associates. Rental contracts are typically made for periods of 1 to 3 years. Rents are paid at the end of each month.
- (b) For the years ended December 31, 2020 and 2019, the Group acquired right-of-use assets of \$803 and \$9,985, respectively, from related parties.
- (c) Lease liabilities

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Associates	<u>\$ 156,507</u>	<u>\$ 297,003</u>

For the years ended December 31, 2020 and 2019, the interest expense incurred on lease liabilities were \$13,682 and \$14,364, respectively

F. Prepayments:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Associates	<u>\$ 1,686</u>	<u>\$ 3,888</u>

G. Property transactions:

- (a) Acquisition of property, plant and equipment:

	<u>Years ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
Acquisition of property, plant and equipment:		
Associates	<u>\$ 746,176</u>	<u>\$ 1,429,367</u>

(b) Proceeds from sale of property, plant and equipment and gain (loss) on disposal:

		Years ended December 31,			
		2020		2019	
		Proceeds from sale of property, plant and equipment	Gain	Proceeds from sale of property, plant and equipment	Gain
Sale of property, plant and equipment:					
Associates	\$	83,684	\$ 19,310	\$ 105,123	\$ 45,508
Other related parties		51,098	16,171	-	-
	\$	<u>134,782</u>	<u>\$ 35,481</u>	<u>\$ 105,123</u>	<u>\$ 45,508</u>

(c) Acquisition of financial assets:

				Year ended December 31, 2019
	Accounts	No. of shares	Objects	Consideration
Asia Pacific Telecom Co., Ltd.	Note	1 billion	Common Shares	\$ 10,000,000
Shanghai Topone Logistics Co., Ltd.	Investment accounted for using equity method	-	Common Shares	645,765
Ennoconn Corporation	Investment accounted for using equity method	1,892 thousand	Common Shares	416,186
Sharp Corporation	Financial assets at fair value though other comprehensive income	4,500 thousand	Preferred shares of Kantatsu Co., Ltd.	1,654,226
				<u>\$ 12,716,177</u>

Note: The Group acquired the new shares issued by Asia Pacific Telecom Co., Ltd. (the “Asia Pacific”) for \$10,000,000 on November 21, 2019. After acquisition, the Group owned 40.74% equity interest in Asia Pacific which represented the majority of the voting right of its shareholders and control the main activities of Asia Pacific. Accordingly, it was included in the consolidated financial statements since control date. Details are provided in Note 6(39)

(d) Disposal of financial assets:

	Item recognised	Shares traded	Transaction target	Year ended December 31, 2020	
				Proceeds from disposal	Gain on sale
Associates	Investment accounted using the equity method	-	Efeihu (Taiwan) Limited	\$ 10,199	\$ 44

H. Loans to related parties

(a) Receivables from related parties

	December 31, 2020	December 31, 2019
Associates	\$ 153,282	\$ 192,788

For the information on the impairment loss on loans to related parties and related allowance for uncollectible accounts, please refer to Note 12(2). For collaterals, please refer to Table 1.

(b) Interest income

	Years ended December 31,	
	2020	2019
Associates	\$ 8,374	\$ 28,331

For the years ended December 31, 2020 and 2019, the interest were both recognized at the rates of 1.8%~12%.

(3) Key management compensation

	Years ended December 31,	
	2020	2019
Salaries and other short-term employee benefits	\$ 596,514	\$ 720,622
Post-employment benefits	2,330	2,966
Share-based payments	409,417	413,230
	\$ 1,008,261	\$ 1,136,818

8. PLEDGED ASSETS

As of December 31, 2020 and 2019, the book values of the Group's pledged assets are as follows:

Assets	Nature	December 31, 2020	December 31, 2019
Time deposits and cash (shown as “current financial assets at amortised cost”)	Customs deposits and short-term loans	\$ 246,751	\$ 319,744
Restricted deposits (shown as “current financial assets at amortised cost”)	Guarantee for prepaid card, performance bond, reserve accounts for short-term loans and security for litigation	468,414	133,411
Time deposits and cash (shown as “non-current financial assets at amortised cost”)	Security deposit for provisional attachment, bond deposit as security for court proceedings, security deposit for employment of foreign employees and customs deposits	53,352	43,779
Restricted deposits (shown as “non-current financial assets at amortised cost”)	Switch center lease guarantee, performance bond and the deposits restricted by the court	1,400,641	-
Property, plant and equipment and right-of-use asset	Long-term loans	4,789,314	5,155,879
		<u>\$ 6,958,472</u>	<u>\$ 5,652,813</u>

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

Except for Note 6(4), contingencies and commitments are as follows:

(1) Contingencies - Significant legal matter

On March 8, 2019, Microsoft Corporation and Microsoft Licensing, GP sued the Group over the dispute regarding the royalty payment under the patent licensing agreement. The two parties in the case has reached a settlement in August 2020. Accordingly, the Group has properly accrued the settlement value in the financial statements..

(2) Commitments

A. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	December 31, 2020	December 31, 2019
Property, plant and equipment	<u>\$ 6,191,810</u>	<u>\$ 3,850,503</u>

- B. As of December 31, 2020 and 2019, a subsidiary of the Company, Asia Pacific Telecom Co., Ltd., had outstanding contracts for equipment procurements and base transceiver stations construction totaling \$4,248,875 and \$1,503,888, respectively, which will be paid in the future or paid by issuing promissory notes and commercial papers.
- C. On September 4, 2020, the Company passed the resolution of the Board of Directors to exchange 527,524,409 ordinary shares of Asia Pacific Telecom Co., Ltd. held by the Company in exchange for approximately 81,842,616 ordinary shares issued by Far EasTone Telecommunications Co., Ltd. After the approval by the authority, the share exchange is expected to be completed on June 30, 2022.
- D. The Group entered into a business cooperation agreement with FET. The period of the agreement is from September 4, 2020 to December 31, 2040. It is expected that after obtaining approval from the regulatory authority, the Group will cooperate with FET to provide service on 3.5GHz frequency band through Multi-Operator Core Networks (MOCN). The Group will share two-ninths of the network deployment cost of FET's 3.5GHz frequency band of which the cost of spectrum sharing amounted to \$9,473,000 in order to obtain two-ninths of use right capacity of the 3.5GHz frequency band. This cooperation agreement was approved with conditions by the National Communications Commission (NCC) Committee, the regulatory authority, on March 3, 2021. The aforementioned cooperation agreement will also need the approval of the Fair Trade Commission before it can be implemented.
- E. In order to enhance spectrum efficiency and increase competitiveness with FET, as resolved by the Board of Directors on November 5, 2020, the Group entered into (a) a service on 700MHz through MOCN agreement effective from November 5, 2020 to December 31, 2030 which the Group and FET agreed to share the costs and expenses arising from or related to the agreement in the proportions of two-ninths and seven-ninths, respectively; and (b) a frequency exchange agreement wherein the Group exchanges its 723MHz~728MHz (uplink) and 778MHz~783MHz (downlink) frequency bands with FET's 2595MHz~2615MHz frequency bands and the exchange value is based on mutual agreement. The two aforementioned agreements must be approved by the regulatory authority before they can be implemented. However, if the service on 700MHz through MOCN agreement is approved earlier than the frequency exchange exercise date, the frequency exchange agreement is automatically terminated.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- A. The appropriation of 2020 earnings was approved by the Board of Directors on March 30, 2021. Please refer to Note 6(27).
- B. The Company will issue the first overseas convertible unsecured corporate bonds of 2021, as approved by the Board of Directors on March 31, 2021. The total issue amount will not be more than USD700,000 thousand and the circulation period will not be more than five years.

- C. The cooperation agreement between the Group and FET for the 3.5GHz frequency band through MOCN was approved with conditions by the NCC Committee, the regulatory authority, on March 3, 2021. For related details, please refer to Note 9(2) Commitments.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to operate with the goal to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet less the total intangible assets.

During 2020, the Group's strategy, which was unchanged from 2019, was to maintain the gearing ratio at 70% or below.

(2) Financial instruments

A. Financial instruments by category

Please refer to the consolidated balance sheets and Note 6 for the amounts and details of the financial assets (financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortised cost, accounts receivable (including related parties) and other receivables) and financial liabilities (financial liabilities at fair value through profit or loss, accounts payable (including related parties), other payables, short-term loans, long-term loans and corporate bonds payable).

B. Financial risk management policies

(a) Risk categories:

The Group employs a comprehensive risk management and control system to clearly identify, measure, and control the various kinds of financial risk it faces, including market risk (including foreign exchange risk, interest rate risk and price risk), credit risk, and liquidity risk.

(b) Management objectives:

- i. Except for market risk, which is controlled by outside factors, the remainder of the foregoing types of risks can be controlled internally or removed from business processes. Therefore, the goal in managing each of these risks is to reduce them to zero.
- ii. As for market risk, the goal is to optimize its overall position through strict analysis, suggestion, execution and audit processes, and proper consideration of a) long-term trends in the external economic/financial environment, b) internal operating conditions, and c) the actual effects of market fluctuations.
- iii. The Group's overall risk management policy focuses on the unpredictable item of

financial markets and seeks to reduce the risk that potentially pose adverse effects on the Group's financial position and financial performance.

- iv. For the information on the derivative financial instruments that the Group enters into, please refer to Note 6(2).

(c) Management system:

- i. Risk management is executed by the Group's finance department by following policies approved by the Board. Through cooperation with the Group's operating units, finance department is responsible for identifying, evaluating and hedging financial risks.
- ii. The Board has a written policy covering overall risk management. It also has written policies covering specific issues, such as exchange rate risk, interest rate risk, credit risk, derivative and non-derivative financial instruments used, and the investment of excess working capital.

C. Significant financial risks and degrees of financial risks

(a) Market risk

i. Foreign exchange risk

(i) Nature:

The Group is a multinational group in the Electronics manufacturing services industry. Most of the exchange rate risk from operating activities come from:

- a. Foreign exchange risk arises from different exchange rates to functional currency as the invoice dates of accounts receivable and payable denominated in non-functional foreign currency are different. Due to the characteristics of the subcontracting industry, the Company's revenue and expenditures are mostly denominated in foreign currency. Thus, the remaining net foreign exchange risk is not material after offsetting assets and liabilities. Furthermore, although the variations in currencies of the Company's certain foreign investments in emerging countries (i.e. Brazil, Mexico, etc.) are considered huge, the percentage of the investments is not significant and thus the Company's foreign exchange risk can be maintained in the controllable range. (Note: The Group has several sites in various countries and thus is exposed to various foreign exchange risks. The main risk arises from USD and RMB.)
- b. Except for the above transactions (operating activities) recognized in the income statement, assets and liabilities recognized in the balance sheet and the net investment in foreign operations also result in the exchange rate risk.

(ii) Management:

- a. For such risks, the Group has set up policies requiring companies in the Group to manage its exchange rate risks.
- b. As to the exchange rate risk arising from the difference between various functional currencies and the reporting currency in the consolidated financial statements, it is

managed by the Group's finance department.

(iii) The source:

a. U.S. dollar and NT dollar:

Foreign exchange risk arises primarily from U.S. dollar-denominated cash, cash equivalents, accounts receivable and other receivables, other assets, loans, accounts payable and other payables and other liabilities, which results in exchange loss or gain when they are converted into New Taiwan dollars.

b. U.S. dollar and RMB:

Foreign exchange risk arises primarily from U.S. dollar-denominated cash, cash equivalents, accounts receivable and other receivables, other assets, loans, accounts payable and other payables and other liabilities, which results in exchange loss or gain when they are converted into RMB.

c. JPY and U.S. dollar:

Foreign exchange risk arises primarily from yen-denominated loans, accounts payable and other payables, which results in exchange loss or gain when they are converted into U.S. dollar.

d. JPY and NT dollar:

Foreign exchange risk arises primarily from yen-denominated loans, accounts payable and other payables, which results in exchange loss or gain when they are converted into New Taiwan dollars

(iv) Extent

The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

December 31, 2020					
(Foreign currency: Functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis	
				Extent of variation	Effect on profit or loss
<u>Financial assets</u>					
<u>Monetary items</u>					
USD : NTD	\$ 24,831,785	28.48	\$ 707,209,237	1%	\$ 7,072,092
USD : RMB	21,170,183	6.5402	602,926,812	1%	6,029,268
JPY : USD	40,787,990	0.0097	11,269,722	1%	112,697
JPY : NTD	19,401,596	0.2763	5,360,661	1%	53,607
<u>Net effect in consolidated entities with foreign currency</u>					
USD : NTD	\$ 48,918,393	28.48	\$ 1,393,195,833		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD : NTD	\$ 20,957,158	28.48	\$ 596,859,860	1%	\$ 5,968,599
USD : RMB	12,329,569	6.5402	351,146,125	1%	3,511,461
JPY : USD	8,459,700	0.0097	2,337,415	1%	23,374
JPY : NTD	1,329,434	0.2763	367,323	1%	3,673
December 31, 2019					
(Foreign currency: Functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Sensitivity analysis	
				Extent of variation	Effect on profit or loss
<u>Financial assets</u>					
<u>Monetary items</u>					
USD : NTD	\$ 15,262,225	29.98	\$ 457,561,506	1%	\$4,575,615
USD : RMB	29,249,562	6.9638	876,901,869	1%	8,769,019
JPY : USD	91,298,663	0.0092	25,198,431	1%	251,984
RMB : NTD	86,240,866	0.2760	23,802,479	1%	238,025
<u>Net effect in consolidated entities with foreign currency</u>					
USD : NTD	\$ 44,243,649	29.98	\$ 1,326,424,597		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD : NTD	\$ 11,994,176	29.98	\$ 359,585,396	1%	\$3,595,854
USD : RMB	16,165,597	6.9638	484,644,598	1%	4,846,446
JPY : USD	59,940,153	0.0092	16,543,482	1%	165,435
JPY : NTD	602,063	0.2760	166,169	1%	1,662

- (v) Total exchange gain (loss), including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2020 and 2019 amounted to (\$1,671,581) and (\$4,509,384), respectively.

ii. Equity securities

(i) Nature

The Group primarily invests in domestic and foreign publicly traded equity instruments, which are accounted for as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. The price of those equity instruments will be affected by the uncertainty of the future value of the investment.

(ii) Extent

If such equity instruments' price rise or fall by 1%, with all other factors held constant, the impact on equity due to investments in equity instruments measured at fair value through other comprehensive income, and investments in equity at fair value through profit or loss are \$902,620 and \$815,515 for the years ended December 31, 2020 and 2019, respectively.

iii. Futures

(i) Nature

The Group is exposed to commodity price risk because of future commodity price fluctuations.

(ii) Extent

The Group sets stop-loss amount to reduce its futures market risk whenever futures contracts are entered into. As a result, there is no significant futures market risk.

iv. Cash flow and fair value interest rate risk

The Group's interest rate risk arises from long-term loans or corporate bonds with floating rates. The Company's long-term corporate bonds with fixed interest rates do not have interest rate risk or fair value interest rate risk.

Long-term loans or corporate bonds with floating rates expose the Group to cash flow interest rate risk, but most of the risks are offset by cash and cash equivalents with variable interest rates.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments.

According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. The Group assesses the credit quality of the customers by taking into account their financial position, past experience and other factors to conduct its internal risk management.

Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. The utilisation of credit limits is regularly monitored. Major credit risk arises from cash and cash equivalents, derivative financial instruments and other financial instruments. The counterparties are banks with good credit quality and financial institutions with investment grade or above and government agencies, so there is no significant compliance concerns and credit risk.

- ii. The Group assumes that if the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition; if past due over 360 days, a default has occurred.
- iii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
 - (ii) Default or delinquency in interest or principal repayments;
 - (iii) Adverse changes in national or regional economic conditions that are expected to cause a default.
- iv. The aging analysis of notes receivable and accounts receivable (including related parties) is as follows:

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Not past due	\$ 932,168,658	\$ 1,001,387,391
Up to 90 days	10,579,283	24,455,224
91 to 180 days	652,993	4,753,352
181 to 270 days	476,187	2,567,063
271 to 360 days	232,608	1,172,202
Over 361 days	5,319,436	3,505,105
	<u>\$ 949,429,165</u>	<u>\$ 1,037,840,337</u>

The above aging analysis is based on days overdue.

- v. The Group applies the following approaches to assess the expected credit losses (ECLs) of accounts receivable:
 - (i) Assess the ECLs on an individual basis if a significant default has occurred to certain customers.
 - (ii) Classify the other customers' accounts receivable based on the Group's credit rating standards and estimates the ECLs using loss rate methodology or provision matrix.
 - (iii) Adjust the loss rates constructed from historical and recent information by taking into account the business cycle indicators of the National Development Council and forecasts of the Basel Committee on Banking Supervision.
 - (iv) As of December 31, 2020 and 2019, the individual provision for impairment of accounts receivable using loss rate methodology or provision matrix is as follows:

	Individual	Group 1	Group 2	Group 3	Group 4	Total
<u>December 31, 2020</u>						
Expected loss rate	100%	0.0375%	0.0875%	0.09%~37.55%	0.06%~41.63%	
Total book value	\$ 5,338,814	\$ 685,428,941	\$ 213,283,588	\$ 32,850,225	\$ 12,527,597	\$ 949,429,165
Loss allowance	\$ 5,338,814	\$ 257,036	\$ 186,623	\$ 464,359	\$ 697,939	\$ 6,944,771
	Individual	Group 1	Group 2	Group 3	Group 4	Total
<u>December 31, 2019</u>						
Expected loss rate	100%	0.03%	0.07%	0.01%~7.05%	0.02%~69.30%	
Total book value	\$ 4,318,769	\$ 754,159,158	\$ 216,730,417	\$ 23,888,891	\$ 38,743,102	\$ 1,037,840,337
Loss allowance	\$ 4,318,769	\$ 217,984	\$ 145,002	\$ 384,193	\$ 741,347	\$ 5,807,295

- Group 1: Standard Poor's, Fitch's, or Moody's rating of A-level, or rated as A-level in accordance with the Group's credit policies for those that have no external credit ratings.
- Group 2: Standard Poor's or Fitch's rating of BBB, Moody's rating of Baa, or rated as B or C in accordance with the Group's credit policies for those that have no external credit ratings.
- Group 3: Standard Poor's or Fitch's rating of BB + and below, or Moody's rating of Ba1 and below.
- Group 4: Rated as other than A, B, or C in accordance with the Group's credit policies for those that have no external credit ratings.
- vi. As of December 31, 2020 and 2019, the Group assessed the impairment loss arising from other receivable - related parties and recognized allowance for uncollectible accounts at \$1,293,174 and \$762,872, respectively.
- vii. Movements in relation to the Group's loss allowance for accounts receivable (including related parties) is as follows:

	2020	2019
At January 1	\$ 6,570,167	\$ 4,748,936
Impairment loss	1,705,559	1,876,660
Effect of foreign exchange	(37,781)	(55,429)
At December 31	<u>\$ 8,237,945</u>	<u>\$ 6,570,167</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed by each operating entity of the Group and aggregated by Group treasury. The Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable, external regulatory or legal requirements, for example, currency restrictions.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groups based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

December 31, 2020	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Bonds payable	\$ 42,288,000	\$ 36,785,978	\$ 92,510,640	\$ 72,774,000	\$ 244,358,618
Long-term loans	14,728,908	19,678,483	8,330,826	3,596,443	46,334,660
Lease liabilities	9,058,272	7,792,086	9,880,171	5,607,047	32,337,576
	<u>\$ 66,075,180</u>	<u>\$ 64,256,547</u>	<u>\$ 110,721,637</u>	<u>\$ 81,977,490</u>	<u>\$ 323,030,854</u>
December 31, 2019	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Bonds payable	\$ 38,546,364	\$ 41,688,000	\$ 96,026,436	\$ 38,536,000	\$ 214,796,800
Long-term loans	14,553,911	13,713,380	19,357,935	8,551,745	56,176,971
Lease liabilities	7,131,038	6,112,704	8,416,686	6,451,935	28,112,363
	<u>\$ 60,231,313</u>	<u>\$ 61,514,084</u>	<u>\$ 123,801,057</u>	<u>\$ 53,539,680</u>	<u>\$ 299,086,134</u>

Beside those mentioned above, other non-derivative financial liabilities are to be settled within one year.

Derivative financial liabilities:

December 31, 2020	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Forward exchange contracts	\$ 170,003	\$ -	\$ -	\$ -	\$ 170,003
Cross currency swap contracts	2,121,218	-	-	-	2,121,218
	<u>\$ 2,291,221</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,291,221</u>
December 31, 2019	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Forward exchange contracts	\$ 43,180	\$ -	\$ -	\$ -	\$ 43,180
Cross currency swap contracts	1,838,505	-	-	-	1,838,505
	<u>\$ 1,881,685</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,881,685</u>

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's equity investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(12).

C. Financial instruments not measured at fair value:

(a) Except for those listed in the table below, the carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, notes and accounts receivable, other receivables, financial assets at amortised cost (excluding bank debentures), short-term loans, notes and accounts payable, other payables and long-term loans approximate to their fair values.

December 31, 2020				
		Fair Value		
	Book Value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 244,358,618	\$ -	\$ 241,667,699	\$ -
December 31, 2019				
		Fair Value		
	Book Value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 214,796,800	\$ -	\$ 210,235,461	\$ -

(b) The methods and assumptions of fair value measurement are as follows:

Bonds payable: Regarding the bonds issued by the Group, the coupon rate approximates to the current market rate. Therefore, the fair value is estimated using the present value of the expected cash flows and market interest rate.

D. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2020 and 2019 is as follows:

(a) The related information on nature of the assets and liabilities is as follows:

December 31, 2020	Level 1	Level 2	Level 3	Total
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 1,754,913	\$ -	\$ 1,433,017	\$ 3,187,930
Beneficiary certificates	535,149	15	79,443,386	79,978,550
Derivatives	-	6,800,300	-	6,800,300
Financial assets at fair value through other comprehensive income				
Equity instruments	65,599,401	-	21,474,688	87,074,089
Accounts receivable expected factoring	-	109,052,508	-	109,052,508
Total	<u>\$ 67,889,463</u>	<u>\$ 115,852,823</u>	<u>\$ 102,351,091</u>	<u>\$ 286,093,377</u>
Liabilities:				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivatives	\$ -	(\$ 2,291,221)	\$ -	(\$ 2,291,221)
December 31, 2019	Level 1	Level 2	Level 3	Total
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 12,744,243	\$ -	\$ -	\$ 12,744,243
Beneficiary certificates	639,411	268	63,546,321	64,186,000
Derivatives	-	8,682,531	-	8,682,531
Financial assets at fair value through other comprehensive income				
Equity instruments	45,226,243	-	23,580,974	68,807,217
Accounts receivable expected factoring	-	108,993,188	-	108,993,188
Total	<u>\$ 58,609,897</u>	<u>\$ 117,675,987</u>	<u>\$ 87,127,295</u>	<u>\$ 263,413,179</u>
Liabilities:				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivatives	\$ -	(\$ 1,881,685)	\$ -	(\$ 1,881,685)

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(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Open-end fund</u>
Market quoted price	Closing price	Net asset value

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques method can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.
 - iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
 - iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
 - v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
 - vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.
- E. For the years ended December 31, 2020 and 2019, there was no transfer between Level 1 and Level 2.
- F. For the years ended December 31, 2020 and 2019, there was no transfer into or out from Level 3.

	2020	2019
At January 1	\$ 87,127,295	\$ 76,982,820
Gains and losses recognised in profit or loss	8,074,864	(6,247,376)
Gains and losses recognised in other comprehensive income	(353,766)	(5,302,440)
Acquired in the period	17,915,754	22,679,505
Sold in the period	(8,629,617)	(87,708)
Transfer in to Level 3	1,861,689	40,196
Effect of exchange rate changes	(3,645,128)	(937,702)
At December 31	<u>\$ 102,351,091</u>	<u>\$ 87,127,295</u>

- G. Investment segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value. Investment segment sets up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensures compliance with the related requirements in IFRS.
- H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	<u>\$ 874,328</u>	Market comparable companies	Revenue multiple	0.24~20.86 (12.88)	The higher the revenue multiple, profit after tax, net value multiple and value to EBIT multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.
			Profit after tax multiple	18.07	
			Net value multiple	1.43~1.88 (1.88)	
			Discount for lack of marketability	20.00%~ 35.00% (26.09%)	
			Value to EBIT multiple	1.89~14.32 (14.32)	

	Fair value at December 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	<u>\$ 8,021,999</u>	Stock value in complex capital structure	Weighted average cost of capital	14.18%~ 27.28% (18.06%)	The higher the long-term revenue growth rate, long- term pre-tax operating margin, value to EBIT multiple and revenue multiple, expected equity value volatility, the higher the fair value; the higher the discount for lack of marketability, discount for lack of control and weighted average cost of capital, the lower the fair value.
			Long-term revenue growth rate	2%	
			Long-term pre-tax operating margin	25.04%~65.96% (33.76%)	
			Discount for lack of marketability	10.00%~20.00% (15.10%)	
			Discount for lack of control	10.00%~15.00% (10.39%)	
			Expected equity value volatility	39.11%~115.07% (51.76%)	
			Revenue multiple	0.24~31.81 (4.00)	
			Value to EBIT multiple	7.08	
			Discount for lack of marketability	9.46%~25% (9.52%)	
			Discount for lack of control	5.00%~15.00% (9.26%)	
Venture capital shares and private equity fund investment	<u>\$ 26,107,499</u>	Recent non-active market price	Not applicable	Not applicable	Not applicable
		Net assets value	Discount for lack of marketability	9.46%~14.74% (11.79%)	The higher the discount for lack of marketability, discount for lack of control, the lower the fair value. The higher the expected equity value volatility, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.
		Net assets value	Discount for lack of control	6.57%~19.95% (9.26%)	
			Discount for lack of marketability	5%	
		Stock value in complex capital structure	Expected equity value volatility	21.88%	
	<u>\$ 5,807,438</u>	Recent non-active market price	Not applicable	Not applicable	Not applicable

	Fair value at December 31, 2019	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	<u>\$ 408,733</u>	Market comparable companies	Revenue multiple Profit after tax multiple Net value multiple Discount for lack of marketability	0.53~9.28 (2.05) 12.53~19.42 (15.73) 1.8 15%~35% (23.58%)	The higher the revenue multiple, value to EBIT multiple and net value multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.
	<u>\$ 15,026,251</u>	Stock value in complex capital structure	Weighted average cost of capital Long-term revenue growth rate Long-term pre-tax operating margin Discount for lack of marketability Discount for lack of control Expected equity value volatility Revenue multiple Value to EBIT multiple	14.61%~15.52% (14.79%) 2% 23.53%~29.72% (28.52%) 5%~35% (18.12%) 10%~15% (14.6%) 23.68%~110.82% (42.11%) 0.28~12.75 (2.46) 6.7	The higher the long-term revenue growth rate, long-term pre-tax operating margin, revenue multiple and value to EBIT multiple, the higher the fair value; the higher the discount for lack of marketability, discount for lack of control and weighted average cost of capital, the lower the fair value.
		Recent non-active market price	Not applicable	Not applicable	Not applicable
Venture capital shares and private equity fund investment	<u>\$ 6,302,878</u> <u>\$ 65,389,433</u>	Net assets value	Discount for lack of marketability Discount for lack of control	4.49%~10% (4.85%) 3.97%~15% (4.62%)	The higher the discount for lack of marketability and lack of control, the lower the fair value.

- I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2020			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments and beneficiary cereificates	Discount for lack of control and marketability	±1%				
			<u>\$ 811,840</u>	<u>(\$ 811,869)</u>	<u>\$ 168,231</u>	<u>(\$ 164,527)</u>
			December 31, 2019			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments and beneficiary cereificates	Discount for lack of control and marketability	±1%				
			<u>\$ 688,468</u>	<u>(\$ 688,468)</u>	<u>\$ 148,223</u>	<u>(\$ 148,057)</u>

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost reaching NT\$300 million or 20% of paid-in capital or more: Please refer to table 4.
- E. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 5.
- H. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(2).

J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: The Company appointed Foxconn (Far East) Limited's Mainland investee to render processing services and to trade. The transactions were eliminated in the consolidated financial statements. For significant transactions of processing services, trading, receivables and payables, endorsements and guarantees or collaterals provided, and financing, please refer to Note 13(1) A, B, G and H.

(4) Major shareholders

For the names, number and ratio of shares held by shareholders holding over 5% of the Company's shares: Please refer to Table 11.

14. SEGMENT INFORMATION

(1) General information

The Group has adopted eCMMS (E-enabled Components, Modules, Moves & Services) strategy, and provided a one-stop shop to its customers, which are primarily in the 3C industries, with a total solution for design, development, engineering, procurement, manufacturing, logistics and after-sales service. The Group segregates operating segments from both a customer service and product perspective.

In accordance with IFRS No. 8, "Operating Segments", the Group has determined the operating segments and reportable operating segments. Operating segments which have met certain quantitative threshold are disclosed individually or aggregately as reportable operating segments; other segments which have not met the quantitative threshold are included in the 'all other segments'. The Group has identified the electronic manufacturing integrated services department, which provides global 3C production-related one-stop services, as a reportable operating segment.

(2) Measurement of segment information

The chief operating decision maker assesses performance and allocates resources of the operating segments based on each operating segment's revenue and operating income after adjusting the internal costs and allocated expenses. Except for the recognition of internal costs which shall be in accordance with the Group's related internal calculation basis, the operating segments' accounting policies are the same as disclosed in Note 4.

(3) Segment information

The financial information of reportable segments provided to chief operating decision maker is as follows:

	Years ended December 31,	
	2020	2019
	Electronic Manufacturing Integration Service	Electronic Manufacturing Integration Service
Net external revenue	\$ 5,519,321,881	\$ 5,114,320,217
Revenue from internal customers	321,786,196	307,961,623
Segment revenue	<u>\$ 5,841,108,077</u>	<u>\$ 5,422,281,840</u>
Segment profit	<u>\$ 139,694,514</u>	<u>\$ 151,924,612</u>

(4) Reconciliation for segment income (loss)

Sales between segments are carried out at arm's length. The revenue from external parties reported to the chief operating decision-maker is measured in a manner consistent with that in the income statement.

A reconciliation of reportable segment profit or loss to the profit before tax and discontinued operations for the years ended December 31, 2020 and 2019 is provided as follows:

	Years ended December 31,	
Operating revenue	2020	2019
Total reported segment revenue	\$ 5,841,108,077	\$ 5,422,281,840
Other operating segment revenue	140,062,007	73,929,968
Elimination of intersegment revenue	(623,147,019)	(153,400,813)
Total corporate revenue	<u>\$ 5,358,023,065</u>	<u>\$ 5,342,810,995</u>

	Years ended December 31,	
Profit and loss	2020	2019
Profit of reported segment	\$ 139,694,514	\$ 151,924,612
Profit of other operating segments		
Elimination of intersegment transactions and internal costs and allocated expenses	10,002,197	7,120,189
adjustments	(4,224,477)	4,833,146
Profit before income tax	<u>\$ 145,472,234</u>	<u>\$ 163,877,947</u>

(5) Geographical information

	<u>Year ended December 31, 2020</u>		<u>Year ended December 31, 2019</u>	
	<u>Revenue</u>	<u>Non-current assets</u>	<u>Revenue</u>	<u>Non-current assets</u>
U.S.A	\$ 1,731,206,941	\$ 23,037,241	\$ 1,743,726,612	\$ 17,469,867
Ireland	1,689,433,499	1,612	1,423,594,027	1,201
China	509,164,254	264,875,861	560,194,840	271,073,387
Singapore	370,084,875	43,967	501,088,752	7,780
Japan	223,293,804	403,507	196,914,882	399,603
Taiwan	137,320,445	52,808,106	110,917,511	49,882,132
Others	697,519,247	63,768,396	806,374,371	57,085,187
	<u>\$ 5,358,023,065</u>	<u>\$ 404,938,690</u>	<u>\$ 5,342,810,995</u>	<u>\$ 395,919,157</u>

(6) Major customer information

	<u>Years ended December 31,</u>	
	<u>2020</u>	<u>2019</u>
	<u>Revenue (in million)</u>	<u>Revenue (in million)</u>
Client E	<u>\$ 2,891,396</u>	<u>\$ 2,680,870</u>

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Loans to others
December 31, 2020

Expressed in thousands of TWD
(Except as otherwise indicated)

Table 1

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020		Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2020	December 31, 2020								Item	Value			
1	Hyield Venture Capital Co., Ltd.	Jusda International Logistics (Taiwan) Co., Ltd.	Other Receivables	Y	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	2.000	Short term financing	\$ -	-	Business operation	\$ -	None	\$ 2,489,853	\$ 9,959,412	Note 1
1	Hyield Venture Capital Co., Ltd.	Linkooh Technology Inc.	Other Receivables	Y	30,000	10,000	10,000	10,000	2.000	Short term financing	-	-	Business operation	-	None	2,489,853	9,959,412	Note 1
1	Hyield Venture Capital Co., Ltd.	Foxnum Technology Co., Ltd.	Other Receivables	Y	322,000	267,000	267,000	267,000	0.900	Short term financing	-	-	Business operation	-	None	2,489,853	9,959,412	Note 1
2	Bon Shin International Investment Co., Ltd.	Finet Co., Ltd.	Other Receivables	Y	170,000	-	-	-	N/A	Short term financing	-	-	Business operation	-	None	1,868,741	7,474,963	Note 1
2	Bon Shin International Investment Co., Ltd.	Altus Technology Inc.	Other Receivables	Y	220,000	220,000	220,000	220,000	2.000	Short term financing	-	-	Business operation	-	None	1,868,741	7,474,963	Note 1
2	Bon Shin International Investment Co., Ltd.	Jusda International Logistics (Taiwan) Co., Ltd.	Other Receivables	Y	60,000	-	-	-	N/A	Short term financing	-	-	Business operation	-	None	1,868,741	7,474,963	Note 1
2	Bon Shin International Investment Co., Ltd.	Big Innovation Company Ltd.	Other Receivables	Y	25,000	25,000	25,000	25,000	2.000	Short term financing	-	-	Business operation	-	None	1,868,741	7,474,963	Note 1
2	Bon Shin International Investment Co., Ltd.	Breaktime Inc.	Other Receivables	Y	30,000	30,000	30,000	30,000	0.900	Short term financing	-	-	Business operation	-	None	1,868,741	7,474,963	Note 1
3	Premier Image Technology (China) Ltd.	Hongfuzhun Precision Shenzhen Co., Ltd.	Other Receivables	Y	657,300	-	-	-	N/A	Short term financing	-	-	Business operation	-	None	11,506,811	23,013,622	Note 2

Table 1, Page 1

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020	Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote	
													Item	Value				
																		Item	Value
3	Premier Image Technology (China) Ltd.	Shenzhen Xunfeng Business Co., Ltd.	Other Receivables	N	\$ 697,472	\$ 587,871	\$ 587,871	3.915	Short term financing	\$ -	-	Business operation	\$ -	None	\$ -	2,301,362	\$ 2,301,362	Note 2
4	Foxconn Precision Component (Shenzhen) Co., Ltd.	Shenzhen Xunfeng Business Co., Ltd.	Other Receivables	N	175,280	174,184	174,184	3.915	Short term financing	-	-	Business operation	-	None	-	215,930	863,722	Note 2
4	Foxconn Precision Component (Shenzhen) Co., Ltd.	Fujian Precision Industry (Shenzhen) Co., Ltd.	Other Receivables	Y	876,400	827,374	827,374	3.465	Short term financing	-	-	Business operation	-	None	-	4,318,610	8,637,220	Note 2
5	Fuhajie Industrial (Shenzhen) Co., Ltd.	Shenzhen Xunfeng Business Co., Ltd.	Other Receivables	N	196,164	-	-	N/A	Short term financing	-	-	Business operation	-	None	-	256,146	1,024,585	Note 2
6	Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Xunfeng Business Co., Ltd.	Other Receivables	N	197,190	195,957	195,957	3.915	Short term financing	-	-	Business operation	-	None	-	25,061,638	100,246,550	Note 2
7	Ur Materials (Shenzhen) Co., Ltd.	Guangzhou Ur Materials Technology Co., Ltd.	Other Receivables	Y	227,864	161,120	161,120	3.915	Short term financing	-	-	Business operation	-	None	-	2,192,471	4,384,941	Note 2
8	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Other Receivables	Y	6,573,000	6,531,900	6,531,900	3.500	Short term financing	-	-	Business operation	-	None	-	251,112,268	502,224,537	Note 2
9	Jusda Supply Chain Management International Ltd.	Guangzhou Jusda Supply Chain Management Co., Ltd.	Other Receivables	Y	213,165	-	-	N/A	Short term financing	-	-	Business operation	-	None	-	4,621,478	9,242,957	Note 6
9	Jusda Supply Chain Management International Ltd.	Shenzhen Fertile Plan International Logistics Co., Ltd.	Other Receivables	Y	3,067,400	3,048,220	3,048,220	3.915	Short term financing	-	-	Business operation	-	None	-	4,621,478	9,242,957	Note 6
9	Jusda Supply Chain Management International Ltd.	Shanghai Topone Logistics Co., Ltd.	Other Receivables	Y	152,572	-	-	N/A	Short term financing	-	-	Business operation	-	None	-	4,621,478	9,242,957	Note 6
9	Jusda Supply Chain Management International Ltd.	Wuhan Topone Logistics Co., Ltd.	Other Receivables	Y	65,388	-	-	N/A	Short term financing	-	-	Business operation	-	None	-	4,621,478	9,242,957	Note 6

Table 1, Page 2

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020	Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote	
													Item	Value				
9	Jusda Supply Chain Management International Ltd.	Shenzhen Topone Logistics Co., Ltd.	Other Receivables	Y	\$ 65,388	\$ -	\$ -	N/A	Short term financing	\$ -	-	Business operation	\$ -	None	\$ -	9,242,957	Note 6	
9	Jusda Supply Chain Management International Ltd.	Kaopu (Shaanxi) Logistics Co., Ltd.	Other Receivables	Y	74,494	74,028	-	N/A	Short term financing	-	-	Business operation	-	None	-	4,621,478	9,242,957	Note 6
9	Jusda Supply Chain Management International Ltd.	Kaopu (Xinjiang) Supply Chain Management International Ltd.	Other Receivables	Y	83,258	82,737	-	N/A	Short term financing	-	-	Business operation	-	None	-	4,621,478	9,242,957	Note 6
9	Jusda Supply Chain Management International Ltd.	Kaopu (Inner Mongolia) Supply Chain Management International Ltd.	Other Receivables	Y	131,460	130,638	76,206	6.000	Short term financing	-	-	Business operation	-	The equity of Shanghai Topone Logistics Co., Ltd. held by a third party is pledged	260,579	4,621,478	9,242,957	Note 6
9	Jusda Supply Chain Management International Ltd.	Kaopu Information Technology (Tianjin) Co., Ltd.	Other Receivables	Y	157,752	156,766	156,766	6.000	Short term financing	-	-	Business operation	-	The equity of Shanghai Topone Logistics Co., Ltd. held by a third party is pledged	260,579	4,621,478	9,242,957	Note 6
9	Jusda Supply Chain Management International Ltd.	Shandong Anjie Supply Chain Management Co., Ltd.	Other Receivables	N	1,242,367	1,223,643	1,223,643	3.850	Short term financing	-	-	Business operation	-	The equity of Grand Talent Limited held by a third party is pledged	1,380,408	4,621,478	9,242,957	Note 6
10	Zhengzhou Jusda Industrial Park Development Co., Ltd.	Shenzhen Fertile Plan International Logistics Co., Ltd.	Other Receivables	Y	289,212	287,404	287,404	3.465	Short term financing	-	-	Business operation	-	None	-	647,245	1,294,491	Note 2
11	Kaopu Information Technology (Beijing) Co., Ltd.	Xilingol League Beigobatu Supply Chain Management Co., Ltd.	Other Receivables	Y	4,359	-	-	N/A	Short term financing	-	-	Business operation	-	None	-	628	2,513	Note 2

Table 1, Page 3

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020	Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower		Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					\$	\$	\$			\$			\$	Item	Value	\$	\$	
11	Kaopu Information Technology (Beijing) Co., Ltd.	Guangzhou Mengtong Logistics Co., Ltd.	Other Receivables	Y	8,718	-	-	N/A	Short term financing	-	Business operation	-	-	None	-	628	2,513	Note 2
12	Shenzhen Fertile Plan International Logistics Co., Ltd.	Guangzhou Jusunda Supply Chain Management Co., Ltd.	Other Receivables	Y	261,552	-	-	N/A	Short term financing	-	Business operation	-	-	None	-	2,678,110	5,356,220	Note 2
13	Jusda International Limited	Jusda Supply Chain Management Corporation	Other Receivables	Y	91,065	34,176	34,176	1.090	Short term financing	-	Business operation	-	-	None	-	3,300,260	6,600,520	Note 2
13	Jusda International Limited	Jusda Supply Chain Management Mexico, S. De R.L. De C.V.	Other Receivables	Y	82,572	79,744	79,744	1.01-1.42	Short term financing	-	Business operation	-	-	None	-	3,300,260	6,600,520	Note 2
13	Jusda International Limited	Jusda Europe S.R.O.	Other Receivables	Y	105,770	99,680	99,680	1.420	Short term financing	-	Business operation	-	-	None	-	3,300,260	6,600,520	Note 2
14	Jusda Europe S.R.O.	Jusda NL, B.V.	Other Receivables	Y	31,572	31,518	31,518	0.600	Short term financing	-	Business operation	-	-	None	-	108,225	216,451	Note 2
15	Chongqingshi Futaitong Plan Logistics Co., Ltd.	Shenzhen Fertile Plan International Logistics Co., Ltd.	Other Receivables	Y	108,980	-	-	N/A	Short term financing	-	Business operation	-	-	None	-	447,465	894,930	Note 2
16	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Nanjing Hongfluxia Precision Electronics Co., Ltd.	Other Receivables	Y	1,743,680	-	-	N/A	Short term financing	-	Business operation	-	-	None	-	16,619,334	33,238,668	Note 2
16	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Hongjing Precision Machine Co., Ltd.	Other Receivables	Y	438,200	435,460	435,460	3.850	Short term financing	-	Business operation	-	-	None	-	16,619,334	33,238,668	Note 2
17	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Huian Mingyang Real Estate Development Co., Ltd.	Other Receivables	Y	287,707	-	-	N/A	Short term financing	-	Business operation	-	-	None	-	32,673,762	65,347,525	Note 2
18	Fu Ding Electrical Technology (Jiashan) Co., Ltd.	Nanjing Hongfluxia Precision Electronics Co., Ltd.	Other Receivables	Y	1,291,650	-	-	N/A	Short term financing	-	Business operation	-	-	None	-	62,396,229	124,792,458	Note 2

Table 1, Page 4

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020	Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
18	Fu Ding Electrical Technology (Jiashan) Co., Ltd.	Beijing Hengyu New Energy Auto Rental Co., Ltd.	Other Receivables	Y	\$ 154,246	\$ 153,282	\$ 153,282	5.000	Short term financing	\$ -	Business operation	\$ -	None	\$ -	\$ 3,119,811	\$ 12,479,246	Note 2
18	Fu Ding Electrical Technology (Jiashan) Co., Ltd.	Shanghai Foxconn Co., Ltd.	Other Receivables	Y	4,601,100	4,572,330	4,572,330	3.920	Short term financing	-	Business operation	-	None	-	62,396,229	124,792,458	Note 2
19	Fuzhun Precision Tooling (Huaian) Co., Ltd.	Nanjing Hongfuxia Precision Electronics Co., Ltd.	Other Receivables	Y	2,833,480	-	-	N/A	Short term financing	-	Business operation	-	None	-	9,713,111	19,426,223	Note 2
20	Huaian Mingyang Real Estate Development Co., Ltd.	Fuyu (Funing) Energy Technology Co., Ltd.	Other Receivables	Y	13,078	-	-	N/A	Short term financing	-	Business operation	-	None	-	1,236,436	2,472,872	Note 2
21	Foxway Precision Industry (Hangzhou) Co., Ltd.	Nanjing Hongfuxia Precision Electronics Co., Ltd.	Other Receivables	Y	871,840	217,730	217,730	3.915	Short term financing	-	Business operation	-	None	-	2,225,440	4,450,879	Note 2
22	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Foxconn Precision Electronics (Yantai) Co., Ltd.	Other Receivables	Y	2,989,968	2,805,280	2,805,280	1.000	Short term financing	-	Business operation	-	None	-	85,950,855	171,901,710	Note 2
22	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Synergy Technology (Chengdu) Co., Ltd.	Other Receivables	Y	367,930	-	-	N/A	Short term financing	-	Business operation	-	None	-	4,297,543	17,190,171	Note 2
22	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Other Receivables	Y	3,035,500	-	-	N/A	Short term financing	-	Business operation	-	None	-	85,950,855	171,901,710	Note 2
22	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Other Receivables	Y	2,177,300	2,177,300	2,177,300	3.000	Short term financing	-	Business operation	-	None	-	85,950,855	171,901,710	Note 2
22	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Other Receivables	Y	4,978,987	4,692,308	4,692,308	1.000	Short term financing	-	Business operation	-	None	-	85,950,855	171,901,710	Note 2
23	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Zhengzhou Fulanwang Electronic Technology Co., Ltd.	Other Receivables	Y	1,945,440	-	-	N/A	Short term financing	-	Business operation	-	None	-	244,617,778	489,235,557	Note 2

Table 1, Page 5

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020	Amount of transactions with the borrower										Footnote		
						December 31, 2020	Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral			Limit on loans granted to a single party	Ceiling on total loans granted
														Item	Value			
23	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Fuyang Soleros Technology (Nanyang) Co., Ltd.	Other Receivables	Y	\$ 3,217,275	\$ 2,046,662	\$ 2,046,662	3.915	Short term financing	\$ -	-	Business operation	\$ -	None	\$ -	\$ 244,617,778	\$ 489,235,557	Note 2
23	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Hongfusheng Precision Electronics (Zhengzhou) Co., Ltd.	Other Receivables	Y	376,803	-	-	N/A	Short term financing	-	-	Business operation	-	None	-	244,617,778	489,235,557	Note 2
23	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Nanjing Hongfluxia Precision Electronics Co., Ltd.	Other Receivables	Y	4,249,700	-	-	N/A	Short term financing	-	-	Business operation	-	None	-	244,617,778	489,235,557	Note 2
23	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	First Special Material (Henan) Limited	Other Receivables	Y	131,460	130,638	130,638	3.915	Short term financing	-	-	Business operation	-	None	-	244,617,778	489,235,557	Note 2
23	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Shandong Chengshang Energy Co., Ltd.	Other Receivables	Y	394,380	391,914	391,914	3.915	Short term financing	-	-	Business operation	-	None	-	244,617,778	489,235,557	Note 2
23	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Dongyi GCL-Power Photovoltaic Technology Co., Ltd.	Other Receivables	Y	438,200	435,460	435,460	3.915	Short term financing	-	-	Business operation	-	None	-	244,617,778	489,235,557	Note 2
23	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Inner Mongolia Xin Jing Photovoltaic Power Generation Co., Ltd.	Other Receivables	Y	652,918	648,835	648,835	3.915	Short term financing	-	-	Business operation	-	None	-	244,617,778	489,235,557	Note 2
23	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Lankao Yufu Precision Technology Co., Ltd.	Other Receivables	Y	2,191,000	2,177,300	2,177,300	3.915	Short term financing	-	-	Business operation	-	None	-	244,617,778	489,235,557	Note 2
24	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Other Receivables	Y	648,480	-	-	N/A	Short term financing	-	-	Business operation	-	None	-	130,296,234	260,592,468	Note 2
25	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	WWW (Jincheng) Co., Ltd.	Other Receivables	Y	1,062,425	996,800	996,800	1.400	Short term financing	-	-	Business operation	-	None	-	88,320,844	176,641,688	Note 2

Table 1, Page 6

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020	Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
26	Fujian Precision Industrial (Jincheng) Co., Ltd.	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Other Receivables	Y	\$ 4,354,600	\$ 4,354,600	\$ 4,354,600	3.000	Short term financing	\$ -	- Business operation	\$ -	- None	\$ -	\$ 69,059,778	\$ 138,119,555	Note 2
26	Fujian Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Other Receivables	Y	4,359,200	-	-	N/A	Short term financing	-	- Business operation	-	- None	-	69,059,778	138,119,555	Note 2
26	Fujian Precision Industrial (Jincheng) Co., Ltd.	WWW (Jincheng) Co., Ltd.	Other Receivables	Y	1,796,620	1,785,386	1,785,386	3.915	Short term financing	-	- Business operation	-	- None	-	69,059,778	138,119,555	Note 2
27	Guizhou Funayuanchuang Technology Co., Ltd.	Tianjin Funayuanchuang Technology Co., Ltd.	Other Receivables	Y	56,966	56,610	56,610	3.850	Short term financing	-	- Debt repayment	-	- None	-	1,435,264	2,870,528	Note 2
28	Foxconn (Far East) Limited	Foxconn Singapore Pte. Ltd.	Other Receivables	Y	91,065	-	-	N/A	Short term financing	-	- Business operation	-	- None	-	2,506,008,210	5,012,016,421	Note 2
28	Foxconn (Far East) Limited	Ambit International Limited	Other Receivables	Y	612,108	-	-	N/A	Short term financing	-	- Business operation	-	- None	-	2,506,008,210	5,012,016,421	Note 2
28	Foxconn (Far East) Limited	Fullertain Information Technologies Limited	Other Receivables	Y	60,710	56,960	56,960	0.000	Short term financing	-	- Business operation	-	- None	-	2,506,008,210	5,012,016,421	Note 2
28	Foxconn (Far East) Limited	Big Innovation Holding Limited	Other Receivables	Y	270,238	254,042	254,042	0.000	Short term financing	-	- Business operation	-	- None	-	2,506,008,210	5,012,016,421	Note 2
28	Foxconn (Far East) Limited	Pee Paragon Solutions Kft	Other Receivables	Y	1,424,000	1,424,000	1,424,000	0.000	Short term financing	-	- Business operation	-	- None	-	2,506,008,210	5,012,016,421	Note 2
29	Smart Technologies Inc.	Smart Technologies ULC	Other Receivables	Y	6,088,033	5,770,766	5,770,766	0-5.000	Short term financing	-	- Business operation	-	- None	-	259,455,417	518,910,835	Note 2
30	Smart Technologies Corp.	Smart Technologies ULC	Other Receivables	Y	614,689	576,720	576,720	0.180	Short term financing	-	- Business operation	-	- None	-	259,455,417	518,910,835	Note 2

Table 1, Page 7

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020	Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts		Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
												\$	-	Item	Value			
31	Smart Technologies ULC	Smart Technologies (China) Co., Ltd.	Other Receivables	Y	\$ 56,090	\$ 55,739	\$ 10,575	1.000	Short term financing	\$ -	Business operation	\$ -	None	\$ -	-	\$ 259,455,417	\$ 518,910,835	Note 2
32	Global Services Solutions S.R.O.	Vaultdx S.R.O.	Other Receivables	Y	7,980	-	-	N/A	Short term financing	-	Business operation	-	None	-	-	410,166	820,333	Note 2
33	Pee Paragon Solutions Kft	Foxconn Europe Digital Solutions S.R.O.	Other Receivables	Y	174,600	39,872	39,872	0.9505	Short term financing	-	Business operation	-	None	-	-	60,311,892	120,623,784	Note 2
34	Foxconn (Kunshan) Computer Connector Co., Ltd.	Chongqing Hongteng Technology Co., Ltd.	Other Receivables	Y	65,388	-	-	N/A	Short term financing	-	Business operation	-	None	-	-	1,980,961	3,961,922	Note 3
35	Fuyu Electrical Technology (Hui'an) Co., Ltd.	Funeng Electrical Technology (Heze) Co., Ltd.	Other Receivables	Y	175,280	174,184	174,184	3.915	Short term financing	-	Business operation	-	None	-	-	2,261,164	4,522,327	Note 3
36	Shunxin Technology (Samoa) Corporation Limited	Talentek Microelectronics (Hefei) Co., Ltd.	Other Receivables	Y	32,694	-	-	N/A	Short term financing	-	Business operation	-	None	-	-	94,097	376,387	Note 2
36	Shunxin Technology (Samoa) Corporation Limited	Shunxin Technology Holdings Limited	Other Receivables	Y	701,120	696,736	632,995	0.000	Short term financing	-	Business operation	-	None	-	-	3,763,868	3,763,868	Note 4
37	FIH Precision Component (Beijing) Co., Ltd.	Guizhou Fuzhikang Precision Electronics Co., Ltd.	Other Receivables	Y	1,525,720	-	-	N/A	Short term financing	-	Business operation	-	None	-	-	23,640,366	47,280,732	Note 5
37	FIH Precision Component (Beijing) Co., Ltd.	TNS Mobile (Beijing) Co., Ltd.	Other Receivables	Y	1,533,700	1,524,110	1,524,110	3.915	Short term financing	-	Business operation	-	None	-	-	23,640,366	47,280,732	Note 5
37	FIH Precision Component (Beijing) Co., Ltd.	FIH (Tianjin) Precision Industry Co., Ltd.	Other Receivables	Y	3,637,060	3,614,318	3,614,318	3.850-3.915	Short term financing	-	Business operation	-	None	-	-	23,640,366	47,280,732	Note 5
38	FIH Precision Electronics (Lang Fang) Co., Ltd.	Guizhou Fuzhikang Precision Electronics Co., Ltd.	Other Receivables	Y	1,307,760	-	-	N/A	Short term financing	-	Business operation	-	None	-	-	33,907,171	67,814,342	Note 5

Table 1, Page 8

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020	Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
38	FIH Precision Electronics (Lang Fang) Co., Ltd.	Shenzhen Next Generation Communications Limited	Other Receivables	Y	\$ 117,698	\$ 74,028	\$ 74,028	3.915	Short term financing	\$ -	- Business operation	\$ -	- None	\$ -	\$ 33,907,171	\$ 67,814,342	Note 5
38	FIH Precision Electronics (Lang Fang) Co., Ltd.	Hengyang Futaihong Precision Industry Co., Ltd.	Other Receivables	Y	438,200	435,460	435,460	3.915	Short term financing	-	- Business operation	-	- None	-	33,907,171	67,814,342	Note 5
38	FIH Precision Electronics (Lang Fang) Co., Ltd.	Shenzhen Futaihong Precision Industry Co., Ltd.	Other Receivables	Y	4,795,120	1,306,380	1,306,380	3.915	Short term financing	-	- Business operation	-	- None	-	33,907,171	67,814,342	Note 5
39	Honxun Electrical Industry (Hangzhou) Co., Ltd.	Guizhou Fuzhikang Precision Electronics Co., Ltd.	Other Receivables	Y	871,840	-	-	N/A	Short term financing	-	- Business operation	-	- None	-	19,151,271	38,302,542	Note 5
40	FIH Mobile Limited	TNS Mobile Oy	Other Receivables	Y	740,750	-	-	N/A	Short term financing	-	- Business operation	-	- None	-	5,911,761	23,647,043	Note 5
40	FIH Mobile Limited	Fushan Technology (Vietnam) Limited Liability Company	Other Receivables	Y	900,600	854,400	854,400	0.900	Short term financing	-	- Business operation	-	- None	-	5,911,761	23,647,043	Note 5
40	FIH Mobile Limited	TNS Limited	Other Receivables	Y	3,344,366	2,921,122	2,921,122	0.000	Short term financing	-	- Business operation	-	- None	-	5,911,761	23,647,043	Note 5
40	FIH Mobile Limited	ChiefExpertise Limited	Other Receivables	Y	3,252,177	3,125,954	3,125,954	0.000	Short term financing	-	- Business operation	-	- None	-	5,911,761	23,647,043	Note 5
41	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Fu You Wan De Trading Co., Ltd.	Other Receivables	Y	131,460	-	-	N/A	Short term financing	-	- Business operation	-	- None	-	40,086,636	80,173,271	Note 2
41	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Other Receivables	Y	1,095,500	1,088,650	1,088,650	3.915	Short term financing	-	- Business operation	-	- None	-	40,086,636	80,173,271	Note 2
42	Shenzhen Yuzhan Technology Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Other Receivables	Y	3,051,440	-	-	N/A	Short term financing	-	- Business operation	-	- None	-	90,887,655	181,775,310	Note 7

Table 1, Page 9

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020	Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower		Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote			
										\$	-			Business operation	\$				-	None	Value
42	Shenzhen Yuzhan Precision Technology Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Other Receivables	Y	\$ 1,752,800	\$ 1,741,840	\$ 1,741,840	3.915	Short term financing	\$	-	Business operation	\$	-	None	\$	90,887,655	\$ 181,775,310	Note 7		
42	Shenzhen Yuzhan Precision Technology Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Other Receivables	Y	18,874,680	5,225,520	5,225,520	3.915	Short term financing		-	Business operation		-	None		90,887,655	181,775,310	Note 7		
43	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Hebi Yuzhan Precision Technology Co., Ltd.	Other Receivables	Y	2,191,000	2,177,300	2,177,300	3.915	Short term financing		-	Business operation		-	None		90,887,655	181,775,310	Note 7		
43	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Other Receivables	Y	6,134,800	6,096,440	6,096,440	3.915	Short term financing		-	Business operation		-	None		90,887,655	181,775,310	Note 7		
43	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Other Receivables	Y	23,975,600	10,886,500	10,886,500	3.915	Short term financing		-	Business operation		-	None		90,887,655	181,775,310	Note 7		
44	Henan Yuzhan Technology Limited	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Other Receivables	Y	2,177,300	2,177,300	435,460	3.465	Short term financing		-	Business operation		-	None		90,887,655	181,775,310	Note 7		
44	Henan Yuzhan Technology Limited	Nanning Fugui Precision Industrial Co., Ltd.	Other Receivables	Y	3,923,280	-	-	N/A	Short term financing		-	Business operation		-	None		90,887,655	181,775,310	Note 7		
45	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Other Receivables	Y	1,314,600	1,306,380	1,306,380	3.915	Short term financing		-	Business operation		-	None		90,887,655	181,775,310	Note 7		
45	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Other Receivables	Y	5,696,600	5,660,980	5,660,980	3.915	Short term financing		-	Business operation		-	None		90,887,655	181,775,310	Note 7		
46	Ambit Microsystem (Shanghai) Co., Ltd.	System Integration Electronics (Hangzhou) Co., Ltd.	Other Receivables	Y	1,072,425	-	-	N/A	Short term financing		-	Business operation		-	None		90,887,655	181,775,310	Note 7		
47	IPL International Limited	Foxconn Technology CZ	Other Receivables	Y	1,951,300	1,851,200	1,851,200	0.000	Short term financing		-	Business operation		-	None		90,887,655	181,775,310	Note 7		

Table 1, Page 10

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020	Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
47	IPL International Limited	Foxconn CZ S.R.O.	Other Receivables	Y	\$ 4,219,500	\$ 4,129,600	\$ 4,129,600	0.000	Short term financing	\$ -	Business operation	\$ -	None	\$ -	\$ 90,887,655	\$ 181,775,310	Note 7
47	IPL International Limited	Focus PC Enterprises Limited	Other Receivables	Y	13,570,540	11,676,800	11,676,800	0.000	Short term financing	-	Business operation	-	None	-	90,887,655	181,775,310	Note 7
47	IPL International Limited	Cloud Network Technology Kft.	Other Receivables	Y	14,693,100	14,524,800	14,524,800	0.83-2.46	Short term financing	-	Business operation	-	None	-	90,887,655	181,775,310	Note 7
47	IPL International Limited	Cloud Network Technology Singapore Pte. Ltd.	Other Receivables	Y	34,222,800	29,619,200	29,619,200	0.000	Short term financing	-	Business operation	-	None	-	90,887,655	181,775,310	Note 7
48	Foxconn CZ S.R.O.	Safedx S.R.O.	Other Receivables	Y	21,399	21,362	21,362	0.600	Short term financing	-	Business operation	-	None	-	90,887,655	181,775,310	Note 7
48	Foxconn CZ S.R.O.	Foxconn Technology CZ	Other Receivables	Y	1,973,075	1,139,200	1,139,200	0.690	Short term financing	-	Business operation	-	None	-	90,887,655	181,775,310	Note 7
49	Cloud Network Technology Kft.	FII USA Inc.	Other Receivables	Y	6,251,770	6,180,160	6,180,160	0.84-2.46	Short term financing	-	Business operation	-	None	-	90,887,655	181,775,310	Note 7
50	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Langfang Yuzhan Technology Limited	Other Receivables	Y	65,730	65,319	65,319	3.850	Short term financing	-	Business operation	-	None	-	90,887,655	181,775,310	Note 7
51	Jinchen Hongren Technology Co. Ltd	Wuhan Yuzhan Precision Technology Co., Ltd.	Other Receivables	Y	438,200	435,460	435,460	3.915	Short term financing	-	Business operation	-	None	-	90,887,655	181,775,310	Note 7
52	Sharp Jusda Logistics Corp.	Sharp Jusda Logistics Operation(Thailand) Co., Ltd.	Other Receivables	Y	13,845	13,815	13,815	1.200	Short term financing	-	Business operation	-	None	-	64,694	258,774	Note 2
53	Fenix Industria De Electronicos Ltda.	Foxconn MOEBG Industria De Electronicos Ltda.-Brazil	Other Receivables	Y	274,120	274,120	164,472	0.000	Short term financing	-	Business operation	-	None	-	1,474,784	2,949,567	Note 2

Table 1, Page 11

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2020	Balance at December 31, 2020	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2020	December 31, 2020							Item	Value		
54	Fuhongyuan(Shenzhen) Environmental Technology Limited	Changchun Chentai Technology Co., Ltd.	Other Receivables	Y	\$ 30,482	\$ 30,482	\$ 30,482	3.465	Short term financing	\$ -	Business operation	\$ -	None	\$ 105,641	\$ 105,641	Note 2
54	Fuhongyuan(Shenzhen) Environmental Technology Limited	Changchun Leiguan Environmental Plastic Products Co., Ltd.	Other Receivables	Y	108,865	108,865	108,865	3.465	Short term financing	-	Business operation	-	None	528,207	1,056,414	Note 2

Note 1: The ceiling on total loans granted by a domestic subsidiary to all parties is 40% of the net assets value of lender; the ceiling on single loan granted by a domestic subsidiary to all parties is 10% of the net assets value of lender.

Note 2: The policy for loans granted mutually between overseas subsidiaries of which the Company directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by an overseas subsidiary to all

overseas subsidiaries is 400% of the net assets value of lender; limit on loans granted by an overseas subsidiary to a single overseas subsidiary is 200% of the net assets value of lender.

The policy for loans granted by subsidiaries to the company is as follows: ceiling on total loans granted by a subsidiary is 40% of the net assets value of lender; limit on loans granted by a subsidiary to a single party is 10% of the net assets value of lender.

The policy for loans granted by Smart Technologies Inc., Smart Technologies Corp. and Smart Technologies ULC are as follows :

ceiling on total loans to all parties is 40% of the Company's net assets ; limit on loans to a single party is 20% of the Company's net assets.

The policy for loans granted by Premier Image Technology (China) Ltd. and Fuhongyuan(Shenzhen) Environmental Technology Limited are as follows :

ceiling on total loans to all parties is 40% of the net assets value of lender ; limit on loans to a single party is 40% of the net assets value of lender.

Note 3: The policy for loans granted by Foxconn Interconnect Technology Limited is as follows: ceiling on total loans to all parties is 40% of the net assets value of Foxconn Interconnect Technology Limited; limit on loans to a single party is 10% of the net assets value of Foxconn Interconnect Technology Limited. Except for overseas subsidiaries of which the Foxconn Interconnect Technology Limited directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by overseas subsidiaries is 40% of the net assets value of Foxconn Interconnect Technology Limited; limit on loans granted by an overseas subsidiary to a single party is 20% of the net assets value of Foxconn Interconnect Technology Limited.

Note 4: The policy for loans granted by Shunsin Technology Holdings Limited is as follows : ceiling on total loans to all parties is 40% of the net assets value of Shunsin Technology Holdings Limited ;

limit on loans to a single party is 10% of the net assets value of Shunsin Technology Holdings Limited.

The policy for loans granted by overseas subsidiaries of which Shunsin Technology Holdings Limited directly or indirectly holds 100% of their voting shares is as follows:

ceiling on total loans granted by overseas subsidiaries is 200% of the net assets value of lender; limit on loans granted by an subsidiary to a single party is 100% of the net assets value of lender.

Except for overseas subsidiaries of which the Shunsin Technology Holdings Limited directly or indirectly holds 100% of their voting shares loan to Shunsin Technology Holdings Limited is as follows:

ceiling on total loans granted by overseas subsidiaries is 400% of the net assets value of lender; limit on loans granted by an overseas subsidiary to a single party is 400% of the net assets value of lender.

Note 5: The policy for loans granted by FIH Mobile Limited is as follows : ceiling on total loans to all parties is 40% of the net assets value of FIH Mobile Limited ; limit on loans to a single party is 10% of the net assets value of FIH Mobile Limited.

The policy for loans granted by overseas subsidiaries of which FIH Mobile Limited directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by overseas subsidiaries is 400% of the net assets value of lender; limit on loans granted by an subsidiary to a single party is 200% of the net assets value of lender.

Note 6: The policy for loans granted by Jusda Supply Chain Management International Ltd. is as follows : ceiling on total loans to all parties is 60% of the net assets value of lender ; limit on loans to a single party is 30% of the net assets value of lender.

Note 7: The policy for loans granted by overseas subsidiaries of which Foxconn Industrial Internet Co., Ltd. (FIH) directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by overseas subsidiaries

is 40% of the net assets value of FIH; limit on loans granted by an subsidiary to a single party is 20% of the net assets value of FIH. Except for subsidiaries of FIH loan to FIH is as follows:

ceiling on total loans granted by overseas subsidiaries is 40% of the net assets value of lender; limit on loans granted by an overseas subsidiary to a single party is 40% of the net assets value of lender.

The subsidiaries of FIH loan to subsidiaries of which FIH directly or indirectly holds more than 50% of their voting shares or subsidiaries of which lender directly or indirectly holds more than 50% of their voting shares is as follows:

ceiling on total loans granted by overseas subsidiaries is 40% of the net assets value of lender; limit on loans granted by an overseas subsidiary to a single party is 10% of the net assets value of lender.

Note 8: Shandong Jusda Supply Chain Management Co., Ltd. was renamed Shandong Anjie Supply Chain Management Co., Ltd. on April 16, 2020.

Note 9: The net assets referred to above are based on the latest audited financial statements.

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Table 2

Hon Hai Precision Industry Co., Ltd. and Subsidiaries Provision of endorsements and guarantees to others December 31, 2020															Expressed in thousands of TWD (Except as otherwise indicated)	
No.	Endorser/ guarantor	Party being endorsed/guaranteed		Relationship with the endorser/ guarantor	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2020	Outstanding endorsement/ guarantee amount at December 31, 2020	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of guarantees to the party in Mainland China	Footnote	
		Company name	Note 1													
0	Hon Hai Precision Industry Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	Note 1	\$ 648,638,544	\$ 19,500	\$ 19,500	\$ 19,500	\$ -	-	0.00	\$ 1,297,277,087	N	N	N	Note 4、8	
0	Hon Hai Precision Industry Co., Ltd.	Foxconn Slovakia, Spol. S.R.O.	Note 2	648,638,544	5,253,000	5,253,000	4,552,600	-	-	0.40	1,297,277,087	Y	N	N	Note 4、8	
0	Hon Hai Precision Industry Co., Ltd.	Falcon Precision Trading Limited	Note 2	648,638,544	8,325,800	8,273,740	-	-	-	0.64	1,297,277,087	Y	N	N	Note 4、8	
0	Hon Hai Precision Industry Co., Ltd.	AFE Inc.	Note 2	648,638,544	33,352,556	31,292,400	31,292,400	-	-	2.41	1,297,277,087	Y	N	N	Note 4、8	
0	Hon Hai Precision Industry Co., Ltd.	Competition Team Technologies Limited	Note 2	648,638,544	39,001,400	37,189,200	28,480,000	-	-	2.87	1,297,277,087	Y	N	N	Note 4、8	
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited	Note 2	648,638,544	123,680,000	113,920,000	70,687,800	-	-	8.78	1,297,277,087	Y	N	N	Note 4、8	
0	Hon Hai Precision Industry Co., Ltd.	Fuyu Properties (Shanghai) Co., Ltd.	Note 2	648,638,544	531,213	498,400	498,400	-	-	0.04	1,297,277,087	Y	N	Y	Note 4、8	
1	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Note 1	122,308,889	2,975,582	1,341,217	1,341,217	-	-	0.10	122,308,889	N	N	Y	Note 6、8	

Table 2, Page 1

No.	Endorser/ guarantor	Party being endorsed/guaranteed		Relationship with the endorser/ guarantor	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2020	Outstanding endorsement/ guarantee amount at December 31, 2020	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name				December 31, 2020	31, 2020							
1	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Lankao Yufu Precision Technology Co., Ltd.	Note 3		\$ 122,308,889	\$ 6,974,720	\$ 6,549,138	\$ -	0.50	\$ 122,308,889	N	N	Y	Note 5、8
2	Jusda International Limited	Jusda Europe S.R.O.	Note 2		1,650,130	365,720	365,095	-	0.03	1,650,130	Y	N	N	Note 7、8
3	Q-Edge Corporation	APE Inc.	Note 3		532,314	139,258	-	-	0.00	532,314	N	N	N	Note 5、8
4	Smart Technologies Inc.	Smart Technologies ULC	Note 2		259,455,417	1,365,975	1,281,600	-	0.10	648,638,544	N	N	N	Note 7、8
5	Shanghai Topone Logistics Co., Ltd.	Inner Mongolia Topone Logistics Co., Ltd.	Note 2		734,604	4,362	-	-	0.00	734,604	Y	N	Y	Note 7、8
5	Shanghai Topone Logistics Co., Ltd.	Chengdu Yipu Logistics Co., Ltd.	Note 2		734,604	5,124	3,033	-	0.00	734,604	Y	N	Y	Note 7、8
5	Shanghai Topone Logistics Co., Ltd.	Shandong Wangliu Logistics Co., Ltd.	Note 2		734,604	7,322	3,504	-	0.00	734,604	Y	N	Y	Note 7、8
5	Shanghai Topone Logistics Co., Ltd.	Wuhan Topone Logistics Co., Ltd.	Note 2		734,604	18,152	8,130	-	0.00	734,604	Y	N	Y	Note 7、8
5	Shanghai Topone Logistics Co., Ltd.	Guangzhou Wangliu Logistics Co., Ltd.	Note 2		734,604	25,783	15,495	-	0.00	734,604	Y	N	Y	Note 7、8

Table 2, Page 2

Party being endorsed/guaranteed				Relationship with the endorser/guarantor	Limit on endorsements/guarantees provided for a single party	Maximum outstanding endorsement/guarantee amount as of December 31, 2020	Outstanding endorsement/guarantee amount at December 31, 2020	Actual amount drawn down	Amount of endorsements/guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company (%)	Ceiling on total amount of endorsements/guarantees provided	Provision of		Footnote
No.	Endorser/guarantor	Company name	Endorser/guarantor									Provision of endorsements/guarantees by parent company	Provision of endorsements/guarantees to subsidiary	
5	Shanghai Topone Logistics Co., Ltd.	Xi'An Topone Logistics Co., Ltd.	Note 2	\$ 734,604	\$ 53,813	\$ 18,818	\$ 18,818	\$ -	0.00	\$ 734,604	Y	N	Y	Note 7 - 8
6	Pee Paragon Solutions Kft	Cloud Network Technology Kft	Note 2	30,155,946	73,921	71,342	71,342	-	0.01	30,155,946	N	N	N	Note 6 - 8
7	Lankao Yufu Precision Technology Co., Ltd.	Lankao Yufu Precision Technology Co., Ltd.	Note 1	8,549,343	301,385	261,276	261,276	-	0.02	8,549,343	N	N	Y	Note 6 - 8
8	Hongfusheng Precision Electronics (Zhengzhou) Co., Ltd.	Hongfusheng Precision Electronics (Zhengzhou) Co., Ltd.	Note 1	994,529	156,473	47,901	47,901	-	0.00	994,529	N	N	Y	Note 6 - 8
9	Foxconn Precision Electronics (Yantai) Co., Ltd.	Foxconn Precision Electronics (Yantai) Co., Ltd.	Note 1	2,704,563	59,206	17,418	17,418	17,418	0.00	2,704,563	N	N	Y	Note 6 - 8
10	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Note 1	42,975,427	38,750	30,482	30,482	30,482	0.00	42,975,427	N	N	Y	Note 6 - 8
11	Hongfutai Precision Electronics (Yantai) Co., Ltd.	Hongfutai Precision Electronics (Yantai) Co., Ltd.	Note 1	12,820,300	21,910	21,773	21,773	21,773	0.00	12,820,300	N	N	Y	Note 6 - 8
12	Yantai Futaitong International Logistics Co., Ltd.	Yantai Futaitong International Logistics Co., Ltd.	Note 1	22,882	2,180	-	-	-	0.00	22,882	N	N	Y	Note 6 - 8
13	Kunshan Fuchengke Precision Electrical Co., Ltd.	Kunshan Fuchengke Precision Electrical Co., Ltd.	Note 1	1,030,441	395,356	392,884	392,884	-	0.03	1,030,441	N	N	Y	Note 6 - 8

Table 2, Page 3

Party being endorsed/guaranteed			Relationship with the endorser/guarantor	Limit on endorsements/guarantees provided for a single party	Maximum outstanding endorsement/guarantee amount as of December 31, 2020	Outstanding endorsement/guarantee amount at December 31, 2020	Actual amount drawn down	Amount of endorsements/guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company (%)	Ceiling on total amount of endorsements/guarantees provided	Provision of		Footnote	
No.	Endorser/guarantor	Company name									endorsements/guarantees by parent company	endorsements/guarantees by subsidiary to the party in Mainland China		
14	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Note 1	\$ 6,510,945	\$ 4,795	\$ -	\$ -	\$ -	0.00	\$ 6,510,945	N	N	Y	Note 6 - 8
15	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Note 1	16,336,881	151,711	13,064	13,064	-	0.00	16,336,881	N	N	Y	Note 6 - 8
16	Hongzhaoda Integrated Innovative Service (Kunshan) Co., Ltd.	Hongzhaoda Integrated Innovative Service (Kunshan) Co., Ltd.	Note 1	429,752	1,753	1,742	1,742	-	0.00	429,752	N	N	Y	Note 6 - 8
17	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Note 1	8,309,667	8,764	4,355	4,355	-	0.00	8,309,667	N	N	Y	Note 6 - 8
18	Fuzhun Precision Tooling (Huaian) Co., Ltd.	Fuzhun Precision Tooling (Huaian) Co., Ltd.	Note 1	4,856,556	4,359	-	-	-	0.00	4,856,556	N	N	Y	Note 6 - 8
19	Fu Ding Electronic Technology (Jiashan) Co., Ltd.	Fu Ding Electronic Technology (Jiashan) Co., Ltd.	Note 1	31,198,114	355,275	10,887	10,887	-	0.00	31,198,114	N	N	Y	Note 6 - 8
20	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Note 1	20,043,318	738,805	620,966	620,966	-	0.05	20,043,318	N	N	Y	Note 6 - 8
21	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Note 1	44,160,422	258,330	130,638	130,638	-	0.01	44,160,422	N	N	Y	Note 6 - 8
22	Triple Win Technology (Jincheng) Co., Ltd.	Triple Win Technology (Jincheng) Co., Ltd.	Note 1	1,159,340	95,902	-	-	-	0.00	1,159,340	N	N	Y	Note 6 - 8

Table 2, Page 4

Party being endorsed/guaranteed			Relationship with the endorser/guarantor	Limit on endorsements/guarantees provided for a single party	Maximum outstanding endorsement/guarantee amount as of December 31, 2020	Outstanding endorsement/guarantee amount at December 31, 2020	Actual amount drawn down	Amount of endorsements/guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company (%)	Ceiling on total amount of endorsements/guarantees provided	Provision of endorsements/guarantees by parent company to subsidiary	Provision of endorsements/guarantees by subsidiary to parent company	Provision of endorsements/guarantees to the party in Mainland China	Footnote
No.	Endorser/guarantor	Company name												
23	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Note 1	\$ 65,148,117	\$ 693,462	\$ 674,963	\$ 674,963	\$ -	0.05	\$ 65,148,117	N	N	Y	Note 6 - 8
23	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Note 2	65,148,117	174,368	54,433	54,433	-	0.00	65,148,117	Y	N	Y	Note 6 - 8
24	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Note 1	4,619,622	174,368	93,188	93,188	-	0.01	4,619,622	N	N	Y	Note 6 - 8
25	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Note 1	8,922,130	43,820	43,546	43,546	-	0.00	8,922,130	N	N	Y	Note 6 - 8
26	Fujun Precision Electronics (Chongqing) Co., Ltd.	Fujun Precision Electronics (Chongqing) Co., Ltd.	Note 1	371,247	8,764	8,709	8,709	8,709	0.00	371,247	N	N	Y	Note 6 - 8
27	Chongqing Hongteng Technology Co., Ltd.	Chongqing Hongteng Technology Co., Ltd.	Note 1	98,848	876	871	871	871	0.00	197,696	N	N	Y	Note 7 - 8
28	Fuyu Electronical Technology (Huaian) Co., Ltd.	Fuyu Electronical Technology (Huaian) Co., Ltd.	Note 1	5,652,909	258,330	156,766	156,766	-	0.01	11,305,818	N	N	Y	Note 7 - 8
29	Huaian Fultong Trading Co., Ltd.	Huaian Fultong Trading Co., Ltd.	Note 1	394,180	32,694	19,596	19,596	19,596	0.00	788,360	N	N	Y	Note 7 - 8
30	Fu Sheng Optoelectronics Technology (Kunshan) Co., Ltd.	Fu Sheng Optoelectronics Technology (Kunshan) Co., Ltd.	Note 1	270,709	26,617	26,450	26,450	26,450	0.00	541,418	N	N	Y	Note 7 - 8

Table 2, Page 5

No.	Party being endorsed/guaranteed		Endorser/ guarantor	Company name	Relationship with the endorser/ guarantor	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2020	Outstanding endorsement/ guarantee amount at December 31, 2020	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
31	Foxconn Interconnect Technology Limited Taiwan Branch	Foxconn Interconnect Technology Limited Taiwan Branch	Note 1	\$ 32,038,993	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	-	0.00	\$ 64,077,986	N	N	N	Note 7 - 8
32	Hon-Ling Technology Co., Ltd.	Hon-Ling Technology Co., Ltd.	Note 1	733,073	2,000	2,000	2,000	2,000	2,000	2,000	0.00	733,073	N	N	N	Note 6 - 8
33	Hengyang Futaihong Precision Industry Co., Ltd.	Hengyang Futaihong Precision Industry Co., Ltd.	Note 1	1,384,150	36,792	6,532	6,532	6,532	6,532	-	0.00	1,384,150	N	N	Y	Note 6 - 8
34	Shenzhen Futaihong Precision Industry Co., Ltd.	Shenzhen Futaihong Precision Industry Co., Ltd.	Note 1	17,912,033	129,573	65,319	65,319	65,319	65,319	-	0.01	17,912,033	N	N	Y	Note 6 - 8
35	Futaijing Precision Electronics (Yantai) Co., Ltd.	Futaijing Precision Electronics (Yantai) Co., Ltd.	Note 1	1,573,900	4,352	4,355	4,355	4,355	4,355	4,355	0.00	1,573,900	N	N	Y	Note 6 - 8
36	Futaihua Industrial (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Note 1	250,616,375	1,371,566	709,800	709,800	709,800	709,800	-	0.05	250,616,375	N	N	Y	Note 6 - 8
37	Ur Materials (Shenzhen) Co., Ltd.	Ur Materials (Shenzhen) Co., Ltd.	Note 1	1,096,235	523,104	-	-	-	-	-	0.00	1,096,235	N	N	Y	Note 6 - 8
38	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Note 1	125,556,134	383,752	347,715	347,715	347,715	347,715	-	0.03	125,556,134	N	N	Y	Note 6 - 8
39	Triple Win Technology (Shenzhen) Co., Ltd.	Triple Win Technology (Shenzhen) Co., Ltd.	Note 1	7,690,065	26,292	26,128	26,128	26,128	26,128	-	0.00	7,690,065	N	N	Y	Note 6 - 8

Table 2, Page 6

Party being endorsed/guaranteed			Relationship with the endorser/guarantor	Limit on endorsements/guarantees provided for a single party	Maximum outstanding endorsement/guarantee amount as of December 31, 2020	Outstanding endorsement/guarantee amount at December 31, 2020	Actual amount drawn down	Amount of endorsements/guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company (%)	Ceiling on total amount of endorsements/guarantees provided	Provision of			Footnote
Endorser/guarantor	Company name	Endorsements/guarantees by parent company to subsidiary									endorsements/guarantees by subsidiary to parent company	Provision of endorsements/guarantees to the party in Mainland China		
No.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Note 1	\$ 4,899,338	\$ 47,510	\$ 43,546	\$ 43,546	\$ -	0.00	\$ 9,798,677	N	N	Y	Note 7 - 8
41	Premier Image Technology (China) Ltd.	Premier Image Technology (China) Ltd.	Note 1	5,753,405	2,180	-	-	-	0.00	5,753,405	N	N	Y	Note 6 - 8
42	Hongfujin Precision Electronics (Hengyang) Co., Ltd.	Hongfujin Precision Electronics (Hengyang) Co., Ltd.	Note 1	3,597,603	1,308	-	-	-	0.00	3,597,603	N	N	Y	Note 6 - 8
43	Foxconn Hon Hai Technology India Mega Development	Foxconn Hon Hai Technology India Mega Development	Note 1	4,870,333	103,504	95,343	95,343	-	0.01	4,870,333	N	N	N	Note 6 - 8
44	Global Services Solutions S.R.O.	Global Services Solutions S.R.O.	Note 1	205,083	1,108	-	-	-	0.00	205,083	N	N	N	Note 6 - 8
45	Foxconn Slovakia, Spol. S.R.O.	Foxconn Slovakia, Spol. S.R.O.	Note 1	4,319,642	17,540	17,510	17,510	-	0.00	4,319,642	N	N	N	Note 6 - 8
46	Shunsin Technology (Zhong Shan) Limited	Shunsin Technology (Zhong Shan) Limited	Note 1	9,234,523	21,910	21,773	21,773	-	0.00	9,234,523	N	N	Y	Note 6 - 8
47	Henan Yuzhan Technology Limited	Henan Yuzhan Technology Co., Ltd.	Note 1	51,367,677	263,465	100,156	100,156	-	0.01	102,735,354	N	N	Y	Note 7 - 8
48	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Note 1	28,920,377	888,338	888,338	888,338	-	0.07	57,840,755	N	N	Y	Note 7 - 8

Table 2, Page 7

Party being endorsed/guaranteed			Relationship with the endorser/ guarantor	Company name	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2020	Outstanding endorsement/ guarantee amount at December 31, 2020	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of			Footnote
No.	Endorser/ guarantor	Hebi Yuzhan Precision Technology Co., Ltd.										Provision of endorsements/ guarantees by parent company	Provision of endorsements/ guarantees to subsidiary to the party in Mainland China	Note 7、8	
49	Hebi Yuzhan Precision Technology Co., Ltd.	Hebi Yuzhan Precision Technology Co., Ltd.	Note 1		\$ 1,473,060	\$ 135,135	\$ 4,355	\$ 4,355	-	0.00	\$ 2,946,120	N	Y	Note 7、8	
50	Shenzhen Yuzhan Precision Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Note 1		30,647,473	201,572	200,312	200,312	-	0.02	61,294,947	N	Y	Note 7、8	
51	Shenzhen Fugui Precision Industrial Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Note 1		5,684,815	7,969,054	237,326	237,326	-	0.02	11,369,629	N	Y	Note 7、8	
52	Ambit Microsystem (Shanghai) Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Note 1		4,198,225	21,449	10,887	10,887	-	0.00	8,396,451	N	Y	Note 7、8	
53	Amworld Microsystems (Shanghai) Ltd.	Amworld Microsystems (Shanghai) Ltd.	Note 1		505,461	42,274	13,064	13,064	-	0.00	1,010,922	N	Y	Note 7、8	
54	System Integration Electronics (Hangzhou) Co., Ltd.	System Integration Electronics (Hangzhou) Co., Ltd.	Note 1		1,228,519	65,388	39,191	39,191	-	0.00	2,457,039	N	Y	Note 7、8	
55	Shanxi Yuding Precision Technology Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Note 1		8,384,543	12,682	6,532	6,532	6,532	0.00	16,769,087	N	Y	Note 7、8	
56	Wuhan Yuzhan Precision Technology Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Note 1		1,289,939	148,213	8,709	8,709	-	0.00	2,579,879	N	Y	Note 7、8	
57	Chongqing Fugui Electronics Co., Ltd.	Chongqing Fugui Electronics Co., Ltd.	Note 1		700,658	657	653	653	653	0.00	1,401,317	N	Y	Note 7、8	

Table 2, Page 8

Party being endorsed/guaranteed			Relationship with the endorser/guarantor	Limit on endorsements/guarantees provided for a single party	Maximum outstanding endorsement/guarantee amount as of		Outstanding endorsement/guarantee amount at December 31, 2020	Actual amount drawn down	Amount of endorsements/guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company (%)	Ceiling on total amount of endorsements/guarantees provided	Provision of		Footnote
No.	Endorser/guarantor	Company name			December 31, 2020	December 31, 2020						Provision of endorsements/guarantees by parent company	Provision of endorsements/guarantees to the party in Mainland China	
58	Baichang Technology Service (Tianjin) Co., Ltd.	Baichang Technology Service (Tianjin) Co., Ltd.	Note 1	\$ 631,498	\$ 36,361	\$ 36,361	\$ 36,361	\$ 36,361	0.00	\$ 1,262,996	N	N	Y	Note 7 & 8
59	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Note 1	15,218,754	1,727,640	435,460	435,460	-	0.03	30,437,508	N	N	Y	Note 7 & 8
60	Foxconn CZ S.R.O.	Foxconn CZ S.R.O.	Note 1	4,025,067	2,013	1,995	1,995	-	0.00	8,050,135	N	N	N	Note 7 & 8
61	Ingrasys Technology Inc.	Ingrasys Technology Inc.	Note 1	1,748,425	22,032	22,008	22,008	-	0.00	3,496,849	N	N	N	Note 7 & 8
62	Foxconn Cloud Network Technology Singapore Pte. Ltd., Taiwan Branch	Foxconn Cloud Network Technology Singapore Pte. Ltd., Taiwan Branch	Note 1	2,394,629	1,000	1,000	1,000	1,000	0.00	4,789,258	N	N	N	Note 7 & 8
63	Jincheng Futaihua Precision Electronic Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Note 1	8,360,716	8,764	8,709	8,709	-	0.00	16,721,432	N	N	Y	Note 7 & 8
64	Zhengzhou Yu Teng Precision Technology Co., Ltd.	Zhengzhou Yu Teng Precision Technology Co., Ltd.	Note 1	1,955,732	438	435	435	-	0.00	1,955,732	N	N	Y	Note 6 & 8
65	Fujian Precision Industrial (Jincheng) Co., Ltd.	Fujian Precision Industrial (Jincheng) Co., Ltd.	Note 1	34,529,889	8,764	8,709	8,709	-	0.00	34,529,889	N	N	Y	Note 6 & 8
66	Ingrasys (Singapore) Pte. Ltd.	Ingrasys (Singapore) Pte. Ltd.	Note 1	3,301,697	10,197	9,896	9,896	-	0.00	6,603,394	N	N	N	Note 7 & 8

Table 2, Page 9

No.	Endorser/ guarantor	Party being endorsed/guaranteed		Relationship with the endorser/ guarantor	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2020	Outstanding endorsement/ guarantee amount at December 31, 2020	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name													
67	Foxconn Industrial Internet Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Note 2	\$ 227,219,138	\$	17,778,000	\$ 17,088,000	\$ -	\$ -	1.32	\$ 454,438,275	N	N	N	Note 6 - 8
68	FIH Precision Electronics (Lang Fang) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Note 1	16,953,586		13,146	13,064	13,064	-	0.00	16,953,586	N	N	Y	Note 6 - 8
69	FIH Mobile Limited	FIH (Hong Kong) Limited	Note 2	29,558,803		8,730,000	8,544,000	-	-	0.66	59,117,606	Y	N	N	Note 8 - 9

Note 1: Having business relationship.

Note 2: The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed company.

Note 3: The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

Note 4: The total endorsements and guarantees of the Company to others should not be in excess of the Company's net assets, and for a single party should not be in excess of 50% of the Company's net assets.

Note 5: The total endorsements and guarantees of the Company and its subsidiaries to others as a whole should not be in excess of the Company's net assets, and for a single enterprise should not be in excess of 50% of the Company's net assets.

Note 6: The total endorsements and guarantees of overseas subsidiaries of which the Company directly or indirectly holds 100% of their voting shares to others should not be in excess of the endorsement guarantee Company's net assets, and for a single party should not be in excess of the endorsement guarantee Company's net assets.

Note 7: The total amount of the Company's subsidiaries' guarantees for customs duties to itself should not be in excess of the endorsement guarantee Company's net assets, and for a single party should not be in excess of the endorsement guarantee Company's net assets.

Note 8: The net assets referred to above are based on the latest audited financial statements.

Note 9: FIH Mobile Limited and its 100% subsidiary, FIH (Hong Kong) Limited, and FIH Mexico Industry Sa De Cv mutually endorse their bank debts, and the ceiling on total amount of endorsements/ guarantees provided is US\$300 million.

Among them, the ceiling on total amount of endorsements/ guarantees provided of FIH (Hong Kong) Limited endorsement guarantee is 100% of its own net asset value, and the ceiling of single party is 50% of its own net asset value;

The ceiling on total amount of endorsements/ guarantees provided of FIH Mexico Industry Sa De Cv / FIH (Hong Kong) Limited endorsement guarantee is 200% of its own net asset value, and the ceiling of single party is 100% of its own net asset value.

Since no company has incurred bank debts, FIH (Hong Kong) Limited acts as the representative of the guarantor to disclose. When the company actually incurs bank debts, the actual amount of debts will be disclosed, and the net asset value of the company providing endorsement guarantee is used to calculate the limit.

The limit on endorsements/guarantees are calculated as follows:

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The limit on endorsements/guarantees are calculated as follows:

Table 2, Page 10

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Holding of marketable securities (not including subsidiaries, associates and joint ventures)
December 31, 2020

Table 3

	As of December 31, 2020						Expressed in thousands of TWD (Except as otherwise indicated)	
	Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	Number of shares (in thousand shares or thousand units)	Owner ship (%)	Fair value	Footnote
Hon Hai Precision Industry Co., Ltd.	Common Stock of Innolux Co., Ltd.	Other related party	(1)	147,965	\$	2,086,312	1	\$ 2,086,312
"	Common Stock of Usun Technology Co., Ltd.	None	(1)	5,180		221,704	8	221,704
"	Common Stock of Shieh Yong Investment Co., Ltd.	None	(1)	11,562		200,603	2	200,603
"	Others (Note 3)	None	(1)	-		212	-	212
Bon Shin International Investment Co., Ltd. and subsidiaries	Common Stock of Simplo Technology Co., Ltd.	None	(1)	7,730		2,705,657	4	2,705,657
"	Common Stock of UVAT Technology Co., Ltd.	None	(1)	4,064		245,038	10	245,038
"	Others (Note 3)	None	(1)	-		198,133	-	198,133
Hon Yuan International Investment Co., Ltd.	Common Stock of Usun Technology Co., Ltd.	None	(1)	784		33,555	1	33,555
"	Others (Note 3)		(1)	-		256	-	256
Lin Yih International Investment Co., Ltd. and subsidiaries	Common Stock of Waltop International Corporation	None	(1)	44		256	-	256
"	Others (Note 3)	None	(1)	-		872	-	872
Hyield Venture Capital Co., Ltd. and subsidiaries	Common Stock of Innolux Co., Ltd.	Other related party	(1)	176,311		2,485,988	2	2,485,988
"	Common Stock of Microelectronics Technology Inc.	None	(1)	7,616		253,978	3	253,978
"	Common Stock of Simplo Technology Co., Ltd.	None	(1)	8,215		2,875,132	4	2,875,132
"	Common Stock of Taiwan Mobile Co., Ltd.	None	(1)	31,974		3,162,253	1	3,162,253
"	Common Stock of Usun Technology Co., Ltd.	None	(1)	3,836		164,181	6	164,181
"	Common Stock of Tai Tung Communication Co., Ltd.	None	(2)	-		105,653	-	105,653
"	Others (Note 3)	None	(1)(2)	-		145,010	-	145,010
Hongqi Venture Capital Co., Ltd. and subsidiaries	Waltop International Corporation	None	(1)	44		256	-	256
Foxconn (Far East) Limited and subsidiaries	Digital Currency Group, Inc.	None	(1)	9		277,930	1	277,930
"	Cloudminds Inc.	None	(1)	-		347,456	1	347,456
"	Galaxy Digital Holdings Ltd.	None	(1)	4,537		1,176,341	7	1,176,341

Table 3, Page 1

As of December 31, 2020

Securities held by Foxconn (Far East) Limited and subsidiaries	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	Number of shares (in thousand shares or thousand units)	Owner		
					Book value	ship (%)	Fair value
	Common Stock of HMD Global Oy	None	(1)	-	\$ 4,471,360	-	\$ 4,471,360
"	Hopu-Arm Innovation Fund, L.P.	None	(2)	-	374,489	-	374,489
"	IDG China Capital Fund III L.P.	None	(2)	-	3,319,970	-	3,319,970
"	Dongguan U-Bond Material Technology Co., Ltd.	None	(1)	2,750	128,444	5	128,444
"	ZAP Medical System, Ltd.	None	(1)	18	150,758	1	150,758
"	Megvii AI Technology	None	(1)	2,276	1,041,560	2	1,041,560
"	Keyssa, Inc.	None	(1)	-	197,119	-	197,119
"	Molekule Inc.	None	(1)	-	139,552	-	139,552
"	Moran Cognitive Technology (Cayman) Limited	None	(1)	16,993	300,056	12	300,056
"	Nanoplus Technology Ltd.	None	(1)	12,383	185,993	9	185,993
"	Viu International Limited	None	(1)	3,000	726,240	5	726,240
"	Common Stock of SK Holding Co., Ltd.	None	(1)	2,450	15,103,015	3	15,103,015
"	Skyeus China Fund, L.P.	None	(2)	-	2,005,508	5	2,005,508
"	Softbank Vision Fund L.P.	None	(2)	-	23,764,225	1	23,764,225
"	Best Educational Organization	None	(1)	-	102,528	-	102,528
"	Common Stock of Vizio Inc.	None	(1)	515	558,506	3	558,506
"	Visionaire Ventures Fund II, L.P.	None	(2)	-	505,333	-	505,333
"	China Harmony New Energy Auto Holding Ltd.	None	(2)	128,734	1,745,217	8	1,745,217
"	Xiaoju Kuaizhi Inc.	None	(1)	3,136	3,118,356	-	3,118,356
"	Beijing-based Pensees Technology Co., Ltd.	None	(1)	-	63,834	4	63,834
"	Henan Ancai Hi-Tech Co., Ltd.	None	(1)	147,013	4,282,811	17	4,282,811
"	Shenzhen Yuto Packaging Technology Co., Ltd.	None	(1)	30,650	4,086,741	-	4,086,741
"	Contemporary Ampere Technology Co., Limited	None	(1)	16,100	24,615,342	1	24,615,342
"	China Unicom Smart Connection Technology Co., Ltd.	None	(1)	-	179,540	3	179,540
"	Artificial Intelligent Speech Co., Ltd.	None	(1)	-	217,730	1	217,730
"	Asia-IO Holdings Limited	None	(1)	-	356,000	-	356,000
"	Figure Technologies Inc.	None	(1)	-	170,435	-	170,435
"	Ningbo Radi-Cool Advanced Energy Technologies Co., Ltd.	None	(1)	-	52,628	3	52,628
"	Jinan Fujie industrial investment fund partnership (limited partnership)	None	(2)	-	347,453	-	347,453
"	Plume Design, Inc.	None	(1)	-	280,528	-	280,528

Table 3, Page 2

As of December 31, 2020

Securities held by Foxconn (Far East) Limited and subsidiaries	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	Number of shares (in thousand shares or thousand units)	Owner			Footnote
					Book value	ship (%)	Fair value	
	Nuwa Robotics Corporation	None	(1)	-	\$ 113,920	-	\$ 113,920	
"	Airspan Network Inc.	None	(1)	-	199,363	-	199,363	
"	Suzhou Xindalu Precision Technology Co. Ltd.	None	(1)	-	118,481	-	118,481	
"	Luster LightTech Group Co., Ltd.	None	(1)	-	1,088,650	-	1,088,650	
"	Pegasus Holdings Limited	None	(2)	-	121,752	-	121,752	
"	IDG Breyer Capital Fund L.P.	None	(2)	-	5,328,852	-	5,328,852	
"	Wise Road Industry Investment Fund I, L.P.	None	(2)	-	182,398	-	182,398	
"	Others (Note 3)	None	(1)(2)	-	6,425,036	-	6,425,036	
"	Finance Trust Peng Yun Tian Hua Collection Fund Trust	None	(3)	-	11,321,960	-	11,321,960	
"	500 Startups III, L.P.	None	(2)	-	255,606	6	255,606	
Foxconn Holding Ltd. and subsidiaries								
"	S.A.S. Dragon Holdings Ltd.	None	(1)	124,000	1,366,698	-	1,366,698	
"	Airspan Networks Inc.	None	(1)	97	19,146	3	19,146	
"	Cloudminds Technologies Co., Ltd.	None	(1)	6,206	672,493	2	672,493	
"	Globant S.A. (GLOB)	None	(1)	45	279,874	-	279,874	
"	GVFX1 L.P.	None	(2)	-	368,071	-	368,071	
"	Sinovation Fund III, L.P.	None	(2)	-	1,302,750	-	1,302,750	
"	Innovation Works Development Fund. L.P.	None	(2)	-	787,102	-	787,102	
"	Innovation Works Limited	None	(1)	2,600	125,882	-	125,882	
"	Inuitive, Ltd.	None	(1)	1,193	175,464	5	175,464	
"	Kinova, Inc.	None	(1)	3,000	212,746	4	212,746	
"	Keyssa, Inc.	None	(1)	1,826	97,993	3	97,993	
"	Nautilus Venture Partners Fund I, L.P.	None	(2)	-	749,791	-	749,791	
"	Playground Global, LLC	None	(2)	-	157,619	-	157,619	
"	Playground Ventures II, L.P.	None	(2)	-	2,885,365	-	2,885,365	
"	Playground Ventures, L.P.	None	(2)	-	1,373,295	-	1,373,295	
"	Riverwood Capital Partners L.P.	None	(2)	-	278,019	-	278,019	
"	Silverlink Capital, L.P.	None	(2)	-	4,640,060	-	4,640,060	
"	Sinovation Fund IV, L.P.	None	(2)	-	712,613	-	712,613	
"	Softbank Vision Fund L.P.	None	(2)	-	23,764,225	-	23,764,225	
"	TJ 2015 Fund L.P.	None	(2)	-	764,681	-	764,681	

Table 3, Page 3

As of December 31, 2020

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	Number of shares (in thousand shares or thousand units)	Book value	Owner ship (%)	Fair value	Footnote
Foxconn Holding Ltd. and subsidiaries	Translink Capital Partners II, L.P.	None	(2)	-	\$ 236,690	-	\$ 236,690	
"	Translink Capital Partners III, L.P.	None	(2)	-	503,347	-	503,347	
"	Translink Capital Partners IV, L.P.	None	(2)	-	101,318	-	101,318	
"	WRV II-A, L.P.	None	(2)	-	2,854,704	-	2,854,704	
"	WRVI Capital III, L.P.	None	(2)	-	1,200,145	-	1,200,145	
"	Devialer SA	None	(1)	41	269,447	5	269,447	
"	Others (Note 3)	None	(1)(2)	-	514,596	-	514,596	
Foxconn Singapore Pte. Ltd.	Common Stock of Hike Global Pte, Ltd.	None	(1)	-	64,080	-	64,080	
Margini Holdings Limited-B.V.I. and subsidiaries	IDG Breyer Capital Fund L.P.	None	(2)	-	99,110	-	99,110	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS 9 'Financial instruments'.

Note 2: Code of general ledger accounts: (1) Financial asset measured at fair value through other comprehensive income (2) Financial assets at fair value through profit or loss (3) Financial asset measured at amortised cost

Note 3: Due to the amount is insignificant, combined disclosure is adopted.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries

Acquisition or sale of the same security with the accumulated cost reaching NT \$300 million or 20% of paid-in capital or more
For the year ended December 31, 2020

Table 4

Expressed in thousands
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty (Note 6)	Relationship with the investor (Note 6)	Balance as at January 1, 2020			Addition			Disposal			Balance as at December 31, 2020		
					Transaction currency	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Selling price	Book value	Gain (loss) on disposal	Number of shares (in thousand shares)	Amount	
Hon Hai Precision Industry Co., Ltd.	Foxconn Holding Limited	Note 1	Foxconn Holding Ltd.	Note 7	USD	1,453,568	\$ 1,453,568	68,383	\$ 68,383	-	\$ -	-	\$ -	1,521,951	\$ 1,521,951	
"	Foxconn Singapore Pte. Ltd.	Note 1	Foxconn Singapore Pte. Ltd.	Note 7	USD	299,838	299,838	104,000	104,000	-	-	-	-	403,838	403,838	
"	Foxtron Vehicle Technologies Co., Ltd.	Note 1	Foxtron Vehicle Technologies Co., Ltd.	Note 7	TWD	-	-	785,032	7,850,321	-	-	-	-	785,032	7,850,321	
Foxconn (Far East) Limited and Subsidiaries	Softbank Vision Fund L.P.	Note 4, 5	-	-	USD	-	664,993	-	38,282	-	-	-	-	-	834,418	
"	Common Stock of Dell Technologies Inc. Class C	Note 4	-	-	USD	1,734	89,136	-	-	1,734	95,900	95,900	-	-	-	
"	Ainemo Inc.	Note 2	-	-	USD	196,528	7,995	-	-	196,528	38,706	38,706	-	-	-	
"	IDG Breyer Capital Fund L.P.	Note 4	-	-	USD	-	-	-	187,109	-	-	-	-	-	187,109	
"	HMD Global Oy	Note 2	-	-	USD	-	49,000	-	51,300	-	-	-	-	-	157,000	
"	Luster LightTech Group Co., Ltd.	Note 2	-	-	RMB	-	-	-	250,000	-	-	-	-	-	250,000	
"	Tianjin Aiqi Honhai Smart Transportation Equity Investment Fund Partnership L.P.	Note 2	-	-	RMB	-	165,582	-	380,000	-	-	-	-	-	1,174,845	
"	Shandong Chengshang Energy Co., Ltd.	Note 1	-	Note 7	RMB	-	-	-	275,260	-	-	-	-	-	275,260	
"	Mobile Drive Technology Co., Ltd.	Note 1	-	Note 7	TWD	-	-	50,000	500,000	-	-	-	-	50,000	500,000	

Table 4, Page 1

Balance as at January 1, 2020															Addition				Disposal				Balance as at December 31, 2020			
Investor	Marketable securities	General ledger account	Counterparty (Note 6)	Relationship with the investor (Note 6)	Transaction currency	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Selling price	Book value	Gain (loss) on disposal	Number of shares (in thousand shares)	Amount											
Foxconn (Far East) Limited and Subsidiaries	Guangzhou Xiaopeng Motors Technology Company Ltd.	Note 2	-	-	RMB	25,385	\$ 330,000	-	\$ -	-	25,385	\$ 330,000	\$ -	-	\$ -											
"	Hongfutai Precision Electronics (Yantai) Co., Ltd.	Note 1	-	Note 7	USD	-	-	-	100,000	-	-	-	-	-	100,000											
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	400,000	-	402,541	400,000	2,541	-	-											
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	400,000	-	402,541	400,000	2,541	-	-											
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	1,000,000	-	-	-	1,003,074	1,000,000	3,074	-	-											
"	RMB-Structured Deposits	Note 3	-	-	RMB	-	150,000	-	-	-	150,562	150,000	562	-	-											
"	RMB-Structured Deposits	Note 3	-	-	RMB	-	300,000	-	-	-	301,093	300,000	1,093	-	-											
"	RMB-Structured Deposits	Note 3	-	-	RMB	-	-	-	350,000	-	351,074	350,000	1,074	-	-											
"	Wealth Shuttle No.3	Note 3	-	-	RMB	-	300,000	-	-	-	302,515	300,000	2,515	-	-											
"	Wealth Shuttle No.3	Note 3	-	-	RMB	-	200,000	-	-	-	201,677	200,000	1,677	-	-											
"	Wealth Shuttle No.3	Note 3	-	-	RMB	-	500,000	-	-	-	504,192	500,000	4,192	-	-											
"	Wealth Shuttle No.3	Note 3	-	-	RMB	-	300,000	-	-	-	302,515	300,000	2,515	-	-											
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	200,000	-	-	-	201,825	200,000	1,825	-	-											
"	RMB-Structured Deposits	Note 3	-	-	RMB	-	-	-	600,000	-	602,249	600,000	2,249	-	-											
"	Wealth Shuttle No.2	Note 3	-	-	RMB	-	500,000	-	-	-	502,630	500,000	2,630	-	-											
"	Wealth Shuttle No.1	Note 3	-	-	RMB	-	-	-	200,000	-	200,535	200,000	535	-	-											

Table 4, Page 2

Investor	Marketable securities	General ledger account	Counterparty (Note 6)	Relationship with the investor (Note 6)	Balance as at January 1, 2020			Addition			Disposal			Balance as at December 31, 2020		
					Transaction currency	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Selling price	Book value	Gain (loss) on disposal	Number of shares (in thousand shares)	Amount	
Foxconn (Far East) Limited and Subsidiaries	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	\$ 550,000	-	\$ -	-	\$ 554,029	\$ 550,000	\$ 4,029	-	\$ -	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	400,000	-	401,151	400,000	1,151	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	400,000	-	401,206	400,000	1,206	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	400,000	-	401,124	400,000	1,124	-	-	-
"	RMB-Structured Deposits	Note 3	-	-	RMB	-	75,000	-	-	-	76,413	75,000	1,413	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	100,000	-	100,873	100,000	873	-	-	-
"	"Winners" Currency and Bond Series Financial Products	Note 3	-	-	RMB	-	-	-	500,000	-	502,637	500,000	2,637	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	1,000,000	-	1,004,863	1,000,000	4,863	-	-	-
"	RMB-Structured Deposits	Note 3	-	-	RMB	-	-	-	200,000	-	200,524	200,000	524	-	-	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 3	-	-	RMB	-	-	-	400,000	-	402,762	400,000	2,762	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	200,000	-	201,800	200,000	1,800	-	-	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 3	-	-	RMB	-	-	-	396,000	-	398,734	396,000	2,734	-	-	-

Table 4, Page 3

Investor	Marketable securities	General ledger account	Counterparty (Note 6)	Relationship with the investor (Note 6)	Balance as at January 1, 2020				Disposal				Balance as at December 31, 2020			
					Transaction currency	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount	Selling price	Book value	Gain (loss) on disposal	Number of shares (in thousand shares)	Amount		
Foxconn (Far East) Limited and Subsidiaries	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	\$ -	-	\$ 1,000,000	-	\$ 1,003,255	\$ 3,255	-	\$ -	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	40,000	40,245	40,000	245	-	-	-	-
"	"Winners" Currency and Bond Series Financial Products	Note 3	-	-	RMB	-	-	-	550,000	554,719	550,000	4,719	-	-	-	-
"	"Winners" Currency and Bond Series Financial Products	Note 3	-	-	RMB	-	-	-	300,000	301,385	300,000	1,385	-	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	400,000	402,490	400,000	2,490	-	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	300,000	301,867	300,000	1,867	-	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	400,000	401,588	400,000	1,588	-	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	100,000	100,622	100,000	622	-	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	150,000	150,934	150,000	934	-	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	100,000	100,397	100,000	397	-	-	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 3, 5	-	-	RMB	-	-	-	45,000	45,417	45,000	417	-	-	-	-
"	"Winners" Currency and Bond Series Financial Products	Note 3	-	-	RMB	-	-	-	100,000	100,540	100,000	540	-	-	-	-

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Balance as at														
January 1, 2020														
Investor	Marketable securities	General ledger account	Counterparty (Note 6)	Relationship with the investor (Note 6)	Transaction currency	Number of shares (in thousand shares)		Addition		Disposal		Balance as at December 31, 2020		
						Amount	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Selling price	Book value	Gain (loss) on disposal	Number of shares (in thousand shares)	Amount
Foxconn (Far East) Limited and Subsidiaries	“Winners” Currency and Bond Series Financial Products	Note 3	-	-	RMB	-	\$ -	-	\$ 300,000	-	\$ 302,389	\$ 300,000	\$ 2,389	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	1,200,000	-	1,210,415	1,200,000	10,415	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	1,000,000	-	1,008,778	1,000,000	8,778	-
"	RMB-Structured Deposits	Note 3	-	-	RMB	-	-	-	400,000	-	401,118	400,000	1,118	-
"	RMB-Structured Deposits	Note 3	-	-	RMB	-	-	-	300,000	-	300,921	300,000	921	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	200,000	-	200,652	200,000	652	-
"	“Winners” Currency and Bond Series Financial Products	Note 3	-	-	RMB	-	-	-	550,000	-	554,416	550,000	4,416	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	300,000	-	301,223	300,000	1,223	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	300,000	-	301,683	300,000	1,683	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	400,000	-	401,964	400,000	1,964	-
"	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	-	100,000	-	100,491	100,000	491	-
"	RMB-Structured Deposits	Note 3	-	-	RMB	-	-	-	400,000	-	401,211	400,000	1,211	-
"	Wealth Shuttle No.3	Note 3	-	-	RMB	-	-	-	150,000	-	151,184	150,000	1,184	-
"	“Winners” Currency and Bond Series Financial Products	Note 3	-	-	RMB	-	-	-	550,000	-	554,504	550,000	4,504	-

Table 4, Page 5

Balance as at										Balance as at						
January 1, 2020					Addition					Disposal			December 31, 2020			
Investor	Marketable securities	General ledger account	Counterparty (Note 6)	Relationship with the investor (Note 6)	Transaction currency	Number of shares (in thousand shares)	Amount		Number of shares (in thousand shares)	Amount		Selling price	Book value	Gain (loss) on disposal	Number of shares (in thousand shares)	Amount
							Amount	\$		Amount	\$					
Foxconn (Far East) Limited and Subsidiaries	RMB Continuous Serial Deposits Financial Products	Note 3	-	-	RMB	-	-	\$	-	-	\$	100,529	\$	100,000	529	-
"	Finance Trust Peng Yun Tian Hua Collection Fund Trust	Note 3	-	-	RMB	-	1,400,000		-	-		382,826		300,000	82,826	1,100,000
"	Playground Ventures II, L.P.	Note 4	-	-	USD	-	44,913		16,000	-		-		-	-	101,312
"	Common Stock of Digwin Software Co., Ltd.	Note 1	-	-	RMB	-	-		39,971	-		-		-	39,971	559,798
"	Alibaba Group Holding Limited	Note 4	-	-	USD	1,260	267,246		-	-		382,113		382,113	-	-
Foxconn Holding Ltd. and Subsidiaries	Softbank Vision Fund L.P.	Note 4, 5	-	-	USD	-	664,993		38,282	-		-		-	-	834,418
"	WRVI CAPITAL III, L.P.	Note 4	-	-	USD	-	-		38,165	-		-		-	-	42,140
"	GRAM Labs Inc.	Note 1	-	-	USD	3,574	3,668		-	3,574		16,435		2,420	14,015	-
Hyield Venture Capital Co., Ltd.	Common Stock of Fossemicon Integrated Technology Inc.	Note 1	-	-	TWD	5,198	268,854		1,755	-		-		-	6,953	414,922

Note 1: Code of general ledger account is "investments accounted for under equity method".

Note 2: Code of general ledger account is "financial assets at fair value through Other Comprehensive Income". The disposal gain or loss would be reclassified from "Other Comprehensive Income" to "Retained Earnings".

Note 3: Code of general ledger account is "financial assets at amortized cost". The disposal gain and loss is from interest income.

Note 4: Code of general ledger account is "financial assets at fair value through profit or loss". Due to adoption of IFRS, it would be valued at fair value rather than recognised disposal gain or loss.

Note 5: The total amount of the Group's acquisition or sale of the same security is reaching NT\$300 million or more.

Note 6: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leaves the columns blank.

Note 7: The counterparty is a subsidiary of the Company.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
For the year ended December 31, 2020

Table 5

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Differences in transaction terms Compared to third party transactions			Notes/ac-Counts receivable (payable)			Expressed in thousands of TWD (Except as otherwise indicated)
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/ac-Counts receivable (payable)	Footnote	
Hon Hai Precision Industry Co., Ltd.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	Sales	\$ 15,576,083	1	Payment term 90 days	Note 1	Note 1	\$ 6,424,226	1	Note 2	
Hon Hai Precision Industry Co., Ltd.	FoxConn (Far East) Limited and subsidiaries	Subsidiary	Sales	11,019,139	-	Payment term 45~90 days	Note 1	Note 1	212,609,094	36	Note 2	
Hon Hai Precision Industry Co., Ltd.	Sharp Corporation	Affiliate	Sales	8,993,118	-	Payment term 60 days	Note 1	Note 1	756,679	-		
Hon Hai Precision Industry Co., Ltd.	Sharp Manufacturing Corporation (Malaysia) Sdn. Bhd.	Affiliate	Sales	2,811,281	-	Payment term 90 days	Note 1	Note 1	814,060	-	Note 2	
Hon Hai Precision Industry Co., Ltd.	Innolux Corporation	Other related party	Sales	2,236,222	-	Payment term 90 days	Note 1	Note 1	378,959	-		
Hon Hai Precision Industry Co., Ltd.	Ningbo Innolux Optoelectronics Ltd.	Other related party	Sales	1,735,989	-	Payment term 60 days	Note 1	Note 1	526,286	-		
Hon Hai Precision Industry Co., Ltd.	Sharp Hong Kong Limited	Affiliate	Sales	1,605,205	-	Payment term 45~90 days	Note 1	Note 1	350,354	-	Note 2	
Hon Hai Precision Industry Co., Ltd.	Ningbo Innolux Display Ltd.	Other related party	Sales	1,535,099	-	Net 90 days	Note 1	Note 1	438,033	-		
Hon Hai Precision Industry Co., Ltd.	FoxConn Japan Co., Limited	Subsidiary	Sales	1,113,876	-	Payment term 90 days	Note 1	Note 1	358,064	-		
Hon Hai Precision Industry Co., Ltd.	Goldtek Technology Co., Ltd.	Affiliate	Sales	873,755	-	Payment term 90 days	Note 1	Note 1	355,245	-		
Hon Hai Precision Industry Co., Ltd.	Interface Optoelectronics (Wuxi) Co., Ltd.	Affiliate	Sales	836,387	-	Payment term 90 days	Note 1	Note 1	246,269	-		
Hon Hai Precision Industry Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other related party	Sales	646,814	-	Payment term 30~90 days	Note 1	Note 1	61,870	-		
Hon Hai Precision Industry Co., Ltd.	FoxConn Slovakia, Spol. S.R.O.	Subsidiary	Sales	621,731	-	Payment term 60 days	Note 1	Note 1	-	-	Note 2	
Hon Hai Precision Industry Co., Ltd.	FoxConn European Manufacturing Services S.R.O.	Subsidiary	Sales	549,135	-	Payment term 45 days	Note 1	Note 1	-	-		
Hon Hai Precision Industry Co., Ltd.	S&T Hrvatska d.o.o.	Affiliate	Sales	502,362	-	Net 75 days	Note 1	Note 1	-	-		
Hon Hai Precision Industry Co., Ltd.	CASwell, Inc.	Affiliate	Sales	434,154	-	Payment term 90 days	Note 1	Note 1	99,388	-		
Hon Hai Precision Industry Co., Ltd.	Sharp (Taiwan) Electronics Corporation	Affiliate	Sales	352,633	-	Payment term 90 days	Note 1	Note 1	65,325	-	Note 2	
Hon Hai Precision Industry Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Sales	210,837	-	Payment term 60 days	Note 1	Note 1	305,048	-	Note 2	
Hon Hai Precision Industry Co., Ltd.	Nanjing Innolux Optoelectronics Ltd.	Other related party	Sales	177,908	-	Payment term 90 days	Note 1	Note 1	7,574	-		
Hon Hai Precision Industry Co., Ltd.	Suntain Co., Ltd.	Other related party	Sales	172,773	-	Net 60 days	Note 1	Note 1	8,607	-		
Hon Hai Precision Industry Co., Ltd.	Foshan Innolux Optoelectronics Ltd.	Other related party	Sales	163,086	-	Payment term 90 days	Note 1	Note 1	42,505	-		
Hon Hai Precision Industry Co., Ltd.	Sharp Manufacturing France S.A.	Affiliate	Sales	117,134	-	Net 60 days	Note 1	Note 1	268	-	Note 2	
Hon Hai Precision Industry Co., Ltd.	P.T. Sharp Electronics Indonesia	Affiliate	Sales	112,582	-	Payment term 90 days	Note 1	Note 1	19,784	-		
Hon Hai Precision Industry Co., Ltd.	Sharp Electronics Corporation	Affiliate	Sales	110,249	-	Payment term 60 days	Note 1	Note 1	22,728	-		

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Differences in transaction terms compared to third party transactions

Transaction			transactions		Notes/acCounts receivable (payable)							
Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Percentage of total purchases (sales)		Percentage of total notes/acCounts receivable (payable)						
				Amount		Credit term	Unit price	Credit term	Balance			
Hon Hai Precision Industry Co., Ltd.	EnnoComm (Suzhou) Technology Co., Ltd.	Affiliate	Sales	\$	106,234	-	Payment term 90 days	Note 1	Note 1	\$	21,624	-
Hon Hai Precision Industry Co., Ltd.	FoxConn (Far East) Limited and subsidiaries	Subsidiary	Purchases		1,341,301,281	45	Payment term 30-90 days	Note 1	Note 1	(	485,919,793)	(38)
Hon Hai Precision Industry Co., Ltd.	Fast Victor Limited	Subsidiary	Purchases		244,876,314	8	Payment term 90 days	Note 1	Note 1	(	142,103,340)	(11)
Hon Hai Precision Industry Co., Ltd.	FaiCon Precision Trading Limited	Subsidiary	Purchases		163,042,265	5	45 days after validation	Note 1	Note 1		-	-
Hon Hai Precision Industry Co., Ltd.	Competition Team Technologies Limited	Subsidiary	Purchases		108,917,755	4	Payment term 90 days	Note 1	Note 1	(	724,181)	-
Hon Hai Precision Industry Co., Ltd.	Best Leap Enterprises Limited	Subsidiary	Purchases		59,199,249	2	Payment term 90 days	Note 1	Note 1	(	79)	-
Hon Hai Precision Industry Co., Ltd.	FoxComm Global Services Division S.R.O.	Subsidiary	Purchases		56,538,012	2	Payment term 90 days	Note 1	Note 1	(	13,126,675)	(1)
Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Purchases		8,668,609	-	Payment term 30-90 days	Note 1	Note 1	(	2,569,152)	-
Hon Hai Precision Industry Co., Ltd.	Sharp Corporation	Affiliate	Purchases		2,759,025	-	Net 30 days	Note 1	Note 1	(	422,187)	-
Hon Hai Precision Industry Co., Ltd.	Innolux Corporation	Other related party	Purchases		2,673,718	-	Payment term 90 days	Note 1	Note 1	(	842,910)	-
Hon Hai Precision Industry Co., Ltd.	Sharp Manufacturing Corporation (Malaysia)	Affiliate	Purchases		1,702,587	-	Payment term 60 days	Note 1	Note 1	(	381,304)	-
Hon Hai Precision Industry Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other related party	Purchases		1,441,789	-	Payment term 60 days	Note 1	Note 1	(	500,143)	-
Hon Hai Precision Industry Co., Ltd.	eCMMs Precision Singapore Pte. Ltd.	Subsidiary	Purchases		1,441,785	-	Net 30 days	Note 1	Note 1	(	513,795)	-
Hon Hai Precision Industry Co., Ltd.	FoxConn Slovakia, Spol. S.R.O.	Subsidiary	Purchases		1,064,743	-	60 days after	Note 1	Note 1		-	-
Hon Hai Precision Industry Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Purchases		652,105	-	Net 30 days	Note 1	Note 1	(	143,214)	-
Hon Hai Precision Industry Co., Ltd.	Pan-International Industrial Corp.	Affiliate	Purchases		444,587	-	Payment term 90 days	Note 1	Note 1	(	83,268)	-
Hon Hai Precision Industry Co., Ltd.	Sharp Hong Kong Limited	Affiliate	Purchases		280,019	-	Payment term 45-90 days	Note 1	Note 1	(	65,144)	-
Hon Hai Precision Industry Co., Ltd.	Foxstar Technology Co., Ltd	Affiliate	Purchases		172,499	-	Payment term 90 days	Note 1	Note 1	(	12,999)	-
Hon Hai Precision Industry Co., Ltd.	NSG Technology Inc.	Subsidiary	Purchases		159,952	-	Payment term 30 days	Note 1	Note 1	(	13,821)	-
Hon Hai Precision Industry Co., Ltd.	FoxConn (Far East) Limited and subsidiaries	Subsidiary	Processing and molding Costs		3,349,837	10	-	Note 1	Note 1	(	2,558,010)	(20)
Hon Hai Precision Industry Co., Ltd.	Fast Victor Limited	Subsidiary	Processing and molding Costs		29,438,255	89	-	Note 1	Note 1	(	(Shown as other payables)	(80)
Hon Hai Precision Industry Co., Ltd.	Carston Ltd.	Subsidiary	Processing and molding Costs		116,135	-	-	Note 1	Note 1		(Shown as other payables)	-
ShunSin Technology (Zhong Shan) Limited	ShunSin Technology Holdings Limited	Subsidiary	Sales		1,394,624	43	Payment term 45 days	Note 1	Note 1		(Shown as other payables)	69
ShunSin Technology (Zhong Shan) Limited	Triple Win Technology (Shenzhen) Co., Ltd.	Subsidiary	Sales		1,653,187	51	Payment term 45 days	Note 1	Note 1		598,826	65
Shanghai Futaitong International Logistics Co., Ltd.	Jusda Supply Chain Management International Co., Ltd.	Subsidiary	Sales		114,122	14	Net 30 days	Note 1	Note 1		7,874	3

Table 5, Page 2

Differences in transaction terms Compared to third party transactions										
Transaction						Notes/acCounts receivable (payable)				
Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)
Shanghai Futaitong International Logistics Co., Ltd.	Sharp Office Equipments (Changshu) Co., Ltd.	Affiliate	Sales	\$ 109,519	13	Payment term 30 days	Note 1	Note 1	\$ 49,813	21
Shanghai Futaitong International Logistics Co., Ltd.	Wuxi Sharp Electronic Components Co., Ltd.	Affiliate	Sales	120,720	14	Payment term 30 days	Note 1	Note 1	27,732	11
Ambit Microsystem (Shanghai) Co., Ltd.	AMB Logistics Ltd.	Subsidiary	Sales	885,162	4	Payment term 60 days	Note 1	Note 1	-	-
Ambit Microsystem (Shanghai) Co., Ltd.	Anworld Microsystems (Shanghai) Ltd.	Subsidiary	Sales	266,544	1	Payment term 90 days	Note 1	Note 1	-	-
Ambit Microsystem (Shanghai) Co., Ltd.	Funing Precision Component Co., Ltd.	Subsidiary	Sales	1,758,536	7	Net 60 days			344,347	6
Ambit Microsystem (Shanghai) Co., Ltd.	System Integration Electronics (Hangzhou) Co., Ltd.	Subsidiary	Sales	116,821	-	Net 60 days	Note 1	Note 1	114,974	2
Ambit Microsystem (Shanghai) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	3,632,768	15	Net 60 days	Note 1	Note 1	597,243	10
Ambit Microsystem (Shanghai) Co., Ltd.	Fuyu Precision Component Co., Ltd.	Subsidiary	Sales	250,660	1	Net 90 days	Note 1	Note 1	248,002	4
Ambit Microsystem (Shanghai) Co., Ltd.	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	Sales	4,425,524	19	Net 60 days	Note 1	Note 1	552,496	9
AMB Logistics Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	904,378	100	Payment term 30 days	Note 1	Note 1	-	-
Ingrasys Technology Co., Ltd.	Ingrasys Technology USA Inc.	Subsidiary	Sales	8,446,090	11	Payment term 90 days	Note 1	Note 1	5,452,290	20
Ingrasys Technology Co., Ltd.	Hon-Ling Technology Co., Ltd.	Subsidiary	Sales	187,868	-	Payment term 60 days	Note 1	Note 1	-	-
Ingrasys Technology Co., Ltd.	FoxConn European Manufacturing Services S.R.O.	Subsidiary	Sales	147,476	-	Payment term 90 days	Note 1	Note 1	-	-
Ingrasys Technology Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	Sales	957,268	1	Payment term 60 days	Note 1	Note 1	192,423	1
Ingrasys Technology Co., Ltd.	FoxConn Technology (India) Private Limited	Subsidiary	Sales	1,462,920	2	Payment term 90 days	Note 1	Note 1	804,731	3
Ingrasys Technology Co., Ltd.	FoxConn Technology CZ S.R.O.	Subsidiary	Sales	4,592,814	6	Payment term 90 days	Note 1	Note 1	1,872,545	7
Ingrasys Technology Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	8,493,722	11	Payment term 90 days	Note 1	Note 1	1,345,304	5
Ingrasys Technology Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	141,547	-	Payment term 90 days	Note 1	Note 1	137,063	-
Ingrasys Technology Co., Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	18,864,787	24	Payment term 90 days	Note 1	Note 1	11,248,457	41
Ingrasys Technology Co., Ltd.	Ingrasys Technology Korea, Inc.	Subsidiary	Sales	647,653	1	Payment term 90 days	Note 1	Note 1	321,739	1
Ingrasys Technology Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	3,482,180	4	Payment term 30 days	Note 1	Note 1	242,272	1
Ingrasys Technology Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	1,329,845	2	Payment term 60 days	Note 1	Note 1	297,627	1
Ingrasys Technology Co., Ltd.	Yuzhang Precision Technology Japan Co., Ltd.	Subsidiary	Sales	1,773,675	2	Payment term 60 days	Note 1	Note 1	429,923	2
Ingrasys Technology Co., Ltd.	Cloud Network Technology Kft.	Subsidiary	Sales	1,523,735	2	Payment term 45 days	Note 1	Note 1	239,756	1
Ingrasys Technology Co., Ltd.	Cloud Network Technology USA Inc.	Subsidiary	Sales	1,040,441	1	Payment term 30 days	Note 1	Note 1	332,320	1

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Differences in transaction terms compared to third party transactions

Transaction			transactions			Notes/acCounts receivable (payable)					
Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Percentage of total purchases (sales)		Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)	Footnote
				Amount	\$						
Ingrasys Technology Co., Ltd.	AFE, Inc.	Subsidiary	Sales	500,119	1	Payment term 30 days	Note 1	Note 1	\$ -	-	-
Ingrasys Technology Co., Ltd.	Boardtek Electronics Corporation	Affiliate	Purchases	138,092	-	Payment term 90 days	Note 1	Note 1	(29,112)	-	-
Ingrasys Technology USA Inc.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	Sales	1,074,902	1	Payment term 90 days	Note 1	Note 1	167,769	1	1
Ingrasys Technology USA Inc.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	131,782	-	Payment term 90 days	Note 1	Note 1	-	-	-
Ingrasys Info-Tech Corp.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	105,310	52	Payment term 90 days	Note 1	Note 1	-	-	-
Jusda International Logistics (Taiwan) Co., Ltd.	Jusda International Limited	Subsidiary	Sales	253,864	53	Net 30 days	Note 1	Note 1	35,364	36	36
Socle Technology Corp.	Socle Technology Corporation (Shanghai)	Subsidiary	Sales	114,169	5	Payment term 30 days	Note 1	Note 1	14,930	3	3
Socle Technology Corp.	Fritpower Integrated Technology Inc.	Affiliate	Sales	1,405,974	59	Payment term 30 days	Note 1	Note 1	390,364	81	81
Socle Technology Corp.	Sharp Corporation	Affiliate	Purchases	1,961,536	83	Payment term 30 days	Note 1	Note 1	-	-	-
Hon-Ling Technology Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	2,332,876	48	Net 30 days	Note 1	Note 1	572,608	55	55
Hon-Ling Technology Co., Ltd.	Mega Well Limited	Subsidiary	Sales	2,406,972	50	Net 30 days	Note 1	Note 1	464,833	44	44
FoxComm Global Network Corporation	Asia Pacific TeleCom Co., Ltd.	Subsidiary	Sales	365,603	64	90 days after validation	Note 1	Note 1	166,736	36	36
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Chiun Mai Communication Systems, Inc.	Subsidiary	Sales	488,724	1	Payment term 90 days	Note 1	Note 1	78,663	1	1
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	30,060,152	48	Net 120 days	Note 1	Note 1	3,382,609	28	28
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	828,718	1	Payment term 45 days	Note 1	Note 1	343,038	3	3
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	General Interface Solution Limited	Affiliate	Purchases	229,306	-	Payment term 60 days	Note 1	Note 1	(71,948)	-	-
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Garuda International Limited	Affiliate	Purchases	175,592	-	Payment term 90 days	Note 1	Note 1	(79,843)	(1)	(1)
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Sharp (Taiwan) Electronics Corporation	Affiliate	Purchases	476,683	1	Net 60 days	Note 1	Note 1	(3,310)	-	-
FIH Precision Component (Beijing) Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	253,200	37	Payment term 30 days	Note 1	Note 1	60,848	13	13
FIH Precision Component (Beijing) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	151,047	22	Payment term 30 days	Note 1	Note 1	61,721	14	14
FIH Precision Component (Beijing) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	127,673	18	Payment term 90 days	Note 1	Note 1	130,811	29	29
Fuajiang Precision Electronics (Beijing) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Subsidiary	Sales	760,901	77	Payment term 90 days	Note 1	Note 1	232,151	82	82
Fuajiang Precision Electronics (Beijing) Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	147,930	15	Payment term 60 days	Note 1	Note 1	20,457	7	7
FIH Precision Electronics (Lang Fang) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	Sales	5,460,832	73	Payment term 30 days	Note 1	Note 1	1,061,303	16	16
FIH Precision Electronics (Lang Fang) Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	327,951	4	Payment term 30 days	Note 1	Note 1	93,103	1	1
FIH Precision Electronics (Lang Fang) Co., Ltd.	Fu Yu Precision Components (Kunshan) Co., Ltd.	Affiliate	Purchases	126,082	3	Payment term 90 days	Note 1	Note 1	(133,627)	(4)	(4)

Table 5, Page 4

Differences in transaction terms Compared to third party transactions

Transaction			Transactions				Notes/acCounts receivable (payable)				
Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Percentage of total purchases (sales)		Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)	
				Amount							Footnote
FIH (Hong Kong) Limited	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	Sales	\$ 1,000,600	1	Payment term 60 days	Note 1	Note 1	\$ 620,959	2	
FIH (Hong Kong) Limited	Rising Stars Mobile India Private Limited	Subsidiary	Sales	294,260	-	Payment term 60 days	Note 1	Note 1	38,564	-	
FIH (Hong Kong) Limited	Ensky Technology Pte. Ltd.	Subsidiary	Sales	39,655,544	38	Payment term 90 days	Note 1	Note 1	19,094,358	64	
FIH (Hong Kong) Limited	Innolux Corporation	Other related party	Purchases	320,251	-	Payment term 60 days	Note 1	Note 1	(97,834)	-	
FIH (Hong Kong) Limited	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	139,785	-	Payment term 90 days	Note 1	Note 1	5,331	-	
FIH (Hong Kong) Limited	Pan-International Industrial Corp.	Affiliate	Purchases	729,313	1	Payment term 90 days	Note 1	Note 1	(226,630)	(1)	
FIH (Hong Kong) Limited	Garuda International Limited	Affiliate	Purchases	221,567	-	Payment term 90 days	Note 1	Note 1	(60,858)	-	
FIH (Hong Kong) Limited	Sharp Corporation	Affiliate	Sales	23,049,173	22	Net 25 days	Note 1	Note 1	689,301	2	
FIH (Hong Kong) Limited	Sharp Corporation	Affiliate	Purchases	5,074,167	5	Net 30 days	Note 1	Note 1	(311,518)	(1)	
FIH (Hong Kong) Limited	Yantai Xiaye Electronics Co., Ltd.	Affiliate	Sales	1,771,917	2	Payment term 60 days	Note 1	Note 1	1,707,756	6	
FIH (Hong Kong) Limited	Cheng Uei Precision Industry Co., Ltd.	Other related party	Purchases	190,674	-	Payment term 90 days	Note 1	Note 1	(57,124)	-	
Fuuaijing Precision Electronics (Yantai) Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	19,638,383	93	Payment term 30 days	Note 1	Note 1	3,517,741	82	
Fuuaijing Precision Electronics (Yantai) Co., Ltd.	Pan-International Industrial Corp.	Affiliate	Purchases	1,373,660	7	Payment term 60 days	Note 1	Note 1	(4,954)	-	
Fuuaijing Precision Electronics (Yantai) Co., Ltd.	Sharp Corporation	Affiliate	Purchases	1,311,615	7	Payment term 60 days	Note 1	Note 1	(298,309)	(6)	
Fuuaijing Precision Electronics (Yantai) Co., Ltd.	Sharp Hong Kong Limited	Affiliate	Purchases	3,636,996	19	Net 60 days	Note 1	Note 1	(1,236,631)	(24)	
Fuuaijing Precision Electronics (Yantai) Co., Ltd.	Sharp (Taiwan) Electronics Corporation	Affiliate	Purchases	1,466,009	8	Payment term 75 days	Note 1	Note 1	(690,147)	(13)	
Fuuaijing Precision Electronics (Yantai) Co., Ltd.	Yantai Xiaye Electronics Co., Ltd.	Affiliate	Sales	1,371,777	7	Payment term 60 days	Note 1	Note 1	763,430	18	
Hengyang Futaihong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	33,766,701	100	Payment term 120 days	Note 1	Note 1	9,520,066	100	
FoxComm (Far East) Limited	Oriental Dragon Holdings Limited	Subsidiary	Sales	141,840	25	Payment term 90 days	Note 1	Note 1	136,704	25	
FoxComm (Far East) Limited	Foxteq Holdings Inc.	Subsidiary	Sales	141,840	25	Payment term 90 days	Note 1	Note 1	136,704	25	
FoxComm (Far East) Limited	FoxComm (Far East) Holdings Limited	Subsidiary	Sales	141,840	25	Payment term 90 days	Note 1	Note 1	136,704	25	
FoxComm (Far East) Limited	Best Behaviour Holdings Limited	Subsidiary	Sales	141,840	25	Payment term 90 days	Note 1	Note 1	136,704	25	
Precision Technology Investments Pte. Ltd.-Singapore	Simply Smart Limited	Subsidiary	Sales	259,409	75	Payment term 90 days	Note 1	Note 1	93,225	94	
Best Behaviour Holdings Limited	Rich Dreams Network Technology Limited	Subsidiary	Sales	107,614	100	Payment term 120 days	Note 1	Note 1	-	-	
Carston Limited	FIH (Hong Kong) Limited	Subsidiary	Sales	110,058	10	Net 90 days	Note 1	Note 1	-	-	
Carston Limited	Smart Top International Limited	Subsidiary	Sales	112,292	10	Net 30 days	Note 1	Note 1	108,226	29	

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Differences in transaction terms Compared to third party transactions

Transaction			Transactions			Notes/acCounts receivable (payable)			
Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Percentage of total purchases (sales)		Percentage of total notes/acCounts receivable (payable)			
				Amount	Credit term	Unit price	Credit term	Balance	Footnote
Carston Limited	Best Leap Enterprises Limited	Subsidiary	Sales	\$ 484,776	45	Net 30 days	Note 1	\$ 260,932	70
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	Sales	368,461	2	Net 90 days	Note 1	284,537	4
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Carston Limited	Subsidiary	Sales	202,408	1	60 days after validation	Note 1	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary	Sales	773,418	5	Net 90 days	Note 1	45,786	1
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	Sales	348,151	2	Net 90 days	Note 1	82,523	1
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	186,740	1	Net 90 days	Note 1	135,674	2
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	FoxConn Image & Printing Product Pte. Ltd.	Subsidiary	Sales	4,979,908	31	Net 30 days	Note 1	3,591,818	44
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	421,584	3	Net 90 days	Note 1	365,762	5
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Subsidiary	Sales	123,594	1	Payment term 30 days	Note 1	72,580	1
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	FaiCon Precision Trading Pte. Ltd.	Subsidiary	Sales	1,419,251	9	Net 60 days	Note 1	706,971	9
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	175,856	1	Payment term 90 days	Note 1	169,938	2
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Ur Materials (ShenZhen) Co., Ltd.	Subsidiary	Sales	174,771	1	Net 90 days	Note 1	162,195	2
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhensi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	583,691	4	Net 60 days	Note 1	639,453	8
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	416,482	3	Net 90 days	Note 1	210,730	3
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Interface Optoelectronics (SZ) Co., Ltd	Affiliate	Sales	380,780	2	Net 30 days	Note 1	201,320	2
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Keenest Electronic Corp.	Affiliate	Sales	121,966	1	Net 90 days	Note 1	66,949	1
ShunSin Technology Holdings Limited	FoxConn InterConnect Technology Limited	Subsidiary	Sales	408,260	14	Net 90 days	Note 1	97,549	21
Fu Ding Precision Component (Shenzhen) Co., Ltd.	New Beyond Maximum Industrial Limited	Subsidiary	Sales	8,493,513	2	Payment term 60 days	Note 1	5,625,625	3
Fuding Electronic Technology (Jiashan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Subsidiary	Sales	5,852,357	18	Payment term 90 days	Note 1	1,777,427	17
Fuding Electronic Technology (Jiashan) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales	5,303,581	16	Payment term 90 days	Note 1	2,506,774	24
Fuding Electronic Technology (Jiashan) Co., Ltd.	Fuzhun Precision Tooling (Jiashan) Co., Ltd.	Subsidiary	Sales	1,097,908	3	Payment term 90 days	Note 1	241,883	2
Triple Win Technology (Shenzhen) Co., Ltd.	Best Ever Industries Limited	Subsidiary	Sales	51,143,145	72	Net 30 days	Note 1	12,614,129	89
Triple Win Technology (Shenzhen) Co., Ltd.	Triple Win Technology (JinCheng) Co., Ltd.	Subsidiary	Sales	1,523,308	2	Net 90 days	Note 1	74,609	1
Triple Win Technology (Shenzhen) Co., Ltd.	General Interface Solution Limited	Affiliate	Purchases	3,053,805	4	Net 30 days	Note 1	-	-
Triple Win Technology (Shenzhen) Co., Ltd.	Garuda International Limited	Affiliate	Purchases	1,090,878	2	Net 90 days	Note 1	-	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	FoxConn Image & Printing Product Pte. Ltd.	Subsidiary	Sales	529,392	47	Net 60 days	Note 1	124,577	38
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	EnnoConn (Suzhou) Technology Co., Ltd.	Affiliate	Sales	178,964	16	Payment term 90 days	Note 1	92,667	28

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Differences in transaction terms Compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Transaction			transactions			Notes/acCounts receivable (payable)	
				Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)	Footnote
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Subsidiary	Sales	\$ 9,377,994	43	Payment term 90 days	Note 1	Note 1	\$ 4,249,312	37	
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Subsidiary	Sales	210,334	1	Net 30 days	Note 1	Note 1	182,657	2	
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fusing International Inc. Pte. Ltd.	Subsidiary	Sales	343,687	2	Payment term 90 days	Note 1	Note 1	124,991	1	
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales	3,543,009	16	Payment term 90 days	Note 1	Note 1	2,574,584	22	
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fuzhun Precision Tooling (Jiashan) Co., Ltd.	Subsidiary	Sales	184,436	1	Payment term 90 days	Note 1	Note 1	103,116	1	
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	137,307	1	Net 90 days	Note 1	Note 1	61,717	1	
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fu Yu Precision Components (Kunshan) Co., Ltd.	Affiliate	Sales	289,940	1	Net 90 days	Note 1	Note 1	75,032	1	
FoxConn (KunShan) Computer Connector Co., Ltd.	Hongzhaoda Integrated Innovative Service (Kunshan) Co., Ltd.	Subsidiary	Sales	208,510	1	Net 60 days	Note 1	Note 1	65,719	1	
FoxConn (KunShan) Computer Connector Co., Ltd.	New Beyond Maximum Industrial Limited	Subsidiary	Sales	16,634,227	2	Payment term 90 days	Note 1	Note 1	10,238,787	2	
FoxConn (KunShan) Computer Connector Co., Ltd.	Fu Yu Precision Components (Kunshan) Co., Ltd.	Affiliate	Purchases	144,501	1	Payment term 90 days	Note 1	Note 1	(74,250)	(1)	
FoxConn (KunShan) Computer Connector Co., Ltd.	FoxConn Technology Pte. Ltd.	Affiliate	Purchases	151,526	1	Payment term 60 days	Note 1	Note 1	(85,319)	(1)	
FoxConn (KunShan) Computer Connector Co., Ltd.	Garuda International Limited	Affiliate	Purchases	283,888	1	Net 90 days	Note 1	Note 1	(148,810)	(3)	
FoxConn Electronic Industrial Development (Kunshan) Co., Ltd.	FoxConn (KunShan) Computer Connector Co., Ltd.	Subsidiary	Sales	5,111,969	3	Payment term 30 days	Note 1	Note 1	1,707,586	3	
Competition Team Technologies Limited	Best Behaviour Holdings Limited	Subsidiary	Sales	23,769,052	13	Payment term 90 days	Note 1	Note 1	21,929,094	90	
Competition Team Technologies Limited	Best Behaviour Limited	Subsidiary	Sales	5,060,603	3	Payment term 90 days	Note 1	Note 1	4,877,359	20	
Competition Team Technologies Limited	Armada Holdings Limited	Subsidiary	Sales	313,799	-	Payment term 90 days	Note 1	Note 1	302,436	1	
Hightech Electronics Components Inc.	FoxConn Image & Printing Product Pte. Ltd.	Subsidiary	Sales	2,960,513	47	Payment term 90 days	Note 1	Note 1	-	-	
Hightech Electronics Components Inc.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales	286,785	5	Payment term 90 days	Note 1	Note 1	-	-	
Hightech Electronics Components Inc.	Fusing International Inc.	Subsidiary	Sales	631,805	10	Payment term 60 days	Note 1	Note 1	25,610	100	
Hightech Electronics Components Inc.	Competition Team Ireland Limited	Subsidiary	Sales	2,306,326	36	Payment term 60 days	Note 1	Note 1	-	-	
Hightech Electronics Components Inc.	FoxConn Japan Co., Limited	Subsidiary	Sales	162,156	3	Payment term 60 days	Note 1	Note 1	-	-	
Best Ever Industries Limited	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	180,626	-	Net 60 days	Note 1	Note 1	70,290	1	
Best Ever Industries Limited	FoxConn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales	168,829	-	Net 60 days	Note 1	Note 1	54,488	-	
Best Leap Enterprises Limited	Best Behaviour Holdings Limited	Subsidiary	Sales	6,241,286	9	Payment term 90 days	Note 1	Note 1	5,046,970	100	
Best Leap Enterprises Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	1,025,095	1	Payment term 30 days after validation	Note 1	Note 1	-	-	

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Differences in transaction terms Compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Transaction			Transactions			Notes/acCounts receivable (payable)	
				Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)	Footnote
Yantaishi Fulitong International Trading Co., Ltd.	Futaijing Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	\$ 108,540	9	Payment term 90 days	Note 1	Note 1	\$ -	-	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Futaijing Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	112,451	-	Net 90 days	Note 1	Note 1	35,888	-	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Hongfutai Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	17,450,502	44	Net 90 days	Note 1	Note 1	7,203,621	63	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Subsidiary	Sales	225,552	1	Payment term 90 days	Note 1	Note 1	3,479	-	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Kunshan Fuchengke Precision Electrical Co., Ltd.	Subsidiary	Sales	425,195	1	Net 60 days	Note 1	Note 1	313,011	3	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	FoxConn Technology Pte. Ltd.	Affiliate	Purchases	174,695	-	Net 90 days	Note 1	Note 1	-	-	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	FoxConn Technology Co., Ltd	Affiliate	Purchases	187,394	-	Net 90 days	Note 1	Note 1	(7,112)	-	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Pan-International Industrial Corp.	Affiliate	Purchases	1,075,079	3	90 days after	Note 1	Note 1	-	-	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Fitpower Integrated Technology Inc.	Affiliate	Purchases	132,139	-	90 days after	Note 1	Note 1	-	-	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Sharp Corporation	Affiliate	Purchases	1,144,299	3	Net 60 days	Note 1	Note 1	(2,950)	-	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Sales	249,425	1	Payment term 90 days	Note 1	Note 1	128,822	1	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Wuxi Sharp Electronic Components Co., Ltd.	Affiliate	Purchases	131,643	-	Net 30 days	Note 1	Note 1	(1,150)	-	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Yantai Xiaye Electronics Co., Ltd.	Affiliate	Sales	1,871,647	5	Net 60 days	Note 1	Note 1	630,142	5	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Yantai Xiaye Electronics Co., Ltd.	Affiliate	Purchases	550,943	1	Net 60 days	Note 1	Note 1	(630,142)	(5)	-
eCMMS S.A. De C.V.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	138,405	5	Payment term 45 days	Note 1	Note 1	-	-	-
eCMMS S.A. De C.V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	2,715,497	95	Payment term 45 days	Note 1	Note 1	660,902	100	-
Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Hongfutai Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	119,613	4	Net 90 days	Note 1	Note 1	95,007	11	-
Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	516,764	17	Net 90 days	Note 1	Note 1	189,879	22	-
Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	100,636	3	Net 60 days	Note 1	Note 1	46,075	5	-
Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	135,552	4	Net 30 days	Note 1	Note 1	70,660	8	-
Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Avary Holding (Shenzhen) Co., Ltd.	Affiliate	Sales	168,347	5	Net 90 days	Note 1	Note 1	74,865	9	-
FoxConn CZ S.R.O.	FoxConn European Manufacturing Services S.R.O.	Subsidiary	Sales	115,001	-	Payment term 45 days	Note 1	Note 1	-	-	-
FoxConn CZ S.R.O.	FoxConn Technology CZ S.R.O.	Subsidiary	Sales	462,997	-	Payment term 45 days	Note 1	Note 1	-	-	-
FoxConn CZ S.R.O.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	2,263,723	2	Payment term 45 days	Note 1	Note 1	446,349	2	-
FoxConn CZ S.R.O.	Cloud Network Technology USA Inc.	Subsidiary	Sales	382,025	-	Payment term 45 days	Note 1	Note 1	-	-	-

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Differences in transaction terms compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)			
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance
				\$			Note 1	Note 1	\$
Fujin Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	102,684	2	Payment term 90 days	Note 1	Note 1	10,250
Fujin Precision Industrial (Jincheng) Co., Ltd.	Best Ever Industries Limited	Subsidiary	Sales	252,508	6	Payment term 90 days	Note 1	Note 1	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	217,314	5	Payment term 90 days	Note 1	Note 1	1,708
Fujin Precision Industrial (Jincheng) Co., Ltd.	Fast Victor Limited	Subsidiary	Sales	1,184,682	29	Payment term 90 days	Note 1	Note 1	87,804
Fujin Precision Industrial (Jincheng) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	290,775	7	Payment term 90 days	Note 1	Note 1	17,594
Fujin Precision Industrial (Jincheng) Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	268,181	6	Payment term 90 days	Note 1	Note 1	129,667
Fujin Precision Industrial (Jincheng) Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	Sales	374,492	9	Payment term 90 days	Note 1	Note 1	12,008
Fujin Precision Industrial (Jincheng) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	468,628	11	Payment term 90 days	Note 1	Note 1	405,347
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Subsidiary	Sales	771,141	27	Payment term 30 days	Note 1	Note 1	345,812
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Subsidiary	Sales	877,166	31	Net 90 days	Note 1	Note 1	331,372
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	FoxConn (KunShan) Computer Connector Co., Ltd.	Subsidiary	Sales	266,831	9	Net 90 days	Note 1	Note 1	65,026
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	FoxConn Electronic Industrial Development (Kunshan) Co., Ltd.	Subsidiary	Sales	143,951	5	Net 90 days	Note 1	Note 1	16,678
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuzhun Precision Tooling (Jiashan) Co., Ltd.	Subsidiary	Sales	285,918	10	Payment term 60 days	Note 1	Note 1	168,420
FoxConn EMS, Inc.	Profit New Limited	Subsidiary	Sales	131,535	51	Payment term 30 days	Note 1	Note 1	56,977
NWE Technology Inc.-USA/CA	IPL International Limited	Subsidiary	Sales	222,695	84	Payment term 90 days	Note 1	Note 1	-
PCE Technology Inc.	Carston Limited	Subsidiary	Sales	133,081	22	Payment term 30 days	Note 1	Note 1	-
PCE Technology Inc.	Simply Smart Limited	Subsidiary	Sales	197,037	33	Payment term 30 days	Note 1	Note 1	80,920
PCE Technology Inc.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	185,245	31	Payment term 30 days	Note 1	Note 1	8,055
NWEA LLC	Cloud Network Technology USA Inc.	Subsidiary	Sales	168,525	100	Payment term 90 days	Note 1	Note 1	-
FoxConn Assembly LLC	Cloud Network Technology USA Inc.	Subsidiary	Sales	1,885,901	100	Net 30 days	Note 1	Note 1	613,458
Shenzhen Fuhongjie Technology Service Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	393,082	51	Net 30 days	Note 1	Note 1	121,493
Jizhun Precision Industry (Huizhou) Co., Ltd.	Shenzhen Intelligent Manufacturing Valley Industrial Internet Innovation Center Co., Ltd.	Subsidiary	Sales	105,220	46	Net 30 days	Note 1	Note 1	-
PCE Paragon Solutions (MexCo) S.A. de C.V.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	1,823,783	84	Payment term 30 days	Note 1	Note 1	105,987
PCE Paragon Solutions (MexCo) S.A. de C.V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	345,506	16	Payment term 30 days	Note 1	Note 1	1,108

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Differences in transaction terms Compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Transaction			Transactions			Notes/acCounts receivable (payable)	
				Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)	Footnote
Shenzhen Fertile Plan International Logistics Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	Sales	\$ 196,387	3	Net 90 days	Note 1	Note 1	\$ 176,983	4	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hengyang Futaihong Precision Industry Co., Ltd.	Subsidiary	Sales	153,836	2	Net 120 days	Note 1	Note 1	100,808	2	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Guizhou Fuzhikang Electronic Co., Ltd.	Subsidiary	Sales	138,075	2	Net 45 days	Note 1	Note 1	20,539	-	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	175,605	2	Net 90 days	Note 1	Note 1	119,237	3	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	Sales	231,688	3	Net 90 days	Note 1	Note 1	104,461	2	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	255,463	3	Net 90 days	Note 1	Note 1	195,838	4	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales	308,238	4	Net 90 days	Note 1	Note 1	83,211	2	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	580,631	8	Net 60 days	Note 1	Note 1	246,319	5	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales	186,957	3	Payment term 90 days	Note 1	Note 1	183,195	4	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	438,443	6	Net 90 days	Note 1	Note 1	130,812	3	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	105,432	1	Net 90 days	Note 1	Note 1	70,781	2	
Shenzhen Fertile Plan International Logistics Co., Ltd.	FoxConn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales	146,899	2	Net 90 days	Note 1	Note 1	70,136	2	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Jusda International Limited	Subsidiary	Sales	772,591	10	Net 30 days	Note 1	Note 1	564,427	12	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	102,465	1	Payment term 90 days	Note 1	Note 1	68,673	2	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	193,351	3	Net 60 days	Note 1	Note 1	175,106	4	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	218,761	3	Net 90 days	Note 1	Note 1	170,456	4	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Beijing Topone Logistics Co., Ltd.	Subsidiary	Sales	103,843	1	Net 90 days	Note 1	Note 1	115,113	3	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Interface Technology (ChengDu) Co., Ltd.	Affiliate	Sales	102,023	1	Net 30 days	Note 1	Note 1	83,515	2	
Fuzhun Precision Tooling (Huain) Co., Ltd.	FoxConn (KunShan) Computer Connector Co., Ltd.	Subsidiary	Sales	139,313	22	Net 30 days	Note 1	Note 1	24,264	16	
Fuzhun Precision Tooling (Huain) Co., Ltd.	Fuyu Electronical Technology Co., Ltd.	Subsidiary	Sales	403,810	64	Net 30 days	Note 1	Note 1	99,666	67	
Fuyu Electronical Technology (Huain) Co., Ltd.	New Beyond Maximum Industrial Limited	Subsidiary	Sales	8,821,575	2	Payment term 30 days	Note 1	Note 1	6,596,597	2	
PCE Paragon Solutions (USA) Inc.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	219,551	-	Payment term 30 days	Note 1	Note 1	-	-	
PCE Paragon Solutions (USA) Inc.	Profit New Limited	Subsidiary	Sales	599,415	-	Payment term 30 days	Note 1	Note 1	-	-	
Funing Precision Component Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	238,526	-	Net 60 days	Note 1	Note 1	-	-	
Funing Precision Component Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	64,705,866	99	Net 60 days	Note 1	Note 1	13,365,847	99	

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Differences in transaction terms Compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)			
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance
FoxConn Baja California S.A. De C.V.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	Sales	\$ 2,908,722	100	Payment term 60 days	Note 1	Note 1	\$ 634,138
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	131,472	-	Net 90 days	Note 1	Note 1	48,152
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Top Step Enterprises Limited	Subsidiary	Sales	735,518	1	90 days after validation	Note 1	Note 1	561,103
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	103,446	-	Net 90 days	Note 1	Note 1	16,640
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Jin Ji Full Precision Machinery (Wuhan) Co., Ltd.	Subsidiary	Sales	114,301	-	Net 30 days	Note 1	Note 1	52,452
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	103,635	-	Net 90 days	Note 1	Note 1	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	309,211	-	Payment term 90 days	Note 1	Note 1	294,608
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Innolux Corporation	Other related party	Purchases	100,740	-	Net 90 days	Note 1	Note 1	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	FoxConn Technology Pte. Ltd.	Affiliate	Purchases	365,439	-	Net 90 days	Note 1	Note 1	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	FoxConn Technology Co., Ltd	Affiliate	Purchases	312,420	-	Payment term 90 days	Note 1	Note 1	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Pan-International Industrial Corp.	Affiliate	Purchases	337,702	-	90 days after validation	Note 1	Note 1	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Garuda International Limited	Affiliate	Purchases	129,327	-	90 days after validation	Note 1	Note 1	-
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Futaijing Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	113,519	-	Payment term 90 days	Note 1	Note 1	17
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	1,540,595	1	Net 90 days	Note 1	Note 1	322,967
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Fugukang Precision Electronics (Guizhou) Co., Ltd.	Subsidiary	Sales	330,055	-	Payment term 90 days	Note 1	Note 1	87,629
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Kunshan Fuchengke Precision Electrical Co., Ltd.	Subsidiary	Sales	183,547	-	Payment term 60 days	Note 1	Note 1	109,723
Hongfujin Precision Electronics (Yantai) Co., Ltd.	General Interface Solution Limited	Affiliate	Purchases	1,890,185	1	Net 90 days	Note 1	Note 1	-
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Innolux Corporation	Other related party	Purchases	3,710,927	2	Net 90 days	Note 1	Note 1	-
Hongfujin Precision Electronics (Yantai) Co., Ltd.	FoxConn Technology Co., Ltd	Affiliate	Sales	66,847,036	43	Payment term 30 days	Note 1	Note 1	14,190,643
Hongfujin Precision Electronics (Yantai) Co., Ltd.	FoxConn Technology Co., Ltd	Affiliate	Purchases	1,514,831	1	Payment term 30 days	Note 1	Note 1	(14,190,643)
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Pan-International Industrial Corp.	Affiliate	Purchases	1,389,292	1	90 days after validation	Note 1	Note 1	-
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Garuda International Limited	Affiliate	Purchases	785,210	1	90 days after validation	Note 1	Note 1	-
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Sharp Corporation	Affiliate	Sales	1,821,816	1	Payment term 60 days	Note 1	Note 1	290,770
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Sharp Corporation	Affiliate	Purchases	100,261	-	Payment term 60 days	Note 1	Note 1	(290,770)
Top Step Enterprises Limited	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	Sales	156,850	21	Net 45 days	Note 1	Note 1	-
FoxConn Technology CZ S.R.O.	Ingrasys Technology Co., Ltd.	Subsidiary	Sales	1,029,397	5	Payment term 45 days	Note 1	Note 1	-

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Differences in transaction terms Compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)			Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	
FoxComm Technology CZ S.R.O.	FoxComm CZ S.R.O.	Subsidiary	Sales	\$ 1,319,451	7	Payment term 45 days	Note 1	Note 1	5
FoxComm Technology CZ S.R.O.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	588,083	3	Payment term 45 days	Note 1	Note 1	7
Global Services Solutions S.R.O.	FoxComm European Manufacturing Services S.R.O.	Subsidiary	Sales	490,460	81	Payment term 45 days	Note 1	Note 1	39
Fugion Material Technology (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary	Sales	1,332,583	5	Payment term 45 days	Note 1	Note 1	4
Fugion Material Technology (Shenzhen) Co., Ltd.	Fuyou Material Technology (Huian) Co., Ltd.	Subsidiary	Sales	686,192	3	Net 90 days	Note 1	Note 1	16
Fugion Material Technology (Shenzhen) Co., Ltd.	Fuding (Zhengzhou) Precision Industry Co., Ltd.	Subsidiary	Sales	466,335	2	Net 90 days	Note 1	Note 1	-
Fugion Material Technology (Shenzhen) Co., Ltd.	Avary Holding (Shenzhen) Co., Ltd.	Affiliate	Sales	562,586	2	Net 90 days	Note 1	Note 1	3
Fugion Material Technology (Shenzhen) Co., Ltd.	Fu Gang Electronics (Dong Guan) Co., Ltd.	Other related party	Sales	476,211	2	Net 14 days	Note 1	Note 1	-
Huaian Fultong Trading Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary	Sales	183,353	12	Net 60 days	Note 1	Note 1	3
Huaian Fultong Trading Co., Ltd.	TekCon Huizhou Electronics Co., Ltd.	Affiliate	Sales	255,905	16	Payment term 90 days	Note 1	Note 1	1
FoxComm Image & Printing Product Pte. Ltd.	Sharp Manufacturing (Thailand) Co., Ltd.	Affiliate	Sales	211,380	-	Net 60 days	Note 1	Note 1	-
FoxComm Image & Printing Product Pte. Ltd.	Sharp Manufacturing France S.A.	Affiliate	Sales	215,190	-	Net 60 days	Note 1	Note 1	-
FoxComm Image & Printing Product Pte. Ltd.	Sharp Electronics Corporation	Affiliate	Sales	247,220	-	Net 60 days	Note 1	Note 1	-
PCE Technology de Juarez S.A.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	Sales	1,483,128	35	Net 30 days	Note 1	Note 1	29
PCE Technology de Juarez S.A.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	2,716,007	65	Net 30 days	Note 1	Note 1	71
Fuaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	Sales	649,778	-	Payment term 90 days	Note 1	Note 1	-
Fuaihua Industrial (Shenzhen) Co., Ltd.	Hengyang Futaihong Precision Industry Co., Ltd.	Subsidiary	Sales	344,998	-	Net 120 days	Note 1	Note 1	-
Fuaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	298,574	-	Payment term 90 days	Note 1	Note 1	-
Fuaihua Industrial (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary	Sales	789,894	-	Payment term 90 days	Note 1	Note 1	-
Fuaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	Subsidiary	Sales	74,351,380	18	Payment term 90 days	Note 1	Note 1	8
Fuaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	120,941	-	Payment term 90 days	Note 1	Note 1	-
Fuaihua Industrial (Shenzhen) Co., Ltd.	FoxComm Image & Printing Product Pte. Ltd.	Subsidiary	Sales	317,067,631	75	Net 30 days	Note 1	Note 1	80
Fuaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	107,165	-	Payment term 90 days	Note 1	Note 1	-
Fuaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales	2,971,562	1	Payment term 90 days	Note 1	Note 1	-
Fuaihua Industrial (Shenzhen) Co., Ltd.	FoxComm Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales	437,762	-	Payment term 90 days	Note 1	Note 1	-
Fuaihua Industrial (Shenzhen) Co., Ltd.	Simply Smart Limited	Subsidiary	Sales	14,418,684	3	Net 60 days	Note 1	Note 1	6

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Differences in transaction terms Compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)			Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	
Futaihua Industrial (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	\$ 279,433	-	Payment term 90 days	Note 1	Note 1	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	4,220,074	1	Payment term 90 days	Note 1	Note 1	1
Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	201,633	-	Net 90 days	Note 1	Note 1	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	Sales	115,673	-	Payment term 90 days	Note 1	Note 1	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfu (Shenzhen) Equity Investment Fund Management Co., Ltd.	Subsidiary	Sales	412,022	-	Net 30 days	Note 1	Note 1	-
Futaihua Industrial (Shenzhen) Co., Ltd.	G-Tech Optoelectronics Corporation	Affiliate	Sales	770,893	-	Net 45 days	Note 1	Note 1	-
Futaihua Industrial (Shenzhen) Co., Ltd.	General Interface Solution Limited	Affiliate	Purchases	279,643	-	Payment term 90 days	Note 1	Note 1	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	110,195	-	Payment term 90 days	Note 1	Note 1 (-
Futaihua Industrial (Shenzhen) Co., Ltd.	FoxConn Technology Pte. Ltd.	Affiliate	Purchases	739,168	-	Payment term 90 days	Note 1	Note 1	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Nanjing Asiatek Inc.	Affiliate	Purchases	564,405	-	Payment term 90 days	Note 1	Note 1	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Asiatek INC.	Affiliate	Purchases	457,360	-	Payment term 90 days	Note 1	Note 1 (-
Futaihua Industrial (Shenzhen) Co., Ltd.	Garuda International Limited	Affiliate	Purchases	142,705	-	Payment term 90 days	Note 1	Note 1	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Sales	512,908	-	Payment term 90 days	Note 1	Note 1	-
Hontijin Precision Electronics (Chongqing) Co., Ltd.	Hightech Electronics Components Inc.	Subsidiary	Sales	5,292,244	16	Payment term 60 days	Note 1	Note 1	-
Hontijin Precision Electronics (Chongqing) Co., Ltd.	FoxConn Image & Printing Product Pte. Ltd.	Subsidiary	Sales	6,726,989	20	Payment term 60 days	Note 1	Note 1	6
Hontijin Precision Electronics (Chongqing) Co., Ltd.	Fujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales	3,773,314	11	Payment term 90 days	Note 1	Note 1	21
Hontijin Precision Electronics (Chongqing) Co., Ltd.	Fusing International Inc.	Subsidiary	Sales	5,770,249	17	Net 60 days	Note 1	Note 1	34
Hontijin Precision Electronics (Chongqing) Co., Ltd.	Competition Team Ireland Limited	Subsidiary	Sales	10,090,281	30	Net 60 days	Note 1	Note 1	29
Hontijin Precision Electronics (Chongqing) Co., Ltd.	Simply Smart Limited	Subsidiary	Sales	262,875	1	Net 60 days	Note 1	Note 1	2
Hontijin Precision Electronics (Chongqing) Co., Ltd.	Chongqing Hongteng Technology Co., Ltd.	Subsidiary	Sales	109,937	-	Payment term 90 days	Note 1	Note 1	-
Hontijin Precision Electronics (Chongqing) Co., Ltd.	FoxConn Japan Co., Limited	Subsidiary	Sales	328,515	1	Payment term 60 days	Note 1	Note 1	2
Hontijin Precision Electronics (Chongqing) Co., Ltd.	Innolux Corporation	Other related party	Purchases	718,227	2	Net 90 days	Note 1	Note 1	-
Hontijin Precision Electronics (Chongqing) Co., Ltd.	Pan-International Industrial Corp.	Affiliate	Purchases	158,257	-	90 days after validation	Note 1	Note 1	-
Hontijin Precision Electronics (Chongqing) Co., Ltd.	Sharp Office Equipments (Changshu) Co., Ltd.	Affiliate	Sales	144,991	-	Payment term 60 days	Note 1	Note 1	1

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Differences in transaction terms compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)			Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	
FoxCom Precision Electronics (YanTai) Co., Ltd.	Futaijing Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	\$ 2,091,525	38	Payment term 90 days	Note 1	Note 1	53
FoxCom Precision Electronics (YanTai) Co., Ltd.	Yantaishi Futong International Trading Co., Ltd.	Subsidiary	Sales	967,538	18	Net 120 days	Note 1	Note 1	1
FoxCom Precision Electronics (YanTai) Co., Ltd.	Hongfujin Precision Electronics (YanTai) Co., Ltd.	Subsidiary	Sales	414,633	8	Net 90 days	Note 1	Note 1	2
FoxCom Precision Electronics (YanTai) Co., Ltd.	Hongfujin Precision Electronics (YanTai) Co., Ltd.	Subsidiary	Sales	736,295	13	Net 90 days	Note 1	Note 1	14
FoxCom Precision Electronics (YanTai) Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	145,983	3	Net 60 days	Note 1	Note 1	6
FoxCom Precision Electronics (YanTai) Co., Ltd.	YanTai Fuzhun Precision Electronics Co., Ltd.	Affiliate	Sales	346,069	6	Net 90 days	Note 1	Note 1	5
FoxCom Precision Electronics (YanTai) Co., Ltd.	YanTai Fuzhun Precision Electronics Co., Ltd.	Affiliate	Purchases	476,365	9	Net 90 days	Note 1	Note 1 (	5)
FoxCom Precision Electronics (YanTai) Co., Ltd.	Sharp Hong Kong Limited	Affiliate	Purchases	741,402	13	Net 60 days	Note 1	Note 1	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	Sales	757,992	-	Net 90 days	Note 1	Note 1	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Ingrasys Technology USA Inc.	Subsidiary	Sales	981,909	-	Payment term 30 days	Note 1	Note 1	1
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Profit New Limited	Subsidiary	Sales	109,414,661	49	Net 30 days	Note 1	Note 1	72
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	27,602,290	12	Net 90 days	Note 1	Note 1	15
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	553,039	-	Net 75 days	Note 1	Note 1	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	HighAim Technology Inc.	Affiliate	Purchases	228,335	-	Payment term 30 days	Note 1	Note 1 (-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Garuda International Limited	Affiliate	Purchases	286,577	-	Payment term 90 days	Note 1	Note 1 (-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	FalCon Precision Trading Limited (Chengdu) Co., Ltd.	Subsidiary	Sales	167,333,752	24	Net 90 days	Note 1	Note 1	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	512,003	-	Payment term 90 days	Note 1	Note 1	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	FalCon Precision Trading Pte. Ltd.	Subsidiary	Sales	523,291,141	75	Net 90 days	Note 1	Note 1	98
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	General Interface Solution Limited (Chengdu) Co., Ltd.	Affiliate	Purchases	1,534,251	-	60 days after validation	Note 1	Note 1	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Garuda International Limited (Chengdu) Co., Ltd.	Affiliate	Purchases	1,332,703	-	Net 90 days	Note 1	Note 1	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Hangzhou Gengde Electronics Co., Ltd.	Affiliate	Sales	555,802	-	Payment term 90 days	Note 1	Note 1	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other related party	Purchases	1,393,339	-	60 days after validation	Note 1	Note 1	-

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Differences in transaction terms compared to third party transactions

Transaction					Transactions		Notes/acCounts receivable (payable)				
Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Percentage of total purchases (sales)		Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)	Footnote
				Amount							
Fuaihua Precision Electronics (Chengdu) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales	\$ 878,000	73	Net 90 days	Note 1	Note 1	\$ 157,769	41	
Fuding (Zhengzhou) Precision Industry Co., Ltd.	FoxConn InterConnect Technology Limited	Subsidiary	Sales	2,412,452	2	Payment term 60 days	Note 1	Note 1	294,708	2	
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	608,119	17	Payment term 90 days	Note 1	Note 1	209,482	1	
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Fugion Material Technology (Shenzhen) Co., Ltd.	Subsidiary	Purchases	449,448	15	Payment term 60 days	Note 1	Note 1	-	-	
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Purchases	272,476	9	Payment term 90 days	Note 1	Note 1 (	92,227) (	1)	
Yantai Fuhuada Precision Electronics Co., Ltd.	Sharp Electronics Sales (China) Co., Ltd.	Affiliate	Sales	118,020	12	Net 60 days	Note 1	Note 1	4,671	1	
Yantai Fuhuada Precision Electronics Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Sales	144,916	15	Payment term 90 days	Note 1	Note 1	15,068	3	
Yantai Fuhuada Precision Electronics Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Purchases	344,376	35	Payment term 90 days	Note 1	Note 1 (	15,068) (	3)	
Yantai Fuhuada Precision Electronics Co., Ltd.	Sharp Universal Technology (Shenzhen) Co., Ltd.	Affiliate	Sales	300,478	30	Net 45 days	Note 1	Note 1	117,862	22	
AnPinDa Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales	1,357,520	42	Payment term 90 days	Note 1	Note 1	278,193	28	
AnPinDa Precision Industry (Huizhou) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	189,894	6	Net 60 days	Note 1	Note 1	30,654	3	
AnPinDa Precision Industry (Huizhou) Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	156,836	5	Net 30 days	Note 1	Note 1	43,102	4	
Jusda Supply Chain Management International Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales	147,205	5	Payment term 90 days	Note 1	Note 1	97,691	9	
Jusda Supply Chain Management International Co., Ltd.	Jusda Energy Technology (Shanghai) Co., Ltd.	Subsidiary	Sales	132,529	5	Net 30 days	Note 1	Note 1	152,304	14	
Jusda Supply Chain Management International Co., Ltd.	Foshan Innolux Optoelectronics Ltd.	Other related party	Sales	690,450	25	Net 90 days	Note 1	Note 1	59,256	5	
Jusda Supply Chain Management International Co., Ltd.	Dynabook Technology (Hangzhou) Inc.	Affiliate	Sales	106,021	4	Payment term 60 days	Note 1	Note 1	20,102	2	
System Integration Electronics (Hangzhou) Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Subsidiary	Sales	100,893	-	Net 60 days	Note 1	Note 1	-	-	
System Integration Electronics (Hangzhou) Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	221,354	-	Net 60 days	Note 1	Note 1	-	-	
System Integration Electronics (Hangzhou) Co., Ltd.	System Integration (Haining) Electronics Co., Ltd.	Subsidiary	Sales	8,879,485	19	Net 30 days	Note 1	Note 1	786,546	15	
Nanning Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	Sales	65,936,963	43	Payment term 30 days	Note 1	Note 1	27,510,904	58	
Nanning Fugui Precision Industrial Co., Ltd.	Chongqing Fugui Electronics Co., Ltd.	Subsidiary	Sales	187,483	-	Net 60 days	Note 1	Note 1	-	-	
Nanning Fugui Precision Industrial Co., Ltd.	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	Sales	140,082	-	Net 90 days	Note 1	Note 1	-	-	
Fuaihua Precision Electronics (Zhenzhou) Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	Sales	1,485,756	3	Net 30 days	Note 1	Note 1	1,481,952	9	

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Differences in transaction terms compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)			
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance
Fuathua Precision Electronics (Zhenzhou) Co., Ltd.	IPL International Limited	Subsidiary	Sales	\$ 48,931,696	97	Payment term 30 days	Note 1	Note 1	\$ 14,280,151
Fuathua Precision Electronics (Zhenzhou) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	575,544	26	Payment term 30 days	Note 1	Note 1	(149,416)
Fuathua Precision Electronics (Zhenzhou) Co., Ltd.	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliate	Purchases	261,138	12	Net 30 days	Note 1	Note 1	(34,789)
Hongtujin Precision Electronics (Zhenzhou) Co., Ltd.	Competition Team Technologies Limited	Subsidiary	Sales	184,482,545	14	Payment term 90 days	Note 1	Note 1	-
Hongtujin Precision Electronics (Zhenzhou) Co., Ltd.	Fuathua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	183,983	-	Payment term 90 days	Note 1	Note 1	-
Hongtujin Precision Electronics (Zhenzhou) Co., Ltd.	FoxConn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales	20,301,687	2	Payment term 90 days	Note 1	Note 1	6,551,636
Hongtujin Precision Electronics (Zhenzhou) Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	114,146	-	Payment term 90 days	Note 1	Note 1	258,651
Hongtujin Precision Electronics (Zhenzhou) Co., Ltd.	Hongtusheng Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	280,080	-	Payment term 90 days	Note 1	Note 1	22,659
Hongtujin Precision Electronics (Zhenzhou) Co., Ltd.	FoxConn Singapore Pte. Ltd.	Subsidiary	Sales	1,098,043,400	84	Payment term 90 days	Note 1	Note 1	519,791,184
Hongtujin Precision Electronics (Zhenzhou) Co., Ltd.	FoxConn Brasil Industria e Comercio Ltda.	Subsidiary	Sales	5,038,796	-	Payment term 90 days	Note 1	Note 1	2,725,525
Hongtujin Precision Electronics (Zhenzhou) Co., Ltd.	FoxConn Hon Hai Technology India Mega Development	Subsidiary	Sales	711,079	-	Payment term 90 days	Note 1	Note 1	391,530
Hongtujin Precision Electronics (Zhenzhou) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	1,041,853	-	Payment term 90 days	Note 1	Note 1	-
Hongtujin Precision Electronics (Zhenzhou) Co., Ltd.	Garuda International Limited	Affiliate	Purchases	354,673	-	Payment term 90 days	Note 1	Note 1	-
Profit New Limited	Ingrasys Technology Co., Ltd.	Subsidiary	Sales	33,299,605	27	Payment term 30 days	Note 1	Note 1	22,591,004
Profit New Limited	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	34,734,597	28	Payment term 90 days	Note 1	Note 1	6,367,459
Profit New Limited	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	268,723	-	Payment term 90 days	Note 1	Note 1	-
Profit New Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	54,247,417	44	Payment term 30 days	Note 1	Note 1	13,498,983
Profit New Limited	Cloud Network Technology USA Inc.	Subsidiary	Sales	546,708	-	Payment term 30 days	Note 1	Note 1	-
Mega Well Limited	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	117,116	-	Payment term 30 days	Note 1	Note 1	-
Mega Well Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	181,156,056	100	Payment term 30 days	Note 1	Note 1	73,605,543
Mega Well Limited	Yuzhang Precision Technology Japan Co., Ltd.	Subsidiary	Sales	460,669	-	Payment term 30 days	Note 1	Note 1	-
Fast Victor Limited	Best Behaviour Limited	Subsidiary	Sales	2,511,750	1	Net 90 days	Note 1	Note 1	-
Fast Victor Limited	FoxConn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales	1,385,142	-	Net 60 days	Note 1	Note 1	381,171

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Differences in transaction terms compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)				Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	
Fast Victor Limited	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	\$ 16,622,953	5	Net 45 days	Note 1	Note 1	\$ 4,250,224	3
Fast Victor Limited	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	1,385,142	-	Net 45 days	Note 1	Note 1	(28,538)	-
Competition Team Ireland Limited	FoxConn European Manufacturing Services S.R.O.	Subsidiary	Sales	2,544,690	11	Net 45 days	Note 1	Note 1	480,559	11
Competition Team Ireland Limited	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales	8,329,665	36	Net 10 days	Note 1	Note 1	549,645	12
Competition Team Ireland Limited	Chongqing Jingmei Precision Electronic Co., Ltd.	Subsidiary	Sales	422,943	2	Net 60 days	Note 1	Note 1	132,868	3
Competition Team Ireland Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	154,243	1	Payment term 30 days	Note 1	Note 1	6,942	-
Competition Team Ireland Limited	Imolux Corporation	Other related party	Purchases	301,101	1	Payment term 60 days	Note 1	Note 1	-	-
WWW (Jin Cheng) Co., Ltd.	Beyond Maximum Industrial Limited	Subsidiary	Sales	219,844	22	Payment term 90 days	Note 1	Note 1	-	-
WWW (Jin Cheng) Co., Ltd.	Triple Win Technology (JinCheng) Co., Ltd.	Subsidiary	Sales	113,704	11	Payment term 90 days	Note 1	Note 1	57,709	16
Zhengzhou Jusda Logistics Co., Ltd. Mexus Solutions Inc.	Jusda International Limited Simply Smart Limited	Subsidiary Subsidiary	Sales Sales	113,896 116,236	19 20	Net 30 days Payment term 30 days	Note 1 Note 1	Note 1 Note 1	47,956 21,902	17 34
Mexus Solutions Inc.	Big Innovation Holdings Limited	Subsidiary	Sales	276,513	47	Payment term 30 days	Note 1	Note 1	25,770	40
FoxConn Precision Electronics (Taiyuan) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	421,661	-	Payment term 90 days	Note 1	Note 1	1,818	-
FoxConn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Subsidiary	Sales	315,839,440	97	Net 90 days	Note 1	Note 1	139,233,430	99
FoxConn Precision Electronics (Taiyuan) Co., Ltd.	FoxConn Brasil Industria e Comercio Ltda.	Subsidiary	Sales	4,693,347	1	Net 120 days	Note 1	Note 1	1,696,219	1
FoxConn Precision Electronics (Taiyuan) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	16,674,797	5	Payment term 30 days	Note 1	Note 1	(1,182)	-
FoxConn Precision Electronics (Taiyuan) Co., Ltd.	Garuda International Limited	Affiliate	Purchases	435,206	-	Net 90 days	Note 1	Note 1	-	-
FoxConn Precision Electronics (Taiyuan) Co., Ltd.	Sharp Corporation	Affiliate	Purchases	551,106	-	Net 60 days	Note 1	Note 1	-	-
Simply Smart Limited	FIH (Hong Kong) Limited	Subsidiary	Sales	402,309	2	Net 90 days	Note 1	Note 1	115,267	1
Simply Smart Limited	FoxConn (Far East) Limited	Subsidiary	Sales	1,168,074	7	Net 60 days	Note 1	Note 1	415,071	4
Simply Smart Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	14,854,391	89	Net 60 days	Note 1	Note 1	10,117,620	91
Simply Smart Limited	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales	263,577	2	Net 60 days	Note 1	Note 1	69,521	1
Scientific-Atlanta de Mexico S. de R. L. de C. V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	2,250,032	100	Payment term 60 days	Note 1	Note 1	209,900	99
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Subsidiary	Sales	244,453	1	Payment term 90 days	Note 1	Note 1	-	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	316,764	1	Payment term 90 days	Note 1	Note 1	-	-

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Differences in transaction terms Compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)				Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	
Fuaihua Precision Electronics (Jiyuan) Co., Ltd.	Jincheng Fuaihua Precision Electronic Co., Ltd.	Subsidiary	Sales	\$ 1,391,231	3	Payment term 90 days	Note 1	Note 1	\$ 106,765	-
Fuaihua Precision Electronics (Jiyuan) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	221,843	1	Payment term 90 days	Note 1	Note 1	129,167	1
Fuaihua Precision Electronics (Jiyuan) Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	Sales	5,108,659	12	Payment term 90 days	Note 1	Note 1	1,974,364	8
Fuaihua Precision Electronics (Jiyuan) Co., Ltd.	IPL International Limited	Subsidiary	Sales	32,242,773	78	Payment term 90 days	Note 1	Note 1	20,456,185	86
Fuaihua Precision Electronics (Jiyuan) Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	1,428,093	3	Payment term 90 days	Note 1	Note 1	538,343	2
Fuaihua Precision Electronics (Jiyuan) Co., Ltd.	Hebi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	136,370	-	Payment term 90 days	Note 1	Note 1	-	-
Fuaihua Precision Electronics (Jiyuan) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	191,833	-	Payment term 90 days	Note 1	Note 1	-	-
Fuaihua Precision Electronics (Jiyuan) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	361,277	1	Payment term 90 days	Note 1	Note 1	(26,746)	-
Fuaihua Precision Electronics (Jiyuan) Co., Ltd.	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliate	Purchases	213,526	1	Payment term 90 days	Note 1	Note 1	(4,152)	-
Gold Charm Limited	Simply Smart Limited	Subsidiary	Sales	221,493	83	Payment term 90 days	Note 1	Note 1	213,473	83
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	FHH (Hong Kong) Limited	Subsidiary	Sales	636,390	22	Net 90 days	Note 1	Note 1	375,830	35
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Fuaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	632,561	22	Net 90 days	Note 1	Note 1	61,961	6
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Fuaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	106,051	4	30 days after validation	Note 1	Note 1	51,155	5
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	259,829	9	Payment term 90 days	Note 1	Note 1	102,127	10
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	1,111,666	38	Net 60 days	Note 1	Note 1	409,511	38
Shenzhen Fu Neng New Energy Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	153,897	9	Net 60 days	Note 1	Note 1	24,716	8
FoxConn InterConnect Technology Limited	Ingrasys Technology Co., Ltd.	Subsidiary	Sales	116,304	-	Payment term 60 days	Note 1	Note 1	22,054	-
FoxConn InterConnect Technology Limited	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	1,014,689	1	Payment term 90 days	Note 1	Note 1	103,116	-
FoxConn InterConnect Technology Limited	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary	Sales	2,145,629	2	Net 60 days	Note 1	Note 1	635,568	2
FoxConn InterConnect Technology Limited	FoxConn (KunShan) Computer Connector Co., Ltd.	Subsidiary	Sales	3,684,910	3	Net 60 days	Note 1	Note 1	730,866	2
FoxConn InterConnect Technology Limited	FoxConn European Manufacturing Services S.R.O.	Subsidiary	Sales	192,502	-	Net 60 days	Note 1	Note 1	51,577	-
FoxConn InterConnect Technology Limited	Fuyou Electronical Technology (Huian) Co., Ltd.	Subsidiary	Sales	670,011	1	Payment term 30 days	Note 1	Note 1	68,681	-

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Differences in transaction terms Compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Transaction			Notes/acCounts receivable (payable)				
				Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)	Footnote
FoxConn InterConnect Technology Limited	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	Sales	\$ 1,422,627	1	Payment term 90 days	Note 1	Note 1	\$ 272,898	1	
FoxConn InterConnect Technology Limited	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	575,510	1	Payment term 90 days	Note 1	Note 1	130,073	-	
FoxConn InterConnect Technology Limited	Huaian Fultong Trading Co., Ltd.	Subsidiary	Sales	1,432,342	1	Net 30 days	Note 1	Note 1	206,558	1	
FoxConn InterConnect Technology Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	287,240	-	Payment term 90 days	Note 1	Note 1	134,303	-	
FoxConn InterConnect Technology Limited	FoxConn Precision Electronics (YanTai) Co., Ltd.	Subsidiary	Sales	186,244	-	Payment term 90 days	Note 1	Note 1	58,719	-	
FoxConn InterConnect Technology Limited	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	1,524,185	1	Payment term 90 days	Note 1	Note 1	276,931	1	
FoxConn InterConnect Technology Limited	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales	129,733	-	Payment term 60 days	Note 1	Note 1	66,481	-	
FoxConn InterConnect Technology Limited	Naming Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	335,353	-	Payment term 90 days	Note 1	Note 1	69,159	-	
FoxConn InterConnect Technology Limited	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	254,702	-	Payment term 90 days	Note 1	Note 1	46,908	-	
FoxConn InterConnect Technology Limited	Hongzhaoda Integrated Innovative Service (Kunshan) Co., Ltd.	Subsidiary	Sales	457,896	-	Net 60 days	Note 1	Note 1	46,633	-	
FoxConn InterConnect Technology Limited	FoxConn InterConnect Technology Singapore Pte. Ltd.	Subsidiary	Sales	1,821,643	2	Net 60 days	Note 1	Note 1	299,185	1	
FoxConn InterConnect Technology Limited	New Beyond Maximum Industrial Limited	Subsidiary	Sales	8,505,436	8	Net 60 days	Note 1	Note 1	8,197,456	1	
FoxConn InterConnect Technology Limited	FTT Electronics, Inc.	Subsidiary	Sales	2,337,064	2	Net 60 days	Note 1	Note 1	1,710,879	5	
FoxConn InterConnect Technology Limited	New Wing InterConnect Technology (Bac Giang) Limited	Subsidiary	Sales	6,269,114	6	Net 90 days	Note 1	Note 1	2,029,156	6	
FoxConn InterConnect Technology Limited	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	617,948	1	Net 60 days	Note 1	Note 1	141,638	-	
FoxConn InterConnect Technology Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	521,966	-	Net 60 days	Note 1	Note 1	76,119	-	
FoxConn InterConnect Technology Limited	Belkin International, Inc.	Subsidiary	Sales	3,490,627	3	Net 90 days	Note 1	Note 1	2,062,051	6	
FoxConn InterConnect Technology Limited	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	Sales	1,499,812	1	Payment term 90 days	Note 1	Note 1	50,378	-	
FoxConn InterConnect Technology Limited	FoxConn Brasil Industria e Comercio Ltda.	Subsidiary	Sales	173,825	-	Payment term 60 days	Note 1	Note 1	75,263	-	
FoxConn InterConnect Technology Limited	FoxConn Technology Pte. Ltd.	Affiliate	Purchases	122,939	-	Net 90 days	Note 1	Note 1	-	-	
FoxConn InterConnect Technology Limited	FoxConn Technology Co., Ltd	Affiliate	Sales	167,872	-	Payment term 90 days	Note 1	Note 1	26,461	-	
FoxConn InterConnect Technology Limited	Pan-International Industrial Corp.	Affiliate	Sales	1,581,393	1	Payment term 90 days	Note 1	Note 1	486,629	1	
FoxConn InterConnect Technology Limited	TekCon Electronics Corp.	Affiliate	Sales	328,979	-	Payment term 60 days	Note 1	Note 1	218,532	1	

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Differences in transaction terms compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)			Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	
			Sales	\$			Note 1	Note 1	
FoxCom InterConnect Technology Limited	New Ocean Precision Component (Jiangxi) Co., Ltd.	Affiliate	Sales	377,316	-	Payment term 90 days	Note 1	Note 1	83,093
FoxCom InterConnect Technology Limited	New Ocean Precision Component (Jiangxi) Co., Ltd.	Affiliate	Purchases	1,944,936	2	Payment term 90 days	Note 1	Note 1	(426,296)
FoxCom InterConnect Technology Limited	Avary Holding (Shenzhen) Co., Ltd.	Affiliate	Sales	948,497	1	Payment term 90 days	Note 1	Note 1	380,507
FoxCom InterConnect Technology Limited	Hong Qi Sheng Precision Electronics (Qinhuangdao) Co., Ltd.	Affiliate	Sales	472,189	-	Payment term 90 days	Note 1	Note 1	-
FoxCom InterConnect Technology Limited	Garuda International Limited	Affiliate	Purchases	199,766	-	Net 90 days	Note 1	Note 1	-
FoxCom InterConnect Technology Limited	Cheng Uei Precision Industry Co., Ltd.	Affiliate	Sales	2,023,787	2	Payment term 60 days	Note 1	Note 1	544,617
View Great Limited	FIH (Hong Kong) Limited	Subsidiary	Sales	106,712	32	Payment term 60 days	Note 1	Note 1	-
ISI Special Material International Holdings Limited	Lankao Yufu Precision Technology Co., Ltd.	Subsidiary	Sales	109,223	93	Payment term 90 days	Note 1	Note 1	6,304
FTI Electronics, Inc.	New Beyond Maximum Industrial Limited	Subsidiary	Sales	722,624	1	Net 30 days	Note 1	Note 1	72,263
Fuguikang Precision Electronics (Guizhou) Co., Ltd.	Guizhou Fuzhikang Electronic Co., Ltd.	Subsidiary	Sales	177,578	6	Net 45 days	Note 1	Note 1	4,922
Fuguikang Precision Electronics (Guizhou) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	461,892	15	Payment term 90 days	Note 1	Note 1	72,893
Fuguikang Precision Electronics (Guizhou) Co., Ltd.	Pan-International Industrial Corp.	Affiliate	Purchases	140,203	4	Payment term 90 days	Note 1	Note 1	-
Jusda International Limited	Ingrasys Technology Co., Ltd.	Subsidiary	Sales	932,320	7	Net 60 days	Note 1	Note 1	274,872
Jusda International Limited	Jusda Supply Chain Management International Co., Ltd.	Subsidiary	Sales	699,049	5	Net 180 days	Note 1	Note 1	183,778
Jusda International Limited	Competition Team Ireland Limited	Subsidiary	Sales	236,248	2	Net 60 days	Note 1	Note 1	76,343
Jusda International Limited	FoxCom InterConnect Technology Limited	Subsidiary	Sales	143,023	1	Net 60 days	Note 1	Note 1	19,752
Jusda International Limited	Sharp Jusda Logistics Corp.	Subsidiary	Sales	2,643,945	20	Net 180 days	Note 1	Note 1	600,617
Jusda International Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	1,162,483	9	Net 60 days	Note 1	Note 1	273,493
Jusda International Limited	Jusda Supply Chain Management Corporation	Subsidiary	Sales	168,126	1	Net 180 days	Note 1	Note 1	167,359
Jusda International Limited	Fortunebay Technology Pte Ltd.	Subsidiary	Sales	101,262	1	Net 30 days	Note 1	Note 1	93,218
Jusda International Limited	Innolux Corporation	Other related party	Sales	386,057	3	Net 90 days	Note 1	Note 1	121,422
Big Innovation Holdings Limited	FaiCon Precision Trading Limited	Subsidiary	Sales	195,120	67	Payment term 120 days	Note 1	Note 1	188,055
Chongqing Hongteng Technology Co., Ltd.	FoxCom InterConnect Technology Limited	Subsidiary	Sales	873,702	3	Payment term 60 days	Note 1	Note 1	39,569
Chongqing Jingmei Precision Electronic Co., Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales	567,098	100	Net 90 days	Note 1	Note 1	67,913
Kunshan Fuchengke Precision Electronical Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	618,760	8	Payment term 60 days	Note 1	Note 1	543,116

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Differences in transaction terms compared to third party transactions

Transaction					transactions		Notes/acCounts receivable (payable)				
Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Percentage of total purchases (sales)		Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)	Footnote
				Amount							
Kunshan Fuchengke Precision Electrical Co., Ltd.	Wuxi Sharp Electronic Components Co., Ltd.	Affiliate	Sales	\$	144,349	2	Payment term 90 days	Note 1	\$	77,813	3
Fushirui Zhengzhou Precision Industry Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales		155,938	21	Net 180 days	Note 1		173,432	29
Fushirui Zhengzhou Precision Industry Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales		257,187	35	Net 180 days	Note 1		169,688	28
Fushirui ChengDu Precision Industry Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales		124,227	42	Net 60 days	Note 1		38,834	20
Hongfuzhun Precision Shenzhen Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales		167,352	7	Payment term 90 days	Note 1		79,041	5
Hongfuzhun Precision Shenzhen Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales		121,264	5	30 days after validation	Note 1		78,922	5
Hongfuzhun Precision Shenzhen Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales		136,649	6	Payment term 90 days	Note 1		42,079	3
Hongfuzhun Precision Shenzhen Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales		787,490	35	Net 60 days	Note 1		449,833	31
Hongfuzhun Precision Shenzhen Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	Sales		105,189	5	Net 45 days	Note 1		79,730	5
Fumeng Electronical Technology (Heze) Co., Ltd.	FoxConn InterConnect Technology Limited	Subsidiary	Sales		542,433	3	Payment term 60 days	Note 1		72,176	3
eCMMS Precision Singapore Pte. Ltd.	Competition Team Technologies USA Inc.	Subsidiary	Sales		37,545,595	38	Payment term 75 days	Note 1		9,899,413	42
eCMMS Precision Singapore Pte. Ltd.	Competition Team Technologies MexCo S.A. De C.V.	Subsidiary	Sales		336,041	-	Payment term 75 days	Note 1		209,858	1
eCMMS Precision Singapore Pte. Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales		8,060,341	8	Net 120 days	Note 1		2,645,590	11
eCMMS Precision Singapore Pte. Ltd.	Eson Precision Industry (Singapore) Pte. Ltd.	Affiliate	Purchases		1,604,574	2	Net 30 days	Note 1		-	-
eCMMS Precision Singapore Pte. Ltd.	Sharp Corporation MexCo, S.A. de C.V.	Affiliate	Sales		453,881	-	Net 75 days	Note 1		280,856	1
eCMMS Precision Singapore Pte. Ltd.	Sharp Electronics Corporation	Affiliate	Sales		583,130	1	Payment term 40 days	Note 1		40,389	-
Chengdu Zhunren Technology Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales		379,802	82	Payment term 90 days	Note 1		141,006	92
Jinchen Hongren Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales		101,850	7	Payment term 90 days	Note 1		-	-
Jinchen Hongren Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales		131,960	9	Payment term 90 days	Note 1		-	-
Jinchen Hongren Technology Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	Sales		106,789	7	Payment term 90 days	Note 1		-	-
Jinchen Hongren Technology Co., Ltd.	Hebi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales		148,773	10	Payment term 90 days	Note 1		-	-
Jinchen Hongren Technology Co., Ltd.	Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Subsidiary	Sales		450,741	31	Payment term 90 days	Note 1		217,763	58

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Differences in transaction terms compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)			
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance
Jinchen Hongren Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	\$ 100,262	7	Payment term 90 days	Note 1	Note 1	\$ -
HongQing Precision machine Co., Ltd	Fushitui Zhengzhou Precision Industry Co., Ltd.	Subsidiary	Sales	103,105	37	Payment term 90 days	Note 1	Note 1	89,647
New Wing InterConnect Technology (Bac Giang) Limited	FoxConn InterConnect Technology Limited	Subsidiary	Sales	29,290,191	3	Payment term 60 days	Note 1	Note 1	6,081,271
New Wing InterConnect Technology (Bac Giang) Limited	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	Sales	327,071	1	Net 45 days	Note 1	Note 1	43,739
First Special Material (Shenzhen) Limited	LanKao Yude Environment Material Technology Inc.	Subsidiary	Sales	181,208	70	Net 360 days	Note 1	Note 1	117,518
Jin Ji Full Precision Machinery (Wuhan) Co., Ltd	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	397,282	66	Payment term 90 days	Note 1	Note 1	74,916
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	Sales	3,510,621	3	Net 90 days	Note 1	Note 1	1,485,383
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology USA Inc.	Subsidiary	Sales	71,618,500	60	Net 90 days	Note 1	Note 1	17,109,444
Ingrasys (Singapore) Pte. Ltd.	FoxConn Technology CZ S.R.O.	Subsidiary	Sales	2,184,709	2	Payment term 45 days	Note 1	Note 1	731,547
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology Korea, Inc.	Subsidiary	Sales	1,363,982	1	Net 90 days	Note 1	Note 1	737,676
Ingrasys (Singapore) Pte. Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	795,338	1	Payment term 60 days	Note 1	Note 1	115,801
Ingrasys (Singapore) Pte. Ltd.	Yuzhang Precision Technology Japan Co., Ltd.	Subsidiary	Sales	4,476,096	4	Payment term 60 days	Note 1	Note 1	1,158,614
Ingrasys (Singapore) Pte. Ltd.	Cloud Network Technology Kft.	Subsidiary	Sales	2,027,269	2	Net 45 days	Note 1	Note 1	367,363
Ingrasys (Singapore) Pte. Ltd.	FoxConn Brasil Industria e Comercio Ltda.	Subsidiary	Sales	664,801	1	Payment term 90 days	Note 1	Note 1	492,608
FoxConn Industrial Internet Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	124,943	23	Payment term 90 days	Note 1	Note 1	112,443
FoxConn OE Technologies Singapore Pte. Ltd.	FoxConn CZ S.R.O.	Subsidiary	Sales	221,506	2	Net 30 days	Note 1	Note 1	6,061
FoxConn OE Technologies Singapore Pte. Ltd.	FoxConn OE Technologies Inc.	Subsidiary	Sales	876,973	8	Net 60 days	Note 1	Note 1	397,702
FoxConn OE Technologies Singapore Pte. Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	144,689	1	Net 30 days	Note 1	Note 1	15,962
Hongfujin Precision Electronics (Guizhou) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	2,404,947	97	Net 30, 60 days	Note 1	Note 1	494,758
Henan Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	869,714	1	Payment term 90 days	Note 1	Note 1	349,070
Henan Yuzhan Precision Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	3,923,625	4	Payment term 90 days	Note 1	Note 1	2,904,640
Henan Yuzhan Precision Technology Co., Ltd.	Cloud Network Technology (Sumoa) Limited	Subsidiary	Sales	1,150,495	1	Net 30 days	Note 1	Note 1	-
Henan Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Sales	94,534,161	94	Net 30 days	Note 1	Note 1	45,515,377
Henan Yuzhan Precision Technology Co., Ltd.	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliate	Purchases	262,372	3	Net 60 days	Note 1	Note 1	163,376

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Differences in transaction terms compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)			
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance
			Sales	\$	100,121	10	Note 1	Note 1	6,100
Hongtusheng Precision Electronics (Zhengzhou) Co., Ltd.	FoxConn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales			Net 90 days	Note 1	Note 1	
Ur Materials (Shenzhen) Co., Ltd.	Naming Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	103,166	4	Net 90 days	Note 1	Note 1	67,999
Jincheng Futaihua Precision Electronic Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	Sales	234,853	1	Payment term 90 days	Note 1	Note 1	-
Jincheng Futaihua Precision Electronic Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	Sales	236,504	1	Payment term 90 days	Note 1	Note 1	226,711
Jincheng Futaihua Precision Electronic Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	434,797	1	Payment term 90 days	Note 1	Note 1	-
Jincheng Futaihua Precision Electronic Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	Sales	9,161,575	24	Payment term 90 days	Note 1	Note 1	1,862,634
Jincheng Futaihua Precision Electronic Co., Ltd.	IPL International Limited	Subsidiary	Sales	28,118,853	72	Payment term 90 days	Note 1	Note 1	10,690,632
Jincheng Futaihua Precision Electronic Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	1,452,200	8	Payment term 90 days	Note 1	Note 1 (	353,717) (
Lankao Yufu Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	128,665	2	Net 90 days	Note 1	Note 1	147,863
Lankao Yufu Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	1,527,617	25	Payment term 90 days	Note 1	Note 1	1,659
Lankao Yufu Precision Technology Co., Ltd.	FoxConn Singapore Pte. Ltd.	Subsidiary	Sales	2,570,168	42	Net 60 days	Note 1	Note 1	1,088,832
Lankao Yude Environment Material Technology Inc.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	175,823	13	Payment term 90 days	Note 1	Note 1	39,646
Lankao Yude Environment Material Technology Inc.	Lankao Yufu Precision Technology Co., Ltd.	Subsidiary	Sales	304,471	22	Net 15 days	Note 1	Note 1	65,700
Lankao Yude Environment Material Technology Inc.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	230,061	16	Net 60 days	Note 1	Note 1	105,584
Shenzhen Yuzhan Precision Technology Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	Sales	1,032,767	-	Net 90 days	Note 1	Note 1	136,285
Shenzhen Yuzhan Precision Technology Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Subsidiary	Sales	315,992	-	Net 90 days	Note 1	Note 1	363,142
Shenzhen Yuzhan Precision Technology Co., Ltd.	Shenzhen Fertile Plan International Logistics Co., Ltd.	Subsidiary	Sales	346,655	-	Net 90 days	Note 1	Note 1	100,885
Shenzhen Yuzhan Precision Technology Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	187,800	-	Net 90 days	Note 1	Note 1	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	Sales	1,614,666	1	Payment term 90 days	Note 1	Note 1	967,636
Shenzhen Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	1,516,109	1	30 days after validation	Note 1	Note 1	1,636,082
Shenzhen Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	3,309,138	1	Payment term 90 days	Note 1	Note 1	1,931,985
Shenzhen Yuzhan Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	Sales	2,395,130	1	Net 30 days	Note 1	Note 1	1,970,100

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Differences in transaction terms Compared to third party transactions										
Transaction						Notes/acCounts receivable (payable)				
Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)
Shenzhen Jusha Precision Technology Co., Ltd.	Lankao Yufu Precision Technology Co., Ltd.	Subsidiary	Sales	\$ 110,713	-	Net 15 days	Note 1	Note 1	\$ -	-
Shenzhen Jusha Precision Technology Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	Sales	47,372,901	19	Payment term 30 days	Note 1	Note 1	31,829,797	19
Shenzhen Jusha Precision Technology Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	Sales	4,350,955	2	Net 30 days	Note 1	Note 1	3,760,637	2
Shenzhen Jusha Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Sales	178,305,468	73	Payment term 30 days	Note 1	Note 1	118,138,817	72
Shenzhen Jusha Precision Technology Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	721,197	-	Payment term 90 days	Note 1	Note 1	827,149	1
Shenzhen Jusha Precision Technology Co., Ltd.	Hebi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	861,458	-	Net 90 days	Note 1	Note 1	406,891	-
Shenzhen Jusha Precision Technology Co., Ltd.	Hengyang Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	144,666	-	Net 30 days	Note 1	Note 1	166,252	-
Shenzhen Jusha Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	986,234	-	Net 90 days	Note 1	Note 1	1,114,914	1
Shenzhen Jusha Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	120,049	-	Payment term 90 days	Note 1	Note 1	(40,500)	-
Shenzhen Jusha Precision Technology Co., Ltd.	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliate	Sales	201,658	-	Net 90 days	Note 1	Note 1	-	-
Shenzhen Jusha Precision Technology Co., Ltd.	FoxConn Technology Pre. Ltd.	Affiliate	Purchases	221,343	-	Payment term 90 days	Note 1	Note 1	(67,974)	-
Shenzhen Jusha Precision Technology Co., Ltd.	Champ Tech Optical (FoShan) Corporation	Affiliate	Purchases	122,341	-	Payment term 90 days	Note 1	Note 1	(52,719)	-
Fuzhun Precision Tooling (Jiasan) Co., Ltd.	Fuding Electronic Technology (Jiasan) Co., Ltd.	Subsidiary	Sales	3,856,620	100	Payment term 90 days	Note 1	Note 1	886,749	100
Dong Guan Fu Yi Precision Industrial LTD	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	117,647	100	Net 90 days	Note 1	Note 1	-	-
Jusda Europe S.R.O.	FoxConn CZ S.R.O.	Subsidiary	Sales	187,906	19	Payment term 45 days	Note 1	Note 1	20,954	18
Jusda Europe S.R.O.	FoxConn European Manufacturing Services S.R.O.	Subsidiary	Sales	201,088	20	Payment term 45 days	Note 1	Note 1	8,402	7
Jusda Europe S.R.O.	FoxConn Technology CZ S.R.O.	Subsidiary	Sales	181,880	18	Payment term 45 days	Note 1	Note 1	29,641	26
Nanjing Hongfusharp Precision Electronics Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Sales	316,671	39	Payment term 60 days	Note 1	Note 1	211,918	93
Sharp Jusda Logistics Corp.	Jusda Supply Chain Management Corporation	Subsidiary	Sales	282,798	1	Payment term 30 days	Note 1	Note 1	47,816	1
Sharp Jusda Logistics Corp.	Sharp Jusda Logistics (Germany) GmbH	Subsidiary	Sales	124,232	1	Payment term 30 days	Note 1	Note 1	46,048	1
Sharp Jusda Logistics Corp.	Sharp Corporation	Affiliate	Sales	6,388,409	27	Payment term 30 days	Note 1	Note 1	811,274	25
Sharp Jusda Logistics Corp.	Sharp Corporation	Affiliate	Purchases	11,734,220	50	Payment term 30 days	Note 1	Note 1	(811,274)	(25)
Sharp Jusda Logistics Corp.	Sharp Energy Solutions Corporation	Affiliate	Sales	258,945	1	Payment term 30 days	Note 1	Note 1	38,252	1

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Differences in transaction terms Compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)			Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	
Sharp Jusda Logistics Corp.	Sharp Marketing Japan Corporation	Affiliate	Sales	\$ 1,956,921	8	Payment term 30 days	Note 1	Note 1	10
Sharp Jusda Logistics Corp.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Purchases	276,165	1	Payment term 60 days	Note 1	Note 1 (	38)
Sharp Jusda Logistics Corp.	Wuxi Sharp Electronic Components Co., Ltd.	Affiliate	Purchases	515,080	2	Payment term 60 days	Note 1	Note 1	-
Sharp Jusda Logistics Corp.	Sharp Appliances (Thailand) Ltd.	Affiliate	Sales	155,203	1	Payment term 30 days	Note 1	Note 1	1
Sharp Jusda Logistics Corp.	Sharp Middle East Free Zone Establishment	Affiliate	Sales	114,608	-	Payment term 30 days	Note 1	Note 1	-
Sharp Jusda Logistics Corp.	Yantai Xiaye Electrons Co., Ltd.	Affiliate	Purchases	488,659	2	Payment term 60 days	Note 1	Note 1	-
Sharp Jusda Logistics Corp.	Dynabook, Inc.	Affiliate	Sales	367,382	2	Payment term 30 days	Note 1	Note 1	2
Jusda India Supply Chain Management Private Limited	Rising Stars Mobile India Private Limited	Subsidiary	Sales	136,944	28	Payment term 30 days	Note 1	Note 1	18
Xingfox Energy Technology Co., Ltd.	FoxConn InterConnect Technology Limited	Subsidiary	Sales	115,500	99	Payment term 60 days	Note 1	Note 1	-
Chongqing Fugui Electronics Co., Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales	245,826	4	Net 90 days	Note 1	Note 1	-
Chongqing Fugui Electronics Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	259,403	4	Payment term 60 days	Note 1	Note 1	-
Chongqing Fugui Electronics Co., Ltd.	Mega Well Limited	Subsidiary	Sales	6,017,310	90	Net 90 days	Note 1	Note 1	92
Chongqing Fugui Electronics Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	158,758	2	Net 60 days	Note 1	Note 1	-
Chongqing Fugui Electronics Co., Ltd.	Garuda International Limited	Affiliate	Purchases	109,586	2	Net 90 days	Note 1	Note 1 (	4)
Shenzhen Fugui Precision Industrial Co., Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	Sales	556,143	-	Net 90 days	Note 1	Note 1	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	210,534	-	Net 90 days	Note 1	Note 1	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	444,444	-	Net 60 days	Note 1	Note 1	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	2,042,749	2	Net 90 days	Note 1	Note 1	1
Shenzhen Fugui Precision Industrial Co., Ltd.	Profit New Limited	Subsidiary	Sales	21,845,148	17	Net 90 days	Note 1	Note 1	17
Shenzhen Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	Sales	103,840,345	82	Net 90 days	Note 1	Note 1	81
Shenzhen Fugui Precision Industrial Co., Ltd.	General Interface Solution Limited	Affiliate	Purchases	277,007	-	60 days after validation	Note 1	Note 1 (-
Shenzhen Fugui Precision Industrial Co., Ltd.	Inmolux Corporation	Other related party	Purchases	324,518	-	Net 60 days	Note 1	Note 1 (-

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Differences in transaction terms compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)				Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	
			Purchases	\$	216,350	-	Note 1	Note 1	109,822	1)
Shenzhen Fugui Precision Industrial Co., Ltd.	Sharp Appliances (Thailand) Ltd.	Affiliate	Purchases			90 days after validation	Note 1	Note 1		
Shenzhen Fugui Precision Industrial Co., Ltd.	FoxConn Technology Co., Ltd	Affiliate	Purchases	113,907	-	Net 90 days	Note 1	Note 1	42,204	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Garuda International Limited	Affiliate	Purchases	443,503	-	Net 90 days	Note 1	Note 1	121,037	1)
Shenzhen Fugui Precision Industrial Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other related party	Purchases	400,213	-	Net 90 days	Note 1	Note 1	222,849	1)
Cloud Network Technology Singapore Pte. Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	Sales	221,053	-	Payment term 30 days	Note 1	Note 1	-	-
Cloud Network Technology Singapore Pte. Ltd.	Ingrasys Technology USA Inc.	Subsidiary	Sales	1,586,541	-	Net 60 days	Note 1	Note 1	1,121,402	1
Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	156,902	-	Net 60 days	Note 1	Note 1	-	-
Cloud Network Technology Singapore Pte. Ltd.	FoxConn CZ S.R.O.	Subsidiary	Sales	18,782,585	2	Net 180 days	Note 1	Note 1	9,284,326	4
Cloud Network Technology Singapore Pte. Ltd.	Funing Precision Component Co., Ltd.	Subsidiary	Sales	50,855,721	6	Net 90 days	Note 1	Note 1	6,319,921	3
Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales	771,924	-	Net 60 days	Note 1	Note 1	288,234	-
Cloud Network Technology Singapore Pte. Ltd.	FoxConn Technology CZ S.R.O.	Subsidiary	Sales	220,915	-	Net 45 days	Note 1	Note 1	-	-
Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	56,695,905	6	Payment term 90 days	Note 1	Note 1	17,495,842	8
Cloud Network Technology Singapore Pte. Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	8,768,911	1	Net 90 days	Note 1	Note 1	1,142,396	1
Cloud Network Technology Singapore Pte. Ltd.	Mega Well Limited	Subsidiary	Sales	1,068,909	-	Payment term 30 days	Note 1	Note 1	182,472	-
Cloud Network Technology Singapore Pte. Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	17,111,557	2	Net 90 days	Note 1	Note 1	9,469,308	5
Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Electronics (Guiyang) Co., Ltd.	Subsidiary	Sales	799,778	-	Net 60 days	Note 1	Note 1	234,540	-
Cloud Network Technology Singapore Pte. Ltd.	Chongqing Fugui Electronics Co., Ltd.	Subsidiary	Sales	184,064	-	Payment term 60 days	Note 1	Note 1	-	-
Cloud Network Technology Singapore Pte. Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	7,499,140	1	Net 60 days	Note 1	Note 1	840,772	-
Cloud Network Technology Singapore Pte. Ltd.	Cloud Network Technology Kft.	Subsidiary	Sales	445,796	-	Net 45 days	Note 1	Note 1	-	-
Cloud Network Technology Singapore Pte. Ltd.	Cloud Network Technology USA Inc.	Subsidiary	Sales	41,162,884	5	Net 180 days	Note 1	Note 1	15,518,226	7
Cloud Network Technology Singapore Pte. Ltd.	IPL International Limited	Subsidiary	Sales	564,226	-	Payment term 30 days	Note 1	Note 1	180,723	-
Cloud Network Technology Singapore Pte. Ltd.	Fuyu Precision Component Co., Ltd.	Subsidiary	Sales	532,448	-	Payment term 90 days	Note 1	Note 1	513,167	-

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Differences in transaction terms Compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Notes/acCounts receivable (payable)				Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	
Cloud Network Technology Singapore Pte. Ltd.	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	Sales	\$ 35,101,609	4	Payment term 90 days	Note 1	Note 1	\$ 4,936,697	2
Cloud Network Technology Singapore Pte. Ltd.	Fenix Industria de EletromCos Ltda.	Subsidiary	Sales	230,110	-	Net 90 days	Note 1	Note 1	-	-
Cloud Network Technology Singapore Pte. Ltd.	FoxComm MOEBG Industria De EletromCos Ltda.	Subsidiary	Sales	428,288	-	Net 120 days	Note 1	Note 1	-	-
Cloud Network Technology Singapore Pte. Ltd.	Cybertan Technology Inc.	Affiliate	Sales	108,852	-	Net 60 days	Note 1	Note 1	-	-
Cloud Network Technology Singapore Pte. Ltd.	Cybertan Technology Inc.	Affiliate	Purchases	683,473	-	Net 75 days	Note 1	Note 1	(70,587)	-
Cloud Network Technology Singapore Pte. Ltd.	FTC Technology Inc.	Affiliate	Purchases	146,969	-	Net 90 days	Note 1	Note 1	(46,185)	-
Cloud Network Technology Singapore Pte. Ltd.	Garuda International Limited	Affiliate	Purchases	1,054,908	-	Net 90 days	Note 1	Note 1	(217,901)	-
Cloud Network Technology Singapore Pte. Ltd.	Sharp Corporation	Affiliate	Sales	1,038,391	-	Payment term 60 days	Note 1	Note 1	154,134	-
Cloud Network Technology Kft.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	1,221,272	2	Payment term 45 days	Note 1	Note 1	285,877	5
Cloud Network Technology Kft.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	7,350,517	14	Payment term 30 days	Note 1	Note 1	-	-
Cloud Network Technology (Samoa) Limited	FoxComm Precision International Limited	Subsidiary	Sales	65,256,338	100	Net 30 days	Note 1	Note 1	36,937,393	100
Shanxi Yuding Precision Technology Co., Ltd.	Jincheng Fuaihua Precision Electronic Co., Ltd.	Subsidiary	Sales	4,132,716	12	Net 90 days	Note 1	Note 1	4,746,462	31
Shanxi Yuding Precision Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	313,029	1	Net 60 days	Note 1	Note 1	317,845	2
Shanxi Yuding Precision Technology Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	Sales	631,151	2	Net 45 days	Note 1	Note 1	-	-
Shanxi Yuding Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Sales	30,198,877	85	Net 45 days	Note 1	Note 1	9,880,211	65
Shanxi Yuding Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	237,586	1	Net 90 days	Note 1	Note 1	121,636	1
Shanxi Yuding Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	8,912,696	39	Payment term 30 days	Note 1	Note 1	(5,819,146)	(48)
Shanxi Yuding Precision Technology Co., Ltd.	Fuzhun Precision (Hebt) Electronics Co., Ltd.	Affiliate	Purchases	234,368	1	Net 30 days	Note 1	Note 1	(3,583)	-
Cloud Network Technology USA Inc.	FoxComm CZ S.R.O.	Subsidiary	Sales	845,274	1	Net 45 days	Note 1	Note 1	-	-
Cloud Network Technology USA Inc.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	547,095	-	Payment term 90 days	Note 1	Note 1	-	-
Cloud Network Technology USA Inc.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	294,603	-	Payment term 30 days	Note 1	Note 1	-	-
Cloud Network Technology USA Inc.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	6,952,065	5	Payment term 30 days	Note 1	Note 1	2,144,813	21
Cloud Network Technology USA Inc.	NSG Technology Inc.	Subsidiary	Sales	191,416	-	Net 30 days	Note 1	Note 1	-	-

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Differences in transaction terms compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Transaction			Notes/acCounts receivable (payable)				
				Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)	Footnote
IPL International Limited	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	\$ 1,152,211	-	Payment term 30 days	Note 1	Note 1	\$ 369,154	-	-
IPL International Limited	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	1,698,941	-	Net 60 days	Note 1	Note 1	143,124	-	-
IPL International Limited	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	Sales	924,969	-	Net 45 days	Note 1	Note 1	205,568	-	-
IPL International Limited	FoxConn Precision International Limited	Subsidiary	Sales	404,505,181	99	Payment term 30 days	Note 1	Note 1	168,862,290	99	99
IPL International Limited	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	1,234,206	-	Net 45 days	Note 1	Note 1	189,749	-	-
IPL International Limited	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	Sales	531,621	-	Payment term 30 days	Note 1	Note 1	304,122	-	-
Jusda Supply Chain Management Corporation	Jusda International Limited	Subsidiary	Sales	234,564	9	Payment term 30 days	Note 1	Note 1	127,242	24	24
Jusda Supply Chain Management Corporation	Belkin International, Inc.	Subsidiary	Sales	214,584	8	Payment term 30 days	Note 1	Note 1	20,406	4	4
Jusda Supply Chain Management Corporation	Sharp Devices (Europe) GmbH	Affiliate	Sales	298,870	12	Net 45 days	Note 1	Note 1	12,285	2	2
Jusda Supply Chain Management Corporation	Sharp Electronics Corporation	Affiliate	Sales	262,718	10	Net 45 days	Note 1	Note 1	62,597	12	12
Jusda Supply Chain Management Corporation	Dynabook Americas, Inc.	Affiliate	Sales	156,468	6	Payment term 15 days	Note 1	Note 1	8,894	2	2
Jusda Supply Chain Management Corporation	Qolsys Inc.	Affiliate	Sales	167,493	7	Net 45 days	Note 1	Note 1	47,447	9	9
Fu Sheng Optoelectronics Technology (Kunshan) Co., Ltd	FoxConn InterConnect Technology Limited	Subsidiary	Sales	431,326	3	Net 60 days	Note 1	Note 1	128,758	3	3
AFE, Inc.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	108,572	5	Net 30 days	Note 1	Note 1	59,557	39	39
AFE, Inc.	FII USA Inc.	Subsidiary	Sales	1,787,695	85	Net 30 days	Note 1	Note 1	34,878	23	23
Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	FalCon Precision Trading Limited	Subsidiary	Sales	4,019,253	6	Net 90 days	Note 1	Note 1	-	-	-
Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	FalCon Precision Trading Pte. Ltd.	Subsidiary	Sales	61,709,371	94	Net 90 days	Note 1	Note 1	42,390,872	100	100
Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Garuda International Limited	Affiliate	Purchases	148,716	-	Net 90 days	Note 1	Note 1	-	-	-
Fortunebay Technology Pte Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Subsidiary	Sales	135,135	1	Net 45 days	Note 1	Note 1	76,653	2	2
Fortunebay Technology Pte Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	Sales	100,455	1	Net 45 days	Note 1	Note 1	44,488	1	1
Fortunebay Technology Pte Ltd.	FIIH (Hong Kong) Limited	Subsidiary	Sales	1,899,647	12	Payment term 60 days	Note 1	Note 1	363,141	8	8
Fortunebay Technology Pte Ltd.	Rising Stars Mobile India Private Limited	Subsidiary	Sales	406,958	3	Net 60 days	Note 1	Note 1	99,317	2	2
Fortunebay Technology Pte Ltd.	FoxConn (KunShan) Computer Connector Co., Ltd.	Subsidiary	Sales	129,156	1	Net 45 days	Note 1	Note 1	22,310	-	-
Fortunebay Technology Pte Ltd.	Hongfuitai Precision Electronics (YanTai) Co., Ltd.	Subsidiary	Sales	153,252	1	Net 45 days	Note 1	Note 1	59,838	1	1

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Differences in transaction terms Compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Transaction			transactions			Notes/acCounts receivable (payable)		Footnote
				Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)		
Fortunebay Technology Pte Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	\$ 1,294,043	8	Net 45 days	Note 1	Note 1	\$	381,554	8	
Fortunebay Technology Pte Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	116,274	1	Net 45 days	Note 1	Note 1		88,694	2	
Fortunebay Technology Pte Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales	3,148,940	20	Net 45 days	Note 1	Note 1		629,555	14	
Fortunebay Technology Pte Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	172,758	1	Net 45 days	Note 1	Note 1		110,580	2	
Fortunebay Technology Pte Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	4,997,556	32	Net 45 days	Note 1	Note 1		1,675,658	37	
Fortunebay Technology Pte Ltd.	FoxConn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales	1,030,443	7	Net 45 days	Note 1	Note 1		202,460	4	
Fortunebay Technology Pte Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	225,867	1	Net 45 days	Note 1	Note 1		101,013	2	
Fortunebay Technology Pte Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	391,687	3	Net 45 days	Note 1	Note 1		249,350	6	
Fortunebay Technology Pte Ltd.	Interface Opoelectronics (SZ) Co., Ltd	Affiliate	Sales	212,959	1	Net 45 days	Note 1	Note 1		84,073	2	
Wubhan Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	5,490,047	92	Net 90 days	Note 1	Note 1		2,165,329	92	
Wubhan Yuzhan Precision Technology Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	Sales	208,949	4	Net 90 days	Note 1	Note 1		-	-	
Wubhan Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Sales	184,374	3	Net 90 days	Note 1	Note 1		128,021	5	
Wubhan Yuzhan Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	651,670	18	Net 90 days	Note 1	Note 1	(	328,699)	(34)
Hebi Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	493,506	8	Payment term 90 days	Note 1	Note 1		190,681	9	
Hebi Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	786,252	13	Payment term 90 days	Note 1	Note 1		203,664	10	
Hebi Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	3,271,133	56	Payment term 90 days	Note 1	Note 1		1,010,625	50	
Hebi Yuzhan Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	Sales	544,421	9	Payment term 90 days	Note 1	Note 1		213,161	10	
Hebi Yuzhan Precision Technology Co., Ltd.	Shenzhenhi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	184,354	3	Payment term 90 days	Note 1	Note 1		140,397	7	
Hebi Yuzhan Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	389,446	7	Payment term 90 days	Note 1	Note 1		122,028	6	
Hebi Yuzhan Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	196,525	23	Payment term 90 days	Note 1	Note 1	(	42,580)	(8)
Hebi Yuzhan Precision Technology Co., Ltd.	Fuzhan Precision (Hebi) Electronics Co., Ltd.	Affiliate	Purchases	167,875	20	Payment term 90 days	Note 1	Note 1	(	148,980)	(27)
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	Sales	295,730	9	Net 90 days	Note 1	Note 1		117,742	11	
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Subsidiary	Sales	113,948	3	Net 90 days	Note 1	Note 1		-	-	

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Differences in transaction terms compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Transaction			transactions			Percentage of total purchases (sales)	Notes/acCounts receivable (payable)			Footnote
				Amount	Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)					
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	\$ 242,946	7	Net 90 days	Note 1	Note 1	\$ -	-	-	-		
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	241,117	7	Net 30 days	Note 1	Note 1	-	-	-	-		
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Jinchen Hongren Technology Co., Ltd.	Subsidiary	Sales	256,766	8	Payment term 90 days	Note 1	Note 1	183,370	18				
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	187,079	5	Payment term 90 days	Note 1	Note 1	-	-	-	-		
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Shenzhenhi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	500,057	15	Net 60 days	Note 1	Note 1	-	-	-	-		
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	Sales	138,073	4	Net 45 days	Note 1	Note 1	-	-	-	-		
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	IPL International Limited	Subsidiary	Sales	141,171	4	Payment term 30 days	Note 1	Note 1	-	-	-	-		
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	190,316	6	Payment term 30 days	Note 1	Note 1	-	-	-	-		
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Hebi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	251,083	7	Payment term 30 days	Note 1	Note 1	-	-	-	-		
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	132,749	4	Net 90 days	Note 1	Note 1	-	-	-	-		
Sharp Jusda Logistics Malaysia Sdn. Bhd.	Sharp Electronics (Malaysia) Sdn. Bhd.	Affiliate	Sales	280,481	74	Payment term 30 days	Note 1	Note 1	21,107	61				
Shenzhen Hyper Power Information Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	144,214	47	Net 30 days	Note 1	Note 1	24,860	94				
Triple Win Technology (JinCheng) Co., Ltd.	Triple Win Technology (Shenzhen) Co., Ltd.	Subsidiary	Sales	16,605,209	92	Payment term 90 days	Note 1	Note 1	132,243	33				
Triple Win Technology (JinCheng) Co., Ltd.	Best Ever Industries Limited	Subsidiary	Sales	1,213,635	7	Payment term 90 days	Note 1	Note 1	237,751	60				
Sharp FIT Automotive Technology (Wuxi) Co., Ltd.	Sharp FIT Automotive Technology Co., Ltd.	Affiliate	Sales	226,999	2	Payment term 60 days	Note 1	Note 1	-	-	-	-		
Sharp FIT Automotive Technology Co., Ltd.	Sharp Corporation	Affiliate	Sales	389,742	3	Payment term 30 days	Note 1	Note 1	-	-	-	-		
Shenzhen Hochichuang Technology Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	225,392	83	Net 90 days	Note 1	Note 1	6,161	58				
HCC Teleron (HK) Technology Co., Limited	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales	168,064	33	Net 30 days	Note 1	Note 1	21,964	53				
HCC Teleron (HK) Technology Co., Limited	Fusing International Inc.	Subsidiary	Sales	139,012	28	Net 45 days	Note 1	Note 1	-	-	-	-		
Likom De MexiCo S.A De C.V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	241,627	100	Payment term 30 days	Note 1	Note 1	-	-	-	-		
Sharp JUSDA Logistics (Philippine) Corp.	Sharp (Philis.) Corporation	Affiliate	Sales	133,617	100	Payment term 30 days	Note 1	Note 1	-	-	-	-		
Belkin International, Inc.	Cybertan Technology Inc.	Affiliate	Purchases	1,335,090	9	Net 75 days	Note 1	Note 1	(315,216)	(5)				
Fine Tech Corporation	Simply Smart Limited	Subsidiary	Sales	128,724	31	Net 90 days	Note 1	Note 1	10,368	13				

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Differences in transaction terms compared to third party transactions

Transaction					Transactions		Notes/acCounts receivable (payable)				
Purchaser/seller	Counterparty	Relationship with the Counterparty	Purchases (sales)	Percentage of total purchases (sales)		Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)	Footnote
				Amount							
Bang Tai International Logistics Co., Ltd.	Jusda International Limited	Subsidiary	Sales	\$ 355,009	28	Net 60 days	Note 1	Note 1	\$ 188,572	68	
FII USA Inc.	Ingrasys Technology USA Inc.	Subsidiary	Sales	274,929	100	Payment term 90 days	Note 1	Note 1	264,973	100	
Polight Technologies Ltd.	Best Ever Industries Limited	Subsidiary	Sales	444,431	100	Payment term 30 days	Note 1	Note 1	61,033	100	
ICSA, Inc.	Ingrasys Technology USA Inc.	Subsidiary	Sales	189,590	73	Net 90 days	Note 1	Note 1	-	-	
Shanghai Topone Logistics Co., Ltd.	Shenzhen Fertile Plan International Logistics Co., Ltd.	Subsidiary	Sales	274,658	5	Payment term 30 days	Note 1	Note 1	32,415	2	
Sharp Jusda Logistics (Germany) GmbH	Sharp Jusda Logistics Corp.	Subsidiary	Sales	106,430	26	Payment term 30 days	Note 1	Note 1	14,733	21	
Ensky Technology Pte. Ltd.	FII (Hong Kong) Limited	Subsidiary	Sales	107,492	-	Net 90 days	Note 1	Note 1	9,973	-	
Hengyang Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	246,062	45	Payment term 90 days	Note 1	Note 1	250,246	43	
Hengyang Yuzhan Precision Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	283,657	52	Net 60 days	Note 1	Note 1	325,982	56	
NSG Technology Inc.	Ingrasys Technology USA Inc.	Subsidiary	Sales	130,233	4	Payment term 30 days	Note 1	Note 1	-	-	
NSG Technology Inc.	Mega Well Limited	Subsidiary	Sales	299,931	9	Payment term 30 days	Note 1	Note 1	-	-	
NSG Technology Inc.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	127,488	4	Payment term 30 days	Note 1	Note 1	-	-	
NSG Technology Inc.	Cloud Network Technology USA Inc.	Subsidiary	Sales	2,447,615	70	Payment term 30 days	Note 1	Note 1	348,505	77	
Premier Image Technology (China) Ltd.	FalCon Precision Trading Pte. Ltd.	Subsidiary	Sales	148,970	12	Net 60 days	Note 1	Note 1	12,850	3	
Premier Image Technology (China) Ltd.	Champ Tech Optical (FosShan) Corporation	Affiliate	Sales	158,720	12	Payment term 90 days	Note 1	Note 1	90,641	20	
Premier Image Technology (China) Ltd.	Pan-International Industrial Corp.	Affiliate	Purchases	124,507	10	90 days after validation	Note 1	Note 1	-	-	
Fuhong Precision Component (Bac Giang) Limited	FoxConn InterConnect Technology Limited	Subsidiary	Sales	4,546,003	9	Payment term 90 days	Note 1	Note 1	406,630	4	
Fuhong Precision Component (Bac Giang) Limited	New Wing InterConnect Technology (Bac Giang) Limited	Subsidiary	Sales	774,913	2	Payment term 90 days	Note 1	Note 1	-	-	
Fuhong Precision Component (Bac Giang) Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	44,803,160	89	Payment term 90 days	Note 1	Note 1	9,903,744	95	
Jusda International Supply Chain Management (Vietnam) Company Limited	FII (Hong Kong) Limited	Subsidiary	Sales	126,212	8	Net 30 days	Note 1	Note 1	58,709	13	
Jusda International Supply Chain Management (Vietnam) Company Limited	Funing Precision Component Co., Ltd.	Subsidiary	Sales	535,736	35	Net 30 days	Note 1	Note 1	130,391	29	
Jusda International Supply Chain Management (Vietnam) Company Limited	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	Sales	256,584	17	Net 30 days	Note 1	Note 1	59,182	13	
Jusda International Supply Chain Management (Vietnam) Company Limited	Sharp Electronics (Vietnam) Company Limited	Affiliate	Sales	177,366	12	Net 45 days	Note 1	Note 1	33,740	7	

Table 5, Page 31

Purchaser/seller	Counterparty	Relationship with the Counterparty	Transaction			Differences in transaction terms Compared to third party transactions			Notes/acCounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/acCounts receivable (payable)	
FoxCom MOEBG Industria De Eletronicos Ltda.	FoxConn Brasil Industria e Comercio Ltda.	Subsidiary	Sales	\$ 767,421	24	Payment term 30 days	Note 1	Note 1	70,463	18	

Note 1: The prices and terms to related parties were not significantly different from transaction with third parties, except for particular transactions to Compare with. For these transactions, the prices and terms were determined in accordance with mutual agreements.

Note 2: The Group sold materials to the above related parties for processing and repurchased the finished goods. The sales amount of materials and repurchase price of finished goods were offset against each other and shown at net amount in the financial statements.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
For the year ended December 31, 2020

Table 6

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	\$ 212,609,094	3	\$ 5,079,447	Subsequent Collection	\$ 29,376,531.00	\$ -
Hon Hai Precision Industry	Foxconn (Far East) Limited and subsidiaries	Subsidiary	80,371,002 (Shown as other receivables)(Note)		75,242,490	Subsequent Collection	80,371,002	-
Hon Hai Precision Industry	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	315,062,012 (Shown as other receivables)(Note)		-	-	101,702,713	-
Hon Hai Precision Industry	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	123,416,745 (Shown as other receivables)(Note)		-	-	39,368,718	-
Hon Hai Precision Industry	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	164,757,798 (Shown as other receivables)(Note)		-	-	164,240,538	-
Hon Hai Precision Industry	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	121,703,410 (Shown as other receivables)(Note)		-	-	64,401,336	-
Hon Hai Precision Industry	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	182,896,630	-	-	-	8,836,662	-
Hon Hai Precision Industry	Foxconn Hon Hai Technology India Mega Development	Affiliate	11,549,969	2	3,458,962	Subsequent Collection	2,419,532	4,331
Hon Hai Precision Industry	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	6,424,226	2	41,267	Subsequent Collection	3,470,093	-
Hon Hai Precision Industry	Dynabook Technology (Hangzhou) Inc.	Affiliate	850,072	4	332	Subsequent Collection	850,072	319
Hon Hai Precision Industry	Sharp Manufacturing Corporation (Malaysia) Sdn. Bhd.	Affiliate	814,060	4	154	Subsequent Collection	642,434	305
Hon Hai Precision Industry	Sharp Corporation	Affiliate	756,679	9	2,774	Subsequent Collection	756,679	284
Hon Hai Precision Industry	Dynabook Technology (Taiwan) Co., Ltd.	Affiliate	734,128	-	176	Subsequent Collection	712,468	275
Hon Hai Precision Industry	Ningbo Innolux Optoelectronics Ltd.	Other related party	526,286	4	109	Subsequent Collection	70,076	197
Hon Hai Precision Industry	Ningbo Innolux Display Ltd.	Other related party	438,033	3	-	-	381,953	164
Hon Hai Precision Industry	Innolux Corporation	Other related party	378,959	4	355	Subsequent Collection	378,959	142
Hon Hai Precision Industry	Foxconn Japan Co., Limited	Subsidiary	358,064	3	85,043	Subsequent Collection	233,997	-

Table 6, Page 1

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Hon Hai Precision Industry Co., Ltd.	Goldtek Technology Co., Ltd.	Affiliate	\$ 355,245	2	\$ -	-	\$ 248,598	\$ 133
Hon Hai Precision Industry Co., Ltd.	Sharp Hong Kong Limited	Affiliate	350,354	-	-	-	350,354	131
Hon Hai Precision Industry Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	305,048	3	-	-	26,353	114
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliate	302,734	2	354	Subsequent Collection	239,242	114
Hon Hai Precision Industry Co., Ltd.	Interface Optoelectronics (Wuxi) Co., Ltd.	Affiliate	246,269	3	-	-	184,139	92
Hon Hai Precision Industry Co., Ltd.	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	120,245	6	-	-	120,243	-
ShunSin Technology (Zhong Shan) Limited	ShunSin Technology Holdings Limited	Subsidiary	635,952	1	-	-	-	-
ShunSin Technology (Zhong Shan) Limited	Triple Win Technology (Shenzhen) Co., Ltd.	Subsidiary	598,826	1	-	-	-	-
Ambit Microsystem (Shanghai) Co., Ltd.	Funing Precision Component Co., Ltd.	Subsidiary	344,347	5	-	-	-	-
Ambit Microsystem (Shanghai) Co., Ltd.	System Integration Electronics (Hangzhou) Co., Ltd.	Subsidiary	114,974	2	-	-	-	-
Ambit Microsystem (Shanghai) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	597,243	10	-	-	-	-
Ambit Microsystem (Shanghai) Co., Ltd.	Fuyu Precision Component Co., Ltd.	Subsidiary	248,002	2	-	-	-	-
Ambit Microsystem (Shanghai) Co., Ltd.	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	552,496	7	-	-	-	-
Ingrasys Technology Co., Ltd.	Ingrasys Technology USA Inc.	Subsidiary	5,452,290	2	2,823,280	Subsequent Collection	-	-
Ingrasys Technology Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	192,423	6	-	-	-	-
Ingrasys Technology Co., Ltd.	Foxconn Technology (India) Private Limited	Subsidiary	804,731	2	94,961	Subsequent Collection	-	-
Ingrasys Technology Co., Ltd.	Foxconn Technology CZ S.R.O.	Subsidiary	1,872,545	3	162,657	Subsequent Collection	-	-
Ingrasys Technology Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	1,345,304	7	1,334,956	Subsequent Collection	-	-
Ingrasys Technology Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	137,063	2	-	-	-	-
Ingrasys Technology Co., Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	11,248,457	3	9,517,609	Subsequent Collection	-	-
Ingrasys Technology Co., Ltd.	Ingrasys Technology Korea, Inc.	Subsidiary	321,739	3	103,839	Subsequent Collection	-	-

Table 6, Page 2

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
			\$	10	\$	575	Subsequent Collection	\$
Ingrasys Technology Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	242,272					-
Ingrasys Technology Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	297,627	5	10,065	Subsequent Collection		-
Ingrasys Technology Co., Ltd.	Yuzhang Precision Technology Japan Co., Ltd.	Subsidiary	429,923	2	21,079	Subsequent Collection		-
Ingrasys Technology Co., Ltd.	Cloud Network Technology Kft.	Subsidiary	239,756	7	150,089	Subsequent Collection		-
Ingrasys Technology Co., Ltd.	Cloud Network Technology USA Inc.	Subsidiary	332,320	3	117,615	Subsequent Collection		-
Foxconn Technology Co., Ltd.	Hong-Qi Mechatronics (Anhui) Co., Ltd.	Subsidiary	164,234	-	164,234	Subsequent Collection		-
Ingrasys Technology USA Inc.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	167,769	7	-	-		-
Socle Technology Corp.	Fitipower Integrated Technology Inc.	Affiliate	390,364	2	-	-		146
Hon-Ling Technology Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	572,608	1	-	-		-
Hon-Ling Technology Co., Ltd.	Mega Well Limited	Subsidiary	464,833	2	-	-		-
Foxconn Global Network Corporation	Asia Pacific Telecom Co., Ltd.	Subsidiary	166,736	1	2,745	Subsequent Collection	7,845	-
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	3,382,609	4	-	-		-
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	343,038	3	-	-		-
FIH Precision Component (Beijing) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	130,811	2	-	-		49
Futaijing Precision Electronics (Beijing) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Subsidiary	232,151	4	-	-		-
FIH Precision Electronics (Lang Fang) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	1,061,303	2	-	-		-
FIH (Hong Kong) Limited	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	620,959	2	-	-		-
FIH (Hong Kong) Limited	Ensky Technology Pte. Ltd.	Subsidiary	19,094,358	2	-	-		-
FIH (Hong Kong) Limited	Sharp Corporation	Affiliate	689,301	10	-	-		258
FIH (Hong Kong) Limited	Yantai Xiyue Electronics Co., Ltd.	Affiliate	1,707,756	2	-	-		640
Futaijing Precision Electronics (Yantai) Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	3,517,741	6	-	-		-
Futaijing Precision Electronics (Yantai) Co., Ltd.	Yantai Xiyue Electronics Co., Ltd.	Affiliate	763,430	3	-	-		286

Table 6, Page 3

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
			\$	2	\$		\$	\$
Hengyang Futaihong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	9,520,066	-	-	-	-	-
Foxconn (Far East) Limited	Oriental Dragon Holdings Limited	Subsidiary	136,704	-	-	-	-	-
Foxconn (Far East) Limited	Foxteq Holdings Inc.	Subsidiary	136,704	-	-	-	-	-
Foxconn (Far East) Limited	Foxconn (Far East) Holdings Limited	Subsidiary	136,704	-	-	-	-	-
Foxconn (Far East) Limited	Best Behaviour Holdings Limited	Subsidiary	136,704	-	-	-	-	-
Carston Limited	Smart Top International Limited	Subsidiary	108,226	1	-	-	-	-
Carston Limited	Best Leap Enterprises Limited	Subsidiary	260,932	-	-	-	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	284,537	-	7,589	Subsequent Collection	145,018	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Triple Win Technology (Shenzhen) Co., Ltd.	Subsidiary	119,596	-	56,489	Subsequent Collection	25,310	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	135,674	-	17,891	Subsequent Collection	132,453	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	3,591,818	-	-	-	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	365,762	-	62,931	Subsequent Collection	296,086	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	706,971	1	153,582	Subsequent Collection	706,971	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	169,938	-	18,200	Subsequent Collection	24,451	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Ur Materials (Shenzhen) Co., Ltd.	Subsidiary	162,195	-	27,749	Subsequent Collection	99,271	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	639,453	-	91,553	Subsequent Collection	271,977	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	210,730	-	7,267	Subsequent Collection	168,391	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Interface Optoelectronics (SZ) Co., Ltd	Affiliate	201,320	1	2,606	Subsequent Collection	149,891	75
Fu Ding Precision Component (Shenzhen) Co., Ltd.	New Beyond Maximum Industrial Limited	Subsidiary	5,625,625	1	-	-	-	-
Fuding Electronic Technology (Jiashan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Subsidiary	1,777,427	-	-	-	-	-
Fuding Electronic Technology (Jiashan) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	2,506,774	1	-	-	-	-
Fuding Electronic Technology (Jiashan) Co., Ltd.	Fuzhum Precision Tooling (Jiashan) Co., Ltd.	Subsidiary	241,883	2	-	-	-	-

Table 6, Page 4

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Triple Win Technology (Shenzhen) Co., Ltd.	Best Ever Industries Limited	Subsidiary	\$ 12,614,129	1	\$ -	-	\$ -	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	124,577	2	134,422	Subsequent Collection	114,298	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Subsidiary	4,249,312	-	-	-	-	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Subsidiary	182,657	-	63	Subsequent Collection	111,062	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fusing International Inc. Pte. Ltd.	Subsidiary	124,991	-	25,174	Subsequent Collection	29,682	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	2,574,584	-	2,112	Subsequent Collection	422,140	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fuzhun Precision Tooling (Jiashan) Co., Ltd.	Subsidiary	103,116	1	-	-	-	-
Foxconn (KunShan) Computer Connector Co., Ltd.	New Beyond Maximum Industrial Limited	Subsidiary	10,238,787	2	-	-	-	-
Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Foxconn (KunShan) Computer Connector Co., Ltd.	Subsidiary	1,707,586	3	-	-	-	-
Competition Team Technologies Limited	Best Behaviour Holdings Limited	Subsidiary	21,929,094	1	-	-	-	-
Competition Team Technologies Limited	Best Behaviour Limited	Subsidiary	4,877,359	1	-	-	-	-
Competition Team Technologies Limited	Armada Holdings Limited	Subsidiary	302,436	1	-	-	-	-
Best Leap Enterprises Limited	Best Behaviour Holdings Limited	Subsidiary	5,046,970	1	5,046,970	Subsequent Collection	-	-
Hongfui Precision Electronics (Yan Tai) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	7,203,621	1	-	-	-	-
Hongfui Precision Electronics (Yan Tai) Co., Ltd.	Guizhou Fuhuada Precision Electronics Co., Ltd.	Subsidiary	204,280	-	204,280	Subsequent Collection	-	-
Hongfui Precision Electronics (Yan Tai) Co., Ltd.	Kunshan Fuchengke Precision Electrical Co., Ltd.	Subsidiary	313,011	1	-	-	-	-
Hongfui Precision Electronics (Yan Tai) Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	128,822	1	-	-	-	48
Hongfui Precision Electronics (Yan Tai) Co., Ltd.	Yantai Xiaye Electronics Co., Ltd.	Affiliate	630,142	1	912	Subsequent Collection	402,530	236
eCMMS S.A. De C.V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	660,902	1	145,191	Subsequent Collection	467,941	-
Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	189,879	1	1,034	Subsequent Collection	147,571	-

Table 6, Page 5

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Foxconn CZ S.R.O.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	\$ 446,349	5	\$ 203,784	Subsequent Collection	\$ -	\$ -
Fujian Precision Industrial (Jincheng) Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	129,667	1	47,430	Subsequent Collection	93,977	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	405,347	1	40,743	Subsequent Collection	207,512	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuding Electronic Technology (Jiasan) Co., Ltd.	Subsidiary	345,812	-	346,073	Subsequent Collection	191,525	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Subsidiary	331,372	1	333,358	Subsequent Collection	209,196	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuzhun Precision Tooling (Jiasan) Co., Ltd.	Subsidiary	168,420	-	168,525	Subsequent Collection	164,123	-
Foxconn Assembly LLC	Cloud Network Technology USA Inc.	Subsidiary	613,458	3	323,603	Subsequent Collection	-	-
Shenzhen Fuhongjie Technology Service Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	121,493	1	33,743	Subsequent Collection	71,661	-
PCE Paragon Solutions (Mexico) S.A. de C.V.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	105,987	2	-	-	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	176,983	-	694	Subsequent Collection	53,356	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hengyang Futaihong Precision Industry Co., Ltd.	Subsidiary	100,808	-	-	-	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	119,237	-	-	-	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	104,461	-	-	-	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	195,838	-	-	-	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	246,319	1	344	Subsequent Collection	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	183,195	-	-	-	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	130,812	1	-	-	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Jusda International Limited	Subsidiary	564,427	-	25,278	Subsequent Collection	89,063	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	175,106	-	-	-	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	170,456	-	-	-	-	-

Table 6, Page 6

Creditor	Counterparty	Relationship with the counterparty	Balance at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
			\$	-	\$	-	\$	\$
Shenzhen Fertile Plan International Logistics Co., Ltd.	Beijing Topone Logistics Co., Ltd.	Subsidiary	115,113	-	-	-	-	-
Fuyu Electrical Technology (Huaian) Co., Ltd.	New Beyond Maximum Industrial Limited	Subsidiary	6,596,597	2	1,012,227	Subsequent Collection	1,012,227	-
Funing Precision Component Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	13,365,847	5	645,692	Subsequent Collection	-	-
Foxconn Baja California S.A. De C.V.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	634,138	1	-	-	-	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Top Step Enterprises Limited	Subsidiary	561,103	-	-	-	-	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	294,608	-	75,571	Subsequent Collection	184,158	-
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	322,967	1	-	-	-	-
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Kunshan Fuchengke Precision Electrical Co., Ltd.	Subsidiary	109,723	1	109,723	Subsequent Collection	109,723	-
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Foxconn Technology Co., Ltd.	Affiliate	14,190,643	1	6	Subsequent Collection	8,815,781	5,321
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Sharp Corporation	Affiliate	290,770	2	-	-	-	109
Foxconn Technology CZ S.R.O.	Foxconn CZ S.R.O.	Subsidiary	182,301	4	34	Subsequent Collection	-	-
Foxconn Technology CZ S.R.O.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	252,030	4	-	-	-	-
Huaian Fultong Trading Co., Ltd.	Tekcon Huizhou Electronics Co., Ltd.	Affiliate	262,096	1	123,300	Subsequent Collection	10,111	98
PCE Technology de Juarez S.A. de C.V.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	263,792	1	-	-	-	-
PCE Technology de Juarez S.A. de C.V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	640,185	1	-	-	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	199,036	1	11,030	Subsequent Collection	169,990	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hengyang Futaihong Precision Industry Co., Ltd.	Subsidiary	211,236	-	-	-	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	160,667	1	109,368	Subsequent Collection	155,854	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary	248,501	1	1,169	Subsequent Collection	143,800	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	Subsidiary	14,613,414	-	-	-	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	141,345,213	1	-	-	-	-

Table 6, Page 7

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	\$ 270,438	2	\$ 7,322	Subsequent Collection	\$ 240,279.00	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Simply Smart Limited	Subsidiary	10,093,819	1	-	-	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	233,023	1	225,222	Subsequent Collection	232,422	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	2,246,782	-	552,919	Subsequent Collection	1,064,823	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	127,111	-	7,233	Subsequent Collection	120,234	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfu (Shenzhen) Equity Investment Fund Management Co., Ltd.	Subsidiary	444,169	-	-	-	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	G-Tech Optoelectronics Corporation	Affiliate	147,680	1	-	-	-	55
Futaihua Industrial (Shenzhen) Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	135,909	2	7,257	Subsequent Collection	24,834	51
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	434,693	8	11,769	Subsequent Collection	12,355	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Fujun Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	1,457,534	1	478,503	Subsequent Collection	478,503	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Fusing International Inc.	Subsidiary	2,321,383	1	555,626	Subsequent Collection	584,048	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Competition Team Ireland Limited	Subsidiary	1,972,090	3	-	-	-	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Simply Smart Limited	Subsidiary	103,010	1	-	-	-	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Innocom Technology (Chongqing) Co., Ltd.	Subsidiary	101,939	-	101,939	Subsequent Collection	-	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Foxconn Japan Co., Limited	Subsidiary	110,488	1	-	-	-	-
Foxconn Precision Electronics (Yan Tai) Co., Ltd.	Futaijing Precision Electrons (Yantai) Co., Ltd.	Subsidiary	664,140	1	-	-	-	-
Foxconn Precision Electronics (Yan Tai) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	177,485	1	101	Subsequent Collection	137,256	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	140,597	6	4,701	Subsequent Collection	-	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Ingrasys Technology USA Inc.	Subsidiary	425,001	3	65,135	Subsequent Collection	-	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Profit New Limited	Subsidiary	27,172,088	3	567,329	Subsequent Collection	-	-

Table 6, Page 8

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
			\$		\$		\$	\$
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	5,580,075	4	3,746	Subsequent Collection	-	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	134,916	3	3,896	Subsequent Collection	-	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	266,726	1	1,338	Subsequent Collection	201,679	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	220,682,488	1	104,065,498	Subsequent Collection	195,912,096	-
Futaihua Precision Electronics (Chengdu) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	157,769	1	19,118	Subsequent Collection	20,256	-
Futaihua Precision Electronics (Chengdu) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	113,992	-	39,806	Subsequent Collection	8,085	-
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Foxconn Interconnect Technology Limited	Subsidiary	294,708	5	-	-	-	-
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	209,482	4	31,831	Subsequent Collection	100,078	-
Yantai Fuhuada Precision Electronics Co., Ltd.	Chongqing Fuyusheng Electronics Technology Co., Ltd.	Subsidiary	267,861	-	267,861	Subsequent Collection	-	-
Yantai Fuhuada Precision Electronics Co., Ltd.	Sharp Universal Technology (Shenzhen) Co., Ltd.	Affiliate	117,862	1	-	-	-	44
AnPinDa Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	278,193	1	-	-	-	-
Jusda Supply Chain Management International Co., Ltd.	Jusda Energy Technology (Shanghai) Co., Ltd.	Subsidiary	152,304	-	152,304	Subsequent Collection	-	-
System Integration Electronics (Hangzhou) Co., Ltd.	System Integration (Haining) Electronics Co., Ltd.	Subsidiary	786,546	10	-	-	-	-
Nanning Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	27,510,904	2	10,777,769	Subsequent Collection	15,649,897	-
Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	1,481,952	2	1,481,952	Subsequent Collection	-	-
Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	IPL International Limited	Subsidiary	14,280,151	4	11,269,567	Subsequent Collection	2,251,259	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	6,551,636	1	945,599	Subsequent Collection	52,311	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	258,651	-	9	Subsequent Collection	9	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Singapore Pte. Ltd.	Subsidiary	519,791,184	1	-	-	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Brasil Industria e Comercio Ltda.	Subsidiary	2,725,525	1	939,713	Subsequent Collection	-	-

Table 6, Page 9

Creditor	Counterparty	Relationship with the counterparty	Balance at December 31, 2020	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken			
			\$	-	\$ 64,416	Subsequent Collection	\$ 30,039,00	\$	-
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Foxconn Hon Hai Technology India Mega Development	Subsidiary	391,530	-					
Profit New Limited	Ingrasys Technology Co., Ltd.	Subsidiary	22,591,004	2	-	-	-	-	-
Profit New Limited	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	6,367,459	2	-	-	-	-	-
Profit New Limited	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	614,488	-	-	-	-	-	-
Profit New Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	13,498,983	4	-	-	-	-	-
Mega Well Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	73,605,543	2	-	-	-	-	-
Fast Victor Limited	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	381,171	2	-	-	-	-	-
Fast Victor Limited	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	4,250,224	1	-	-	-	-	1,594
Competition Team Ireland Limited	Foxconn European Manufacturing Services S.R.O.	Subsidiary	480,559	1	273,846	Subsequent Collection	462,689	-	-
Competition Team Ireland Limited	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	549,645	4	166,621	Subsequent Collection	549,645	-	-
Competition Team Ireland Limited	Chongqing Jingmei Precision Electronic Co., Ltd.	Subsidiary	132,868	1	-	-	-	-	-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Subsidiary	139,233,430	1	-	-	-	-	-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Foxconn Brasil Industria e Comercio Ltda.	Subsidiary	1,696,219	1	178,799	Subsequent Collection	178,799	-	-
Simply Smart Limited	FIH (Hong Kong) Limited	Subsidiary	115,267	2	-	-	-	-	-
Simply Smart Limited	Foxconn (Far East) Limited	Subsidiary	415,071	1	391,314	Subsequent Collection	-	-	-
Simply Smart Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	10,117,620	1	-	-	-	-	-
Scientific-Atlanta de Mexico S. de R. L. de C. V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	209,900	8	-	-	-	-	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	106,765	1	-	-	-	-	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	129,167	3	24,064	Subsequent Collection	-	-	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	1,974,364	2	1,030,403	Subsequent Collection	-	-	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	IPL International Limited	Subsidiary	20,456,185	2	-	-	-	-	-

Table 6, Page 10

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date		Allowance for doubtful accounts
					Amount	Action taken	\$	\$	
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	\$ 538,343	1	-	-	-	-	-
Gold Charm Limited	Simply Smart Limited	Subsidiary	213,473	1	-	-	-	-	-
Hongfujin Precision Electronics (Hengyang) Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	375,830	-	188,349	Subsequent Collection	108,139	-	-
Hongfujin Precision Electronics (Hengyang) Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	102,127	1	-	-	-	-	-
Hongfujin Precision Electronics (Hengyang) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	409,511	1	49,650	Subsequent Collection	247,769	-	-
Foxconn Interconnect Technology Limited	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	103,116	1	26,632	Subsequent Collection	149	-	-
Foxconn Interconnect Technology Limited	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary	635,568	7	229,704	Subsequent Collection	-	-	-
Foxconn Interconnect Technology Limited	Foxconn (KunShan) Computer Connector Co., Ltd.	Subsidiary	730,866	3	-	-	-	-	-
Foxconn Interconnect Technology Limited	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	272,898	4	-	-	-	-	-
Foxconn Interconnect Technology Limited	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	130,073	3	485	Subsequent Collection	-	-	-
Foxconn Interconnect Technology Limited	Huaian Fuhong Trading Co., Ltd.	Subsidiary	206,558	6	58,547	Subsequent Collection	122,961	-	-
Foxconn Interconnect Technology Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	134,303	2	4,139	Subsequent Collection	28,662	-	-
Foxconn Interconnect Technology Limited	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	276,931	5	764	Subsequent Collection	84,545	-	-
Foxconn Interconnect Technology Limited	Foxconn Interconnect Technology Singapore Pte. Ltd.	Subsidiary	299,185	4	4,765	Subsequent Collection	-	-	-
Foxconn Interconnect Technology Limited	New Beyond Maximum Industrial Limited	Subsidiary	8,197,456	2	-	-	-	-	-
Foxconn Interconnect Technology Limited	FIT Electronics, Inc.	Subsidiary	1,710,879	3	730,997	Subsequent Collection	546,784	-	-
Foxconn Interconnect Technology Limited	New Wing Interconnect Technology (Bac Giang) Limited	Subsidiary	2,029,156	4	173,046	Subsequent Collection	581,621	-	-
Foxconn Interconnect Technology Limited	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	141,638	5	920	Subsequent Collection	76,321	-	-
Foxconn Interconnect Technology Limited	Belkin International, Inc.	Subsidiary	2,062,051	2	541,921	Subsequent Collection	158,769	-	-
Foxconn Interconnect Technology Limited	Pan-International Industrial Corp.	Affiliate	486,629	3	-	-	-	182	-
Foxconn Interconnect Technology Limited	Tekcon Electronics Corp.	Affiliate	218,532	1	74,577	Subsequent Collection	25,315	82	-

Table 6, Page 11

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date			
					Amount	Action taken	Subsequent Collection	\$	\$		
Foxconn Interconnect Technology Limited	Avary Holding (Shenzhen) Co., Ltd.	Affiliate	380,507	3	\$	1,478		\$	135,733	\$	143
Foxconn Interconnect Technology Limited	Cheng Uei Precision Industry Co., Ltd.	Affiliate	544,617	7		-	-	-	-	-	204
New Beyond Maximum Industrial Limited	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary	873,922	2		-	-	-	-	-	-
New Beyond Maximum Industrial Limited	Foxconn (KunShan) Computer Connector Co., Ltd.	Subsidiary	4,817,614	2		-	-	-	-	-	-
Jusda International Limited	Ingrasys Technology Co., Ltd.	Subsidiary	274,872	1		-	-	-	-	-	-
Jusda International Limited	Jusda Supply Chain Management International Co., Ltd.	Subsidiary	183,778	1		-	-	-	-	-	-
Jusda International Limited	Sharp Jusda Logistics Corp.	Subsidiary	600,617	1		-	-	-	-	-	-
Jusda International Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	273,493	1		-	-	-	-	-	-
Jusda International Limited	Jusda Supply Chain Management Corporation	Subsidiary	167,359	-		-	-	-	-	-	-
Jusda International Limited	Innolux Corporation	Other related party	121,422	2		-	-	-	-	-	46
Big Innovation Holdings Limited	Falcon Precision Trading Limited	Subsidiary	188,055	1		-	-	-	-	-	-
Kunshan Fuchengke Precision Electronical Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	543,116	1		-	-	-	-	-	-
Fushirui Zhengzhou Precision Industry Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	173,432	-		-	-	-	-	-	-
Fushirui Zhengzhou Precision Industry Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	169,688	1		-	-	-	-	-	-
Fushirui Zhengzhou Precision Industry Co., Ltd.	IPL International Limited	Subsidiary	128,593	-		-	-	-	-	-	-
Hongfuzhun Precision Shenzhen Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	449,833	-		16,349	Subsequent Collection		153,477		-
Hongfuzhun Precision Shenzhen Co., Ltd.	IPL International Limited	Subsidiary	415,640	-		95,953	Subsequent Collection		175,333		-
eCMMS Precision Singapore Pte. Ltd.	Competition Team Technologies USA Inc.	Subsidiary	9,899,413	1		-	-	-	-	-	-
eCMMS Precision Singapore Pte. Ltd.	Competition Team Technologies Mexico S.A. De C.V.	Subsidiary	209,858	-		125,379	Subsequent Collection		103,409		-
eCMMS Precision Singapore Pte. Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	2,645,590	-		-	-	-	-	-	-
eCMMS Precision Singapore Pte. Ltd.	Sharp Corporation Mexico, S.A. de C.V.	Affiliate	280,856	1		109,833	Subsequent Collection		208,230		105

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Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Chengdu Zhuren Technology Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	\$ 141,006	3	\$ 38,740	Subsequent Collection	\$ -	\$ -
Jinchen Hongren Technology Co., Ltd.	Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Subsidiary	217,763	2	-	-	-	-
HongQing Precision machine Co., Ltd	Hong-Qi Mechatronics (Anhui) Co., Ltd.	Subsidiary	155,840	-	155,391	Subsequent Collection	-	-
New Wing Interconnect Technology (Bac Giang) Limited	Foxconn Interconnect Technology Limited	Subsidiary	6,081,271	6	-	-	-	-
First Special Material (Shenzhen) Limited	LanKao Yude Environment Material Technology Inc.	Subsidiary	117,518	-	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	1,485,383	4	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology USA Inc.	Subsidiary	17,109,444	5	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Foxconn Technology CZ S.R.O.	Subsidiary	731,547	3	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology Korea, Inc.	Subsidiary	737,676	3	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	115,801	10	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Yuzhang Precision Technology Japan Co., Ltd.	Subsidiary	1,158,614	7	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Cloud Network Technology Kft.	Subsidiary	367,363	6	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Foxconn Brasil Industria e Comercio Ltda.	Subsidiary	492,608	3	-	-	-	-
Foxconn Industrial Internet Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	112,443	2	-	-	-	-
Foxconn OE Technologies Singapore Pte. Ltd.	Foxconn OE Technologies Inc.	Subsidiary	397,702	3	95,982	Subsequent Collection	76,624	-
Hongfujin Precision Electronics (Guiyang) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	494,758	5	-	-	-	-
Henan Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	349,070	5	-	-	-	-
Henan Yuzhan Precision Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	2,904,640	2	10	Subsequent Collection	517,525	-
Henan Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	45,515,377	2	3,374,377	Subsequent Collection	8,779,719	-
JinCheng Futaihua Precision Electronic Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	226,711	2	63,948	Subsequent Collection	12,723	-
JinCheng Futaihua Precision Electronic Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	1,862,634	5	-	-	-	-
JinCheng Futaihua Precision Electronic Co., Ltd.	IPL International Limited	Subsidiary	10,690,632	2	931,994	Subsequent Collection	472,228	-

Table 6, Page 13

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Lankao Yufu Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	\$ 147,863	-	\$ -	-	\$ -	-
Lankao Yufu Precision Technology Co., Ltd.	Foxconn Singapore Pre. Ltd.	Subsidiary	1,088,832	1	-	-	-	-
Lankao Yude Environment Material Technology Inc.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	105,584	1	-	-	-	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	136,285	9	115,070	Subsequent Collection	115,070	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Subsidiary	363,142	2	-	-	-	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Shenzhen Fertile Plan International Logistics Co., Ltd.	Subsidiary	100,885	7	25,875	Subsequent Collection	25,875	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	967,636	2	463,821	Subsequent Collection	320,255	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	1,636,082	1	1,551,513	Subsequent Collection	1,486,728	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	1,931,985	2	151,703	Subsequent Collection	151,610	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	1,970,100	1	1,018,135	Subsequent Collection	156,324	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	31,829,797	1	24,578,019	Subsequent Collection	426,927	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	3,760,637	2	3,669,900	Subsequent Collection	1,798,521	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	118,138,817	2	38,218,935	Subsequent Collection	11,666,728	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	827,149	1	5	Subsequent Collection	5	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Hebi Yuzhan Precision Technology Co., Ltd.	Subsidiary	406,891	1	55	Subsequent Collection	55	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Hengyang Yuzhan Precision Technology Co., Ltd.	Subsidiary	166,252	2	162,156	Subsequent Collection	892	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	1,114,914	1	261	Subsequent Collection	261	418
Fuzhun Precision Tooling (Jiashan) Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Subsidiary	886,749	1	913,279	Subsequent Collection	630,878	-
Nanjing Hongfusharp Precision Electronics Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	211,918	-	-	-	-	79
Sharp Jusda Logistics Corp.	Sharp Corporation	Affiliate	811,274	2	1,073	Subsequent Collection	1,056	304
Sharp Jusda Logistics Corp.	Sharp Marketing Japan Corporation	Affiliate	329,563	3	454	Subsequent Collection	454	124

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Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Chongqing Fugui Electronics Co., Ltd.	Mega Well Limited	Subsidiary	\$ 1,088,799	8	\$ -	-	\$ -	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	251,207	2	44,550	Subsequent Collection	44,550	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	609,667	2	-	-	-	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	101,710	2	-	-	-	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Profit New Limited	Subsidiary	9,454,498	2	654,649	Subsequent Collection	-	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	45,579,915	2	7,447,240	Subsequent Collection	7,221,362	-
Cloud Network Technology Singapore Pte. Ltd.	Ingrasys Technology USA Inc.	Subsidiary	1,121,402	2	699,271	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Foxconn CZ S.R.O.	Subsidiary	9,284,326	2	889,086	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Funing Precision Component Co., Ltd.	Subsidiary	6,319,921	5	463,510	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	288,234	5	-	-	-	-
Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	17,495,842	3	9,246,636	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	1,142,396	7	160,580	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Mega Well Limited	Subsidiary	182,472	8	35,138	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	9,469,308	3	8,975,781	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Electronics (Guiyang) Co., Ltd.	Subsidiary	234,540	4	234,540	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	840,772	6	-	-	-	-
Cloud Network Technology Singapore Pte. Ltd.	Cloud Network Technology USA Inc.	Subsidiary	15,518,226	2	56,658	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	IPL International Limited	Subsidiary	180,723	2	-	-	-	-
Cloud Network Technology Singapore Pte. Ltd.	Fuyu Precision Component Co., Ltd.	Subsidiary	513,167	2	-	-	-	-
Cloud Network Technology Singapore Pte. Ltd.	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	4,936,697	8	1,939,884	Subsequent Collection	-	-

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Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date		Allowance for doubtful accounts
					Amount	Action taken	\$	\$	
Cloud Network Technology Singapore Pte. Ltd.	Sharp Corporation	Affiliate	\$ 154,134	10	-	-	-	58	-
Cloud Network Technology Kft.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	285,877	8	-	-	-	-	-
Cloud Network Technology (Samoa) Limited	Foxconn Precision International Limited	Subsidiary	36,937,393	2	-	-	-	-	-
Shanxi Yuding Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	4,746,462	2	-	-	-	-	-
Shanxi Yuding Precision Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	317,845	2	-	-	-	-	-
Shanxi Yuding Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	9,880,211	3	-	-	-	-	-
Shanxi Yuding Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	121,636	4	-	-	-	46	-
Cloud Network Technology USA Inc.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	2,144,813	4	958,673	Subsequent Collection	-	-	-
IPL International Limited	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	369,154	2	-	-	-	-	-
IPL International Limited	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	143,124	10	-	-	-	-	-
IPL International Limited	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	205,568	3	-	-	-	-	-
IPL International Limited	Foxconn Precision International Limited	Subsidiary	168,862,290	3	-	-	-	-	-
IPL International Limited	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	189,749	1	-	-	-	-	-
IPL International Limited	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	304,122	2	-	-	-	-	-
Jusda Supply Chain Management Corporation	Jusda International Limited	Subsidiary	127,242	-	-	-	-	-	-
Fu Sheng Optoelectronics Technology (Kunshan) Co., Ltd	Foxconn Interconnect Technology Limited	Subsidiary	128,758	7	-	-	-	-	-
Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	42,390,872	1	-	-	-	-	-
Fortunebay Technology Pte Ltd.	FIH (Hong Kong) Limited	Subsidiary	363,141	1	-	-	-	-	-
Fortunebay Technology Pte Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	381,554	2	-	-	-	-	-
Fortunebay Technology Pte Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	629,555	3	-	-	-	-	-
Fortunebay Technology Pte Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	110,580	1	-	-	-	-	-

Table 6, Page 16

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Fortunebay Technology Pte Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	\$ 1,675,658	1	\$ -	-	\$ -	-
Fortunebay Technology Pte Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	202,460	3	-	-	-	-
Fortunebay Technology Pte Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	101,013	1	-	-	-	-
Fortunebay Technology Pte Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	249,350	1	-	-	-	-
Wuhan Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	2,165,329	3	993,138	Subsequent Collection	-	-
Wuhan Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	128,021	2	-	-	-	-
Hebi Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	190,681	4	-	-	-	-
Hebi Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	203,664	3	93,883	Subsequent Collection	93,686	-
Hebi Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	1,010,625	2	9,209	Subsequent Collection	9,209	-
Hebi Yuzhan Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	213,161	2	156,411	Subsequent Collection	61,406	-
Hebi Yuzhan Precision Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	140,397	2	19,967	Subsequent Collection	19,967	-
Hebi Yuzhan Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	122,028	4	-	-	-	46
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	117,742	3	-	-	-	-
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Jinchen Hongren Technology Co., Ltd.	Subsidiary	183,370	3	-	-	-	-
Triple Win Technology (JinCheng) Co., Ltd.	Triple Win Technology (Shenzhen) Co., Ltd.	Subsidiary	132,243	3	-	-	-	-
Triple Win Technology (JinCheng) Co., Ltd.	Best Ever Industries Limited	Subsidiary	237,751	2	-	-	-	-
Bang Tai International Logistics Co., Ltd.	Jusda International Limited	Subsidiary	188,572	-	77	Subsequent Collection	744	-
FII USA Inc.	Ingrasys Technology USA Inc.	Subsidiary	264,973	2	264,973	Subsequent Collection	-	-
Hengyang Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	250,246	2	-	-	-	-
Hengyang Yuzhan Precision Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	325,982	2	574	Subsequent Collection	574	-
NSG Technology Inc.	Cloud Network Technology USA Inc.	Subsidiary	348,505	4	-	-	-	-

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Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2020	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Fuhong Precision Component (Bac Giang) Limited	Foxconn Interconnect Technology Limited	Subsidiary	\$ 406,630	3	\$ 298,412	Subsequent Collection	\$ 59,544	\$ -
Fuhong Precision Component (Bac Giang) Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	9,903,744	6	1,750,128	Subsequent Collection	1,309,295	-
Jusda International Supply Chain Management (Vietnam) Company Limited	Funing Precision Component Co., Ltd.	Subsidiary	130,391	1	-	-	-	-

Note : Receivables from purchases of materials on behalf of the counterparty.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Significant inter-company transactions during the reporting period
For the year ended December 31, 2020

Table 7

Expressed in thousands of TWD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 4)
				General ledger account	Amount	Transaction terms	
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	Accounts receivable	\$ 212,609,094	Note 3	6
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	Other receivables	80,371,002	Note 3	2
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Shenzhen) Co., Ltd.	Subsidiary	Other receivables	315,062,012	Note 3	9
0	Hon Hai Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Other receivables	123,416,745	Note 3	3
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Other receivables	164,757,798	Note 3	4
0	Hon Hai Precision Industry Co., Ltd.	Foxconn Precision Electronics (Taiwan) Co., Ltd.	Subsidiary	Other receivables	121,703,410	Note 3	3
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Shenzhen) Co., Ltd.	Subsidiary	Accounts receivable	182,896,630	Note 3	5
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	Purchases	1,341,301,281	Note 3	25
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	Accounts payable	485,919,793	Note 3	13
0	Hon Hai Precision Industry Co., Ltd.	Fast Victor Limited	Subsidiary	Purchases	244,876,314	Note 3	5
0	Hon Hai Precision Industry Co., Ltd.	Fast Victor Limited	Subsidiary	Accounts payable	142,103,340	Note 3	4
0	Hon Hai Precision Industry Co., Ltd.	Falcon Precision Trading Limited	Subsidiary	Purchases	163,042,265	Note 3	3
0	Hon Hai Precision Industry Co., Ltd.	Competition Team Technologies Limited	Subsidiary	Purchases	108,917,755	Note 3	2
0	Hon Hai Precision Industry Co., Ltd.	Best Leap Enterprises Limited	Subsidiary	Purchases	59,199,249	Note 3	1
0	Hon Hai Precision Industry Co., Ltd.	Foxconn European Manufacturing Services S.R.O.	Subsidiary	Purchases	56,538,012	Note 3	1
1	Funing Precision Component Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	64,705,866	Note 3	1
2	Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	Accounts receivable	141,345,213	Note 3	4
2	Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	Subsidiary	Sales	74,351,380	Note 3	1
2	Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	Sales	317,067,631	Note 3	6
3	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Profit New Limited	Subsidiary	Sales	109,414,661	Note 3	2

Table 7, Page 1

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 4)
				General ledger account	Amount	Transaction terms	
					\$		
4	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	Accounts receivable	220,682,488	Note 3	6
4	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Limited	Subsidiary	Sales	167,333,752	Note 3	3
4	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	Sales	523,291,141	Note 3	10
5	Naming Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	Sales	65,936,963	Note 3	1
6	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Singapore Pte. Ltd.	Subsidiary	Accounts receivable	519,791,184	Note 3	14
6	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Competition Team Technologies Limited	Subsidiary	Sales	184,482,545	Note 3	3
6	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Singapore Pte. Ltd.	Subsidiary	Sales	1,098,043,400	Note 3	20
7	Profit New Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	54,247,417	Note 3	1
8	Mega Well Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Accounts receivable	73,605,543	Note 3	2
8	Mega Well Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	181,156,056	Note 3	3
9	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Subsidiary	Accounts receivable	139,233,430	Note 3	4
9	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Subsidiary	Sales	315,839,440	Note 3	6
10	Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology USA Inc.	Subsidiary	Sales	71,618,500	Note 3	1
11	Henan Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Accounts receivable	45,515,377	Note 3	1
11	Henan Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Sales	94,534,161	Note 3	2
12	Shenzhen Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Accounts receivable	118,138,817	Note 3	3
12	Shenzhen Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Sales	178,305,468	Note 3	3
13	Shenzhen Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	Accounts receivable	45,579,915	Note 3	1
13	Shenzhen Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	Sales	103,840,345	Note 3	2
14	Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	56,695,905	Note 3	1
15	Cloud Network Technology (Samoa) Limited	Foxconn Precision International Limited	Subsidiary	Accounts receivable	36,937,393	Note 3	1
15	Cloud Network Technology (Samoa) Limited	Foxconn Precision International Limited	Subsidiary	Sales	65,256,338	Note 3	1
16	IPL International Limited	Foxconn Precision International Limited	Subsidiary	Accounts receivable	168,862,290	Note 3	5

Table 7, Page 2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 4)
16	IPL International Limited	Foxconn Precision International Limited	Subsidiary	Sales	\$ 404,505,181	Note 3	8
17	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	Accounts receivable	42,390,872	Note 3	1
17	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	Sales	61,709,371	Note 3	1

Note 1: The information of transactions between the Company and the consolidated subsidiaries should be noted in “Number” column.

(1) Number 0 represents the Company.

(2) The consolidated subsidiaries are numbered in order from number 1.

Note 2: The transaction relationships with the counterparties are as follows:

(1) The Company to the consolidated subsidiary.

(2) The consolidated subsidiary to the Company.

(3) The consolidated subsidiary to another consolidated subsidiary.

Note 3: The prices and terms to related parties were not significantly different from transactions with third parties, except for particular transactions with no similar transactions to compare with. For these transactions, the prices and terms were determined in accordance with mutual agreements.

Note 4: In calculating the ratio, the transaction amount is divided by consolidated total assets for balance sheet accounts and is divided by consolidated total revenues for income statement accounts.

Note 5: For balance sheet accounts, transactions exceeding 1% of the consolidated total assets should be disclosed; for income statement accounts, transactions exceeding 1% of the consolidated total revenue should be disclosed.

All the transactions had been eliminated when preparing consolidated financial statements.

Note 6: Part of above transactions with related parties were based on the financial statements of the company for the same period which were not audited by independent accountants.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Information on investees
December 31, 2020

Table 8
Expressed in thousands of TWD
(Except as otherwise indicated)

Initial investment amount				Shares held as at December 31, 2020								
Investor	Investee	Location	Main business activities	Balance as at December 31,		Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended		Investment income (loss) recognised by the Company for the year ended	Footnote
				2020	2019				December 31, 2020	December 31, 2020		
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited	Cayman Islands	Investment holding	\$ 230,694,843	\$ 230,694,843	8,061,628,748	100	\$ 1,242,109,242	\$ 55,175,150	\$ 55,379,703		Note 1
Hon Hai Precision Industry Co., Ltd.	Sharp Corporation	Japan	Manufacture and sale of digital intelligence appliances, communication systems, electronic equipment and display equipment and related parts	34,432,479	34,432,479	130,000,000	24	49,739,004	2,500,510	1,517,694		Note 6、9
Hon Hai Precision Industry Co., Ltd.	eCMMS Precision Singapore Pte. Ltd.	Singapore	Manufacture and sale of computer and data processing equipment	12,799,049	18,520,849	343,010,000	100	13,921,576	70,678	70,678		
Hon Hai Precision Industry Co., Ltd.	Hyield Venture Capital Co., Ltd.	Taiwan	Investment holding	7,399,903	7,399,903	1,174,960,419	98	24,369,250	207,070	195,473		Note 1
Hon Hai Precision Industry Co., Ltd.	Bao Shin International Investment Co., Ltd.	Taiwan	Investment holding	2,998,500	2,998,500	1,128,730,000	100	18,687,591	809,993	809,993		
Hon Hai Precision Industry Co., Ltd.	Margini Holdings Limited	British Virgin Islands	Investment holding	8,907,895	8,907,895	275,980,200	100	17,654,483	80,303	80,303		Note 1
Hon Hai Precision Industry Co., Ltd.	Anbit International Ltd.	British Virgin Islands	Investment holding	2,393,965	1,788,146	74,572,281	100	47,110,538	7,796,973	7,796,973		
Hon Hai Precision Industry Co., Ltd.	Foxconn Holdings B.V. -Netherlands	Netherlands	Investment holding	6,486,934	6,486,934	108,355,209	100	10,392,297	(207,452)	(207,443)		Note 1
Hon Hai Precision Industry Co., Ltd.	Fenix Industria De Eletronicos Ltda.	Brazil	Manufacture of computer wifi card and wifi module	539,450	539,450	53,333,780	99	733,475	85,695	85,240		
Hon Hai Precision Industry Co., Ltd.	Foxconn Moebgindustria De Eletronicos Ltda-Brazil	Brazil	Products including FTV/DVR/Bluetooth module/set-top box and optical network terminals	348,977	348,977	24,315,201	100	239,291	(2,892)	(2,892)		
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Co., Ltd.	Taiwan	Design sales, and manufacturing of Mag/AI casing and mechanic parts	481,782	481,782	139,725,803	10	10,734,572	4,686,123	466,108		Note 1、2

Table 8, Page 1

Initial investment amount				Shares held as at December 31, 2020				Investment income (loss) recognised by the Company for the year ended December 31, 2020	Footnote		
Investor	Investee	Location	Main business activities	Balance as at December 31, 2020		Number of shares	Ownership (%)			Book value	
				2020	2019						
				\$	\$						
Hon Hai Precision Industry Co., Ltd.	Foxconn Holding Ltd.	British Virgin Islands	Investment holding	46,728,413	44,669,433	1,521,951,926	100	\$ 57,113,648	\$ 7,127,091	\$ 7,127,091	Note 1
Hon Hai Precision Industry Co., Ltd.	Hon Yuan International Investment Co., Ltd.	Taiwan	Investment holding	1,611,500	1,611,500	341,678,900	100	4,383,636	186,890	186,787	Note 1
Hon Hai Precision Industry Co., Ltd.	Hon Chi International Investment Co., Ltd.	Taiwan	Investment holding	1,500,500	1,500,500	300,280,000	100	3,951,508	167,408	167,394	Note 1
Hon Hai Precision Industry Co., Ltd.	Foxconn Singapore Pte. Ltd.	Singapore	Investment holding	12,416,394	9,259,474	403,837,543	100	12,820,196	104,907	104,907	Note 1
Hon Hai Precision Industry Co., Ltd.	Foxconn Sa B.V.	Netherlands	Investment holding	3,247,330	3,247,330	72,163,188	100	1,491,237	(34,533)	(34,533)	
Hon Hai Precision Industry Co., Ltd.	Pan-International Industrial Corporation	Taiwan	Manufacture and marketing of cables	2,042,398	2,042,398	107,776,254	21	2,629,393	790,495	137,719	Note 1 - 3
Hon Hai Precision Industry Co., Ltd.	Lin Yih International Investment Co., Ltd.	Taiwan	Investment holding	904,411	904,411	96,900,000	100	828,923	43,560	43,293	
Hon Hai Precision Industry Co., Ltd.	Syntrend Creative Park Co., Ltd.	Taiwan	Retail of office machinery and equipment and electronic appliances, and information software services	1,836,463	1,836,463	183,646,250	75	944,362	(25,224)	(18,868)	
Hon Hai Precision Industry Co., Ltd.	Premier Image Technology (H.K) Ltd.	Hong Kong	Purchase and the sales of cameras and related parts	22,311	22,311	1,404,936	2	100,547	196,529	3,903	Note 4
Hon Hai Precision Industry Co., Ltd.	Altus Technology Inc.	Taiwan	Rental and leasing	1,444,555	1,444,555	65,810,751	65	461,965	(29,460)	(19,028)	Note 5
Hon Hai Precision Industry Co., Ltd.	Asia Pacific Telecom Co., Ltd.	Taiwan	Special approval enterprise of type I telecommunications, manufacturing of wired (wireless) communication equipment and apparatus	16,821,609	16,821,609	1,253,026,812	33	11,304,979	(5,819,980)	(1,885,421)	Note 7
Hon Hai Precision Industry Co., Ltd.	Ennoconn Corporation	Taiwan	Design and manufacture of single board computer, embedded board, industrial motherboard	166,927	166,927	484,860	1	177,991	3,155,383	3,383	Note 8 - 11

Table 8, Page 2

Initial investment amount				Shares held as at December 31, 2020					Investment income (loss) recognised by the Company for the year ended December 31, 2020	Footnote
Investor	Investee	Location	Main business activities	Balance as at December 31, 2020	Balance as at December 31, 2019	Number of shares	Ownership (%)	Book value		
Hon Hai Precision Industry Co., Ltd.	Foxtron Vehicle Technologies Co., Ltd.	Taiwan	Complete electric vehicles design and development, including technical authorisation and transfer. Also offering complete solutions for autonomous driving systems, new energy power and IoT systems	\$ 7,850,321	\$ -	785,032,075	51	\$ 7,731,843	\$ 223,010	(113,738)
Hon Hai Precision Industry Co., Ltd.	Socle Technology Corp	Taiwan	Design, manufacture and sale of electronic components and software	211,386	-	21,138,600	40	134,847	3,938	101
Hon Hai Precision Industry Co., Ltd.	Others	Others		163,843	163,843	-	-	96,985	(10,735)	(10,737)
Foxconn (Far East) Limited and subsidiaries	Sharp Corporation	Japan	Manufacture and sale of digital intelligence appliances, communication systems, electronic equipment and display equipment and related parts	24,973,175	24,973,175	91,780,370	18	35,126,517	2,500,510	1,094,814
Hyield, Hon Yuan, Bao Shin and Hon Chi	Foxconn Technology Co., Ltd.	Taiwan	Design sales, and manufacturing of Mag/Al casing and mechanic parts	1,992,567	1,992,567	277,194,573	20	21,512,964	4,686,123	924,872
Hon Yuan, Bao Shin, Hon Chi and Hon Y'ing	Pan-International Industrial Corporation	Taiwan	Manufacture and marketing of cables	560,639	560,639	29,620,041	6	754,136	790,495	37,897
Hyield, Hon Yuan, Bao Shin, Lin Y'ih and Hon Chi	CyberTAN Technology, Inc.	Taiwan	Manufacture, design and marketing of wireless network equipment	357,397	357,397	35,122,013	11	576,928	23,575	4,047
Hyield, Hon Yuan, Bao Shin and Hon Chi	G-TECH Optoelectronics Corporation	Taiwan	Manufacture of glass, glass products and electronics components	1,669,704	1,669,704	46,270,023	22	271,709	(293,123)	(68,426)
Hyield, Hon Yuan, Bao Shin and Hon Chi	Foxsemicon Integrated Technology Inc.	Taiwan	Manufacture of semiconductor machinery and sales of computer components	915,164	592,583	14,557,088	18	962,459	1,242,002	197,878
Hyield, Hon Yuan, Bao Shin and Hon Chi	Ennocom Corporation	Taiwan	Design and manufacture of single board computer, embedded board, industrial motherboard	1,017,326	1,017,326	34,889,116	38	3,638,871	3,155,383	248,812

Table 8, Page 3

Initial investment amount				Shares held as at December 31, 2020												
Investor	Investee	Location	Main business activities	Balance as at December 31, 2020		Balance 2019	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2020	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Footnote				
				\$												
Hon Chi, Hon Yuan, Bao Shin, and Hyield	Foxnum Technology Co., Ltd.	Taiwan	Manufacture and sales of machinery, computer and peripheral devices	\$	819,762	\$	614,762	40,528,316	100	\$	23,404	\$	43,847	\$	40,088	Note 11
Hyield	Antec Electronic System Co., Ltd.	Taiwan	Manufacture of cable, electronic equipment and electron component of motor vehicles		970,000		970,000	60,010,000	100		182,459		69,254		105,821	Note 11
Hyield	Burrage Capital Healthcare Offshore Fund II, Ltd.	Cayman Islands	Investment holding		441,300		441,300	15,000,000	100		388,793	(	358,820)	(	358,820)	Note 11
Bao Shin, Hyield, Hon Yuan and Hon Chi	Fitipower Integrated Technology Inc.	Taiwan	Manufacture of integrated circuit/semi-conductor machinery and sales of computer components		585,000		585,000	45,450,167	27		1,286,020		731,828		179,322	Note 11
Hyield and Lin Yih	Taiwan Intelligent Fiber Optic Network Co., Ltd.	Taiwan	Leasing of FTTH wideband loop, FTTH wideband internet service, and ethernet leased circuit		808,158		808,158	56,601,286	21		576,445	(	135,626)	(	27,928)	Note 11
Bao Shin and FIH Mobile Limited	Advanced Optoelectronic Technology Inc.	Taiwan	Development, test, manufacture, sales of SMD LEDs, imports, exports and sales of these material and semi-manufactured goods		353,120		353,120	17,559,000	12		321,076	(	110,627)	(	13,031)	Note 11
Bao Shin, Hyield, and Lin Yih	Healthcom Corporation	Taiwan	Consultancy of health checkup software, machine, and health care		276,170		276,170	24,637,025	55		585,904		118,033		56,420	Note 11
Bao Shin, Hon Chi and Hyield	Asia Pacific Telecom Co., Ltd.	Taiwan	Special approval enterprise of type I telecommunications, manufacturing of wired (wireless) communication equipment and apparatus		3,045,178		3,045,178	302,022,004	8		2,525,458	(	5,819,980)	(	453,577)	Note 7、11
Bao Shin	Aurora Telecom Corporation	Taiwan	Sales of mobile phones and its accessories and activate mobile number		273,444		273,444	12,777,765	30		241,006	(	74,310)	(	21,929)	Note 11
Bao Shin, Hyield, Hon Yuan and Hon Chi	Zhong Yang Technology Co., Ltd.	Taiwan	Research and development, manufacturing and sales of mold, digital lens assembly and lens coating		906,334		906,334	18,486,687	27		526,731		123,054		29,331	Note 11

Table 8, Page 4

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Information on investments in Mainland China
For the year ended December 31, 2020

Table 9

Expressed in thousands of TWD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China as of December 31, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020	Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote		
					Amount remitted back to Taiwan for the year ended December 31, 2020	Remitted back to Taiwan		Amount remitted back to Taiwan for the year ended December 31, 2020	Remitted back to Taiwan									
					2	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
FIH Precision Component (Beijing) Co., Ltd.	Manufacturing of telecommunication cases	1,959,424	2	2													Note 2	
Fujin Precision Industry (Shenzhen) Co., Ltd.	Manufacturing and processing of computer cases, computer peripherals, etc.	1,493,776	2	2	142,400	-	-	-	142,400	(431,411)	100	(431,411)	(305,915)	124,173	Note 2
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	5,084,250	2	2	-	-	-	-	-	(	1,930,827)	62.38	(	1,197,370)	11,438,837	-	Note 2
Foxconn Precision Component (Shenzhen) Co., Ltd.	Manufacturing of connectors, micro ribbon connectors for terminals, micro-computers, mouse cables, monitor cables, etc.	1,732,723	2	2	85,440	-	-	-	85,440		24,974	100		24,974	2,159,305	-	Note 2	
Honxun Electrical Industry (Hangzhou) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	3,611,264	2	2	-	-	-	-	-	-	321,546	62.38		199,401	6,115,115	-	Note 2	
Hongzhun Precision Tooling (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer cases and computer peripherals, etc.	427,200	2	2	-	-	-	-	-	-	44,624	100		44,624	700,159	-	Note 2	

Table 9, Page 1

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020		Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote			
				\$		\$		\$										
Foxconn Computer Connectors (Kunshan) Co., Ltd.	Manufacturing of connectors, micro ribbon cables, micro-computers, mouse cables, monitor cables, etc.	\$ 1,270,208	2	\$	142,400	\$	-	\$	142,400	(\$	1,111,750)	75.15	849,877	\$	7,475,694	\$	203,347	Note 2
Fu Ding Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of connectors, micro ribbon connectors for terminals, etc.	1,367,040	2	-	-	-	-	-	760,124	75.15	581,077	7,367,366	-	-	Note 2			
Hong Fujin Precision Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer case and computer peripherals, etc.	4,813,120	2	-	-	-	-	-	9,974,636	100	9,974,636	125,556,134	997,370	-	Note 2			
Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	3,531,520	2	-	-	-	-	1,594,880	42,885	75.15	32,783	3,616,715	-	-	Note 2			
Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Manufacturing and design of computer components keyboards, etc.	341,760	2	-	-	-	-	-	34,385	100	34,385	784,031	-	-	Note 2			
Fuhong Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of connectors, micro ribbon connectors for terminals, etc.	327,520	2	-	-	-	-	-	83,633	100	83,633	1,064,407	61,802	-	Note 2			
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Manufacturing and marketing of computer cases and computer peripherals, etc.	2,449,280	2	-	-	-	-	-	99,585	100	(99,585)	8,309,667	77,466	-	Note 2			
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Manufacturing and marketing of computer components, computer peripherals, etc.	4,158,080	2	-	-	-	-	825,920	257,801	100	257,801	6,510,945	-	-	Note 2 Note 14			

Table 9, Page 2

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Amount remitted back to Taiwan for the year ended December 31, 2020		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020
				Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted to Taiwan for the year ended December 31, 2020	Remitted to Mainland China to Taiwan	of remittance from Taiwan to Mainland China as of December 31, 2020	Remitted to Mainland China to Taiwan	investee for the year ended December 31, 2020					
				\$	\$	\$	\$	\$	\$					
Futaikang Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	\$ 163,760	2	-	-	-	-	-	9,996,480	-	100	34,952	345,452	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Manufacturing and marketing of computer cases	18,996,160	2	9,996,480	-	-	9,996,480	(	34,168)	34,168	100	(	34,529,889	-
Honyeh Precision Component (Kunshan) Co., Ltd.	Manufacturing and marketing of computer components	165,184	2	-	-	-	-	-	13,548	13,548	100		434,684	41,296
Triple Win Technology (Shenzhen) Co., Ltd.	Sales of plugs and micro ribbon connectors for terminals, computer casing and peripheral metal compressor modules, metal or metallic carbonised ejection module or compressor modules and rubber or plastic ejection modules or compressor modules	1,224,640	2	1,224,640	-	-	1,224,640		3,470,963	3,470,963	100		7,690,065	-
Foxway Precision Industry (Hangzhou) Co., Ltd.	Manufacturing and marketing of router components	356,000	2	-	-	-	-	-	23,498	23,498	100		1,112,720	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of auto digital signal process device and components	6,506,256	2	-	-	-	-	-	2,878,492	2,878,492	100		12,820,300	-
Shunsin Technology (Zhong Shan) Limited	Manufacturing and marketing of high frequency wireless communication module and integrated circuit (IC).	3,030,692	2	697,760	-	-	697,760	-	915,873	546,227	59.64		5,625,371	-

Table 9, Page 3

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Accumulated amount of remittance from Taiwan to Mainland China		Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	
				Amount remitted back to Taiwan for the year ended December 31, 2020		Remitted to Mainland China as of December 31, 2020		Net income of investee for the year ended December 31, 2020						
				\$	\$	\$	\$	\$	\$					
Fuxiang Precision Industry (Kunshan) Co., Ltd.	Manufacturing and marketing of computer cases	4,699,200	2	\$	-	\$	-	\$	712,000	100	\$	16,336,881	-	Note 2
Dong Guan Hong Song Precision Component Co., Ltd.	Manufacturing and marketing of keypad and computer components	284,800	2		-	-	-		8,511	100	8,511	442,068	-	Note 2
FIH (Tian Jin) Precision Industry Co., Ltd.	Manufacturing and marketing of wireless phone and components	1,503,744	2		-	-	-	(	229,749)	62.38	(	1,941,086)	-	Note 2
Fugion Material Technology (Shenzhen) Co., Ltd.	Manufacturing and marketing of potassium aurous cyanide	378,851	2		-	-	-	-	66,131	70	46,292	364,962	-	Note 2
Antec Automotive Electric System (Kunshan) Co., Ltd.	Manufacturing and marketing of automobiles	270,702	2		-	-	-	142,400	(	100	(	11,245	-	Note 2
Foxconn Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of telecommunication peripherals	4,670,720	2		-	-	-	933,796	129,474	100	129,474	2,704,563	-	Note 2
Premier Image Technology (China) Co., Ltd.	Manufacturing and sale of cameras	4,322,240	2		-	-	-	18,512	117,700	100	117,700	5,753,405	-	Note 2
Fu Zhun Precision Tooling (Huai'an) Co., Ltd.	Designing, manufacturing and marketing of computer components	2,825,216	2		-	-	-	-	219,049	100	219,049	4,856,556	-	Note 2
Fu Yu Electronical Technology (Huai'an) Co., Ltd.	Designing and marketing of connectors and cables	7,581,376	2		-	-	-	4,841,600	676,013	75.15	516,778	8,505,869	-	Note 2

Table 9, Page 4

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020	Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	
				Investment method Note 1	as of January 1, 2020	Remitted to Mainland China	to Taiwan						as of December 31, 2020	as of December 31, 2020
				\$	\$	\$	\$					(\$	\$
CJT Electric System Co., Ltd.	Manufacturing and marketing of automobiles	\$ 78,383	2	\$ -	\$ -	\$ -	\$ 2,932	\$ 2,932	50	\$ 1,466	\$ 101,513	\$ -	Note 2
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Manufacturing and marketing of micro ribbon connectors for terminals, etc.	13,485,280	2	2,047,557	-	-	2,047,557	570,519	100	570,519	44,160,422	-	Note 2
Avary Holding (Shenzhen) Co., Limited	Manufacturing and marketing of rigid single (double) sided PCB, rigid multilayer PCB, flexible multilayer PCB and other PCB	10,117,146	2	-	-	-	-	12,583,711	27.71	3,487,047	26,051,482	-	Note 2
Futaijing Precision Electronics (Beijing) Co., Ltd.	Manufacturing and marketing of micro ribbon connectors for terminals, etc.	2,136,000	2	-	-	-	-	73,165	62.38	(45,372)	1,926,294	-	Note 2
FIH Precision Electronics (Lang Fang) Co., and components Ltd.	Manufacturing and marketing of cell phone calculator and components	13,542,240	2	-	-	-	-	5,607,367	62.38	(3,477,315)	10,826,761	-	Note 2
Foxconn Good Field Precision Industry (Dalian) Co., Ltd.	Manufacturing and marketing of electronics calculator and components	76,727	2	-	-	-	-	4,877	40	1,951	6,621	-	Note 2
Fuyu Energy Technology (Kunshan) Co., Ltd.	Manufacturing and marketing of micro ribbon connectors for terminals	569,600	2	-	-	-	-	23,906	100	23,906	616,621	-	Note 2
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Manufacturing and marketing of computer and digital camera components	8,338,944	2	5,493,792	-	-	5,493,792	934,968	100	934,968	20,043,318	-	Note 2
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of computer components	2,016,384	2	-	-	-	-	2,609,178	100	2,609,178	42,975,427	-	Note 2

Table 9, Page 5

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020		Amount remitted back to Taiwan for the year ended December 31, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
				Mainland China to Mainland China	Remitted to Mainland China	Remitted back to Taiwan	December 31, 2020	Mainland China as of December 31, 2020	Taiwan to Mainland China								
										\$	-						
FIH (Nanjing) Communications Co., Ltd.	Manufacturing and marketing of handset and components	\$ 498,400	2	\$ -	-	\$ -	-	\$ -	-	\$ 62,509	62.38	\$ 38,764	-	\$ 229,369	\$ -	-	Note 2
Foxconn (Nanjing) Software Co., Ltd.	Computer software, hardware and other digital product	911,360	2	-	-	-	-	-	-	136,529	100	136,529	-	1,637,345	-	-	Note 2
Fu Tai Kang Electronics Development (Yantai) Ltd.	Marketing of computer chassis and metal stamping parts	1,708,800	2	-	-	-	-	-	-	1,140	100	(1,140)	-	782,731	-	-	Note 2
Foxconn (Shenyang) Precision Industry Co., Ltd.	Numeric control machine tool manufacturing	1,632,251	2	-	-	-	-	-	-	12,442	69.23	8,614	-	1,146,780	-	-	Note 2
Fu Ding Electronic Technology (Jiashan) Co., Ltd.	Manufacturing and marketing of computer components and molds	8,401,600	2	-	-	-	-	-	-	2,523,710	100	2,523,710	-	31,198,114	-	-	Note 2
Fuhuajie Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of microcomputer and liquid crystal display	3,275,200	2	-	-	-	-	-	-	70,639	100	70,639	-	2,561,463	-	-	Note 2
GDS Software (Shenzhen) Co., Ltd.	Computer software, hardware and other digital product	327,520	2	-	-	-	-	-	-	11,747	100	11,747	-	348,929	-	-	Note 2
Futaihua Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of microcomputer, cell phone and components	10,537,600	2	-	-	-	-	-	-	22,192,864	100	22,192,864	-	250,616,375	-	-	Note 2
Dongguan Yihong Precision Tooling Co., Ltd.	Design and manufacture of precision molds	262,742	2	-	-	-	-	-	-	138	25.71	35	-	95,087	-	-	Note 2

Table 9, Page 6

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020	Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020
					Amount remitted back to Taiwan for the year ended December 31, 2020	Remitted to Mainland China to Taiwan						
					\$	\$		\$		\$	\$	Footnote
Kunshan Eson Precision Engineering Co., Ltd.	Design and manufacture of precision molds and mechanical parts for consumer electrical products	\$ 1,678,176	2	\$ -	\$ -	\$ -	\$ -	\$ 30,628	25.71	\$ 7,874	\$ 665,677	- Note 2
Wuxi Xinguan Metal Science & Technology Co., Ltd.	Design and manufacture of precision molds and mechanical parts for consumer electrical products	667,079	2	-	-	-	-	(29,307)	25.71	(7,535)	79,613	- Note 2
Yantai Eson Precision Electronics Co., Ltd.	Manufacturing and precision marketing of monitoring device	306,602	2	-	-	-	-	(8,221)	25.71	(2,114)	94,662	- Note 2
Guangzhou OED Technologies Co., Ltd.	Manufacturing and marketing of molding and tooling	353,556	2	56,960	-	-	-	56,960	5.76	-	56,960	- Note 2
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Manufacturing and marketing of computer chassis and metal stamping parts	5,429,712	2	5,429,712	-	-	-	5,429,712	100	1,191,826	8,922,130	- Note 2
Innovation (Beijing) Software Development Co., Ltd.	Design and publish of computer software	434,127	2	74,048	-	-	-	74,048 (	8.88	-	74,048	- Note 2
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Manufacturing and marketing of cell phone and components	56,960,000	2	48,416,000	-	-	-	48,416,000	100	6,072,886	122,308,889	- Note 2
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Manufacturing and marketing of tablet PC	27,056,000	2	14,240,000	-	-	-	14,240,000	100	2,016,587	65,148,117	- Note 2

Table 9, Page 7

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Accumulated amount of remittance from Taiwan to Mainland China		Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
				Amount remitted from Taiwan to Mainland China as of January 1, 2020	Amount remitted back to Taiwan for the year ended December 31, 2020	Remitted to Mainland China to Taiwan	Remitted back to Taiwan	Net income of investee for the year ended December 31, 2020							
				\$	\$	\$	\$	\$	\$			\$	\$	\$	
Fuding Precision Industry (Zhengzhou) Co., Ltd.	Manufacturing and marketing of new electronic components	1,139,200	2			284,800	-	284,800	118,705		75.15	90,744	1,592,864	-	Note 2
Yantai Fuhuada Precision Electronics Co., Ltd.	Manufacturing and marketing of new electronic components	484,160	2			484,160	-	484,160	149,754		100	149,754	(2,778,629)	-	Note 2
Fujian Precision Electronics (Chongqing) Co., Ltd.	Manufacturing and marketing of switches and routers	427,200	2			427,200	-	427,200	8,348		100	8,348	371,247	-	Note 2
Futaihua Precision Electronics (Chengdu) Co., Ltd.	Manufacturing and marketing of compression molding plastic injection mold and metal	1,480,960	2			1,480,960	-	1,480,960	137,263		100	137,263	2,478,941	-	Note 2
Anpinda Precision Industry (Huizhou) Co., Ltd.	Manufacturing and marketing of computer components and microcomputers	1,424,000	2			1,139,200	-	1,139,200	207,976		100	207,976	1,361,616	-	Note 2
Nanning Futaihong Precision industry Co., Ltd.	Manufacturing and marketing of cell phone	1,424,000	2			-	-	-	163,084		62.38	101,134	883,935	-	Note 2
WWW (Jincheng) Co., Ltd.	Manufacturing and marketing of lens module	854,400	2			872,600	-	872,600	8,224		100	8,224	(1,634,951)	-	Note 2
UER Technology (Shenzhen) Corporation	Manufacturing and marketing of lithium battery	164,804	2			-	-	-	42,952		43.79	18,809	10	-	Note 2
Tianjin Funayuanhuang Technology Co., Ltd.	Manufacturing and marketing of liquid crystal display components	768,960	2			484,160	-	484,160	105,002		99.38	104,351	6,180	-	Note 2

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Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020
				Amount remitted to Taiwan for the year ended December 31, 2020	Remitted back to Taiwan	Amount of remittance from Taiwan to Mainland China as of December 31, 2020	Investment income for the year ended December 31, 2020					
				\$	\$	\$	\$	\$	\$	\$	\$	
Fuyu Energy Technology (Funing) Co., Ltd.	Engaged in the production and marketing of operating solar energy battery business	1,566,400	2	-	-	1,566,400	-	52,073	100	52,073	1,141,507	- Note 2
Futaijing Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of handset component product	569,600	2	-	-	-	-	91,138	62.38	56,518	1,005,111	- Note 2
Hongfujin Precision Industry (Hengyang) Co., Ltd.	Manufacturing and marketing of holder, metal and plastic honing machines, hot melt machine, marking machine, laminating machine, laser	1,082,240	2	-	-	1,082,240	-	118,449	100	118,449	3,597,603	- Note 2
Innocom Technology (Chongqing) Co., Ltd.	Manufacturing of LCD related products, modules, components and systems	85,440	2	-	-	-	113,178	(109)	100	(109)	(89,860)	- Note 2
Funeng New Energy Technology Service (Nanyang) Co., Ltd.	Electromechanical telecommunications and circuit equipment installation	170,880	2	-	-	-	(592)	(592)	100	(592)	215,067	- Note 2
Interface Technology (Chengdu) Co., Ltd.	Manufacturing and marketing of LCD modules and related materials	9,077,410	2	-	-	726,240	3,606,581	812,923	22.54	812,923	6,976,490	- Note 2
Changchun Leiguan Environmental Plastic Products Co., Ltd.	Manufacturing and marketing of articles for the conveyance or packing of goods, of plastics	157,210	2	-	-	157,210	(6,975)	(6,975)	100	(6,975)	91,170	- Note 2
Changchun Chentai Technology Co., Ltd.	Manufacturer of degradable plastic resin	456,250	2	-	-	387,812	(9,936)	(8,446)	85	(8,446)	316,549	- Note 2

Table 9, Page 9

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020	Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
					Amount remitted to Taiwan for the year ended December 31, 2020	Remitted back to Taiwan							
Changchun Yongtai Technology Co., Ltd.	Manufacturer of degradable plastic resin	\$ 45,568	2	\$ 45,568	\$ -	\$ -	\$ 45,568	\$ (947)	85	\$ (805)	\$ 50,116	\$ -	Note 2
Fu Hon Yuan (Shenzhen) Environmental Technology Ltd.	Environmental technology development and wholesale of pollution controlling equipments	5,696	2	-	-	-	-	6,237	87.98	5,487	232,358	-	Note 2
Sciencibzip Consulting (Shenzhen) Co., Ltd.	Management and consulting services	125,312	2	-	-	-	-	(61,903)	51	(31,571)	432,646	-	Note 2
Guizhou Funayuan Chuang Technology Co., Ltd.	Manufacturing and marketing of liquid crystal display components	1,167,680	2	1,167,680	-	-	1,167,680	(222,157)	99.38	(220,780)	713,183	-	Note 2
Chongqing Hongteng Technology Co., Ltd.	Manufacturing and marketing of connectors for optical fibres, optical fibre bundles or cables	85,440	2	-	-	-	-	6,751	75.15	5,161	148,569	-	Note 2
Fujian 101 Education Technology Co., Ltd.	Online education and related application	-	2	-	-	-	-	483	-	(217)	-	-	Note 2
Fuguikang Precision Electronics (Guizhou) Co., Ltd.	Mobile phones, tablet computers and video game accessories for R&D	569,600	2	569,600	-	-	569,600	48,738	100	48,738	(701,579)	-	Note 2
Ur Materials (Shenzhen) Co., Ltd.	Manufacturing and marketing of acrylonitrile-butadiene- styrene (ABS) copolymers in primary forms, waste, parings and scrap of polymers of styrene, other polystyrene in primary forms	341,760	2	341,760	-	-	341,760	83,415	100	83,415	1,096,235	-	Note 2

Table 9, Page 10

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
				Amount remitted back to Taiwan for the year ended December 31, 2020	Remitted to Mainland China to Taiwan	Mainland China as of December 31, 2020	Net income of investee for the year ended December 31, 2020					
Foxconn Industrial Internet Co., Ltd.	Main business activities Manufacture and sale of multifunctional industrial robot	\$ 86,459,851	2	\$ -	\$ -	\$ 24,505,037	\$ 24,505,037	84.05	\$ 63,277,288	\$ 383,020,033	\$ 11,947,749	Note 2
Shenzhen Hongzhi Yunchuang Technology Co., Ltd.	Manufacture and sale of injection or compression moulds for metal or metal carbides	427,200	2	-	-	427,200	(40,953)	100	(40,953)	367,158	-	Note 2
Synergy Technology (Chengdu) Co., Ltd.	Manufacture and sale of TFT-LCD related products, display modules, components and systems	1,495,200	2	-	-	-	(25,901)	50.48	(13,075)	-	-	Note 2
Fu Jin Ji Network Technology (Henan) Co., Ltd.	Wholesale, software design, machine leasing and maintenance services	435,460	2	-	-	78,222	(88,872)	100	(88,872)	648,726	-	Note 2
Jusda Supply Chain Management International Co., Ltd.	Truck freight transportation, cargo transportation, ocean freight transportation forwarding services, civil aviation transportation; warehousing and storage, computer and appliance and telecommunication facilities repair and maintenance	9,850,586	2	-	-	1,454,473	1,268,461	65.53	897,373	10,094,834	-	Note 2
Chongqing Yuanhuang Technology & Research Industrial Development Co., Ltd.	Design, development, and manufacturing of automotive molds, fixtures, and gauges.	452,007	2	-	-	-	(23,839)	31.11	(7,416)	169,761	-	Note 2

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Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Amount remitted back to Taiwan for the year ended December 31, 2020	Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
				Mainland China to Mainland China	Mainland China as of January 1, 2020	Mainland China as of December 31, 2020	Mainland China as of December 31, 2020							
Charming International Leasing Co., Ltd.	Financial leasing	\$ 854,400	2	-	-	\$ 213,600	\$ 213,600	-	27,426	100	\$ 27,426	\$ 1,376,072	-	Note 2
Kunshan Nano New Material Technology Co., Ltd.	Other articles solely for industrial use, of plastics, sandpaper, cutting-oil, waxes, grease, lubricating	3,106	2	-	-	-	56,960	-	-	9.45	-	56,960	-	Note 2
Shenzhen Jing Huang Technology Co., Ltd.	Communication products technology development, import and export and wholesale of electronic equipment and components	10,404	2	-	-	-	18,651	1,340	40	536	8,289	-	Note 2 Note 3	
Fushirui Precision Industry (Jiyuan) Co., Ltd.	Machining centres, other automatic data processing machines, presented in the form of systems	19,936	2	-	-	-	-	-	100	-	-	-	-	Note 2
Kunshan Fuchengke Precision Electronic Co., Ltd.	Design and manufacture of Surface Mount Technology	712,000	2	-	-	-	712,000	162,521	100	162,521	1,030,441	-	Note 2	
Fu Cheng Ke Precision Electronics (Yantai) Co., Ltd.	Design and manufacture of Surface Mount Technology	-	2	-	-	-	213,600	-	-	-	-	-	-	Note 2
Fuhuake Precision Industry (Shenzhen) Co., Ltd.	Manufacture of audiovisual electric products, lighting equipment, wired communication equipment, electronic parts and components, computers and computing peripheral equipments, cars, optical instruments, bare printed circuit boards of recorded media	358,669	2	-	-	-	256,320	-	-	-	-	-	-	Note 2

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Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020		
				Amount remitted to Taiwan for the year ended December 31, 2020	Remitted back to Taiwan	Mainland China as of December 31, 2020	Mainland China as of December 31, 2020							
													\$	\$
Fushirui Chengdu Precision Industry Co., Ltd.	Manufacture and sale of automation equipment and other automatic data processing machines and customs	199,360	2	\$	-	\$	199,360	(	303)	303)	\$	743,324	-	Note 2
Hongfuzhun Precision Shenzhen Co., Ltd.	Manufacture and sale of automation equipment and other automatic data processing machines and customs	341,760	2		-		341,760	(	149,784)	(	149,784)	360,245	-	Note 2
Hongqing Precision Machine Co., Ltd.	Manufacture and sales of comprehensive processors (automation equipment)	394,016	2		-		394,016	(	144,013)	(	144,013)	422,289	-	Note 2
Fushirui Precision Industry (Jincheng) Co., Ltd.	Machining centres, other automatic data processing machines, presented in the form of systems	116,768	2		-		116,768		18,932	100	18,932	166,631	-	Note 2
Fushirui Precision Industry (Zhengzhou) Co., Ltd.	Manufacture and sale of automation equipment and other automatic data processing machines and customs	213,104	2		-		227,840		13,940	100	13,940	299,619	-	Note 2
Fumeng Electronical Technology (Heze) Co., Ltd.	Manufacturer of Electric conductors for a voltage not exceeding 1000V	142,400	2		-		-	(	70,853)	75.15	(	24,757)	-	Note 2
Hesheng Qin Electronic Technology (Shenzhen) Co., Ltd.	Design of computer, computer peripherals and molds	70,820	2		-		3,986		1,980	5	-	3,986	-	Note 2

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Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020
				Amount remitted back to Taiwan for the year ended December 31, 2020	Remitted to Mainland China to Taiwan	as of December 31, 2020	as of December 31, 2020					
				\$	\$	\$	\$					
First Special Material (Shenzhen) Limited	General merchandise wholesale, wholesale of chemical materials and products, technology development and sales of computer software, machinery and equipment rental and repair business	\$ 854,400	2		-	\$ 125,312	\$ -	85,440	3,755	96.23	209,043	-
Beijing Jide Network Technology Limited	Electronic shopping and mail order, computer software design, computer system integration services and other information providers services	561,481	2		-	85,440	-	-	6.38	-	85,440	-
Rich Dreams Network Technology (Shenzhen) Limited	Electronic shopping and mail-order, commodity brokerage, information management and professional education services	45,568	2		-	45,568	-	103	100	103	46,601	-
Interface Optoelectronics (SZ) Co., Ltd.	Production and sale of the touch monitors	2,739,776	2		-	-	-	2,815,356	22.54	634,581	2,587,048	-
Shenzhen Nano Photoelectric Co., Ltd.	Research and development of optoelectronic products, technical services	591,904	2		-	9,850	-	-	9.45	-	9,850	-
First Special Material (Henan) Limited	Chemical products, optical film, protection and development film, tape, glue, adhesives, inks, coatings, grinding fluid, cutting oil, plastic products, sandpaper, grinding wheel, design, manufacture, sale, leasing, warranty, service and abrasive of materials and its spare parts	299,040	2		-	299,040	-	3,031	96.23	2,917	298,871	-

Table 9, Page 14

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
				Amount remitted to Mainland China	Remitted back to Taiwan							
Fuzhun Precision Tooling (Jiashan) Co., Ltd.	Metal cutting tools, industrial automatic control system device, CNC machine tools, automatic test equipment and vertical multi-joint robot, automated overhead dimensional storage equipment, portable microcomputers, digital player, and production and marketing business of mold standard parts	996,800	2	\$ -	\$ -	996,800	996,800	100	(\$ 130,354)	\$ 2,380,624	\$ -	Note 2
Jin Ji Full Precision Machinery (Wuhan) Co., Ltd.	Metal or metal carbides by injection molding, compression molding, rubber or plastic with mold	996,800	2	-	-	996,800	65,526	100	65,526	1,266,606	-	Note 2
Fuyu Properties (Shanghai) Co., Ltd.	Industrial design e-commerce business, other specialized design services, car rental, other general merchandise retail, computers and peripherals, software, retail communications equipment, audio-visual equipment retail, automobile spare parts and supplies retail	8,102,444	2	-	-	7,120,000	(142,406)	83.13	(118,382)	5,794,762	-	Note 2
Fuhua Precision Industry (Guizhou) Co., Ltd.	Design, processing and manufacturing operations of surface-mount circuit board	854,400	2	-	-	854,400	14,379	100	14,379	920,283	-	Note 2
Lankao Yufu Precision Technology Co., Ltd.	Development, manufacturing and marketing of optical lenses, glass product and metal fitting	10,701,203	2	-	-	10,537,600	(477,745)	100	(477,745)	8,549,343	-	Note 2

Table 9, Page 15

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020	Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
				Amount remitted to Mainland China	Remitted back to Taiwan								
Lankao Yude Environment Material Technology Inc.	Manufacturing and marketing of carton, color boxes and packaging boxes	\$ 1,281,600	2	\$ 1,281,600	-	-	\$ 1,281,600	\$ 56,306	100	\$ 56,306	\$ 1,547,046	\$ -	Note 2
Jin Ji Full Precision Machinery (Huaian) Co., Ltd.	Manufacturing of metal moulds, metal processing, metal surface treatment and manufacturing of industrial plastic products	-	2	-	-	-	-	-	-	-	-	-	Note 4
Interface Optoelectronics (Wuxi) Co., Ltd.	Production and sale of the touch monitor	370,240	2	-	-	-	-	125,712	22.54	28,335	182,315	-	Note 2
Hongfusheng Precision Electronics (Zhengzhou) Co., Ltd.	Manufacturing of 3G or higher mobile communication cell phones as well as design and manufacturing of metal and non-metal moulds	422,449	2	-	-	-	106,800	17,076	100	17,076	994,529	-	Note 2
Nxera Information Technology (Shenzhen) Co., Ltd.	Computer software and hardware; technological development of communication products; internet platform; technological development, service and consultation of surveillance system; consultation of business management' market planning and marketing; domestic trade and business in imports and exports	25,964	2	-	-	-	-	(14,131)	37.88	(5,353)	(13,610)	-	Note 2

Table 9, Page 16

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020	Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
				- \$	- \$	- \$	- \$	- \$	- \$	- \$			
				\$	\$	\$	\$	\$	\$	\$			
Qi Ding Technology Qinhuangdao Co., Ltd.	Development, manufacturing and sales of large and medium electronic calculators, portable calculators, new electronic parts and components, electronic equipment, fine blanking dies, mould standard parts, other parts and accessories; house leasing; wholesale of electronic products; import and export of goods	2,087,946	2										Note 2
Fuyang Soleros Technology (Nanyang) Co., Ltd.	Investment, procurement, sales, management of new energy including PV, system integration and coordinative measures and equipment; application and consultation service of related technologies	3,915,351	2	-	-	-	-	(51,362)	100	(51,362)	3,775,902	-	Note 2
Efeihu (Yantai) Limited	Touring information service, ticket agent, warehousing, intl trade and commission agent, retail of electronics, repair of electronic appliance and online retailing	87,092	2	58,054	-	-	58,054	23,505	70	16,454	110,540	-	Note 2
Kunshan Nano Environmental Protection Technology Co., Ltd.	Design and assembly of environment protection electronic devices and water processors; sale of self-produced products; wholesale of cosmetics	20,190	2	-	-	-	-	-	9.45	-	-	-	Note 2

Table 9, Page 17

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020	Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote	
				Investment method Note 1	Paid-in capital	Amount remitted from Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2020	Remitted to Mainland China to Taiwan							Mainland China as of December 31, 2020
G-TECH Optoelectronics (Shenzhen) Co., Ltd.	R&D, manufacturing of new panel displays, display materials; wholesale of displays, display materials, PV glasses, parts of mobile telecommunication products, production equipment of displays and PV glasses and wholesale of raw materials for production	\$ 1,424,000	2	\$ -	\$ -	\$ -	(\$ -)	15,530	100	(\$ 15,530)	\$ 194,885	\$ -	Note 2	
Nanjing Hongfusharp Precision Electronics Co., Ltd.	R&D, manufacturing, sales, technology service, consultation and technology transfer of precise electronics, electro-optics technology and related equipment, medical equipment and devices and automated equipment; lease of self- owned buildings and equipment; int'l trade of own and distributed products and technologies	5,658,988	2	4,841,600	-	-	4,841,600 (	1,561,036)	100	(1,561,036)	2,442,495	-	Note 2
Qukuailian Information and Technology (Shenzhen) Ltd.	Development of computers, IoT products and software; consultation service of computers and IoT technologies; strategy planning of business operation; business information service	201,948	2	113,892	-	-	113,892 (	22,750)	53.33	(12,133)	36,168	-	Note 2
TNS Mobile (Beijing) Co., Ltd.	Wholesale of mobile telecommunication equipment and terminals, computer hardware and software, internet devices, commission agent and int'l trade	132,574	2	-	-	-	- (	73,603)	62.38	(45,644)	(572,282)	-	Note 2

Table 9, Page 18

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020	Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote	
				Amount remitted back to Taiwan for the year ended December 31, 2020	Remitted to Mainland China		Remitted back to Taiwan	as of December 31, 2020								
				\$	\$		\$	(\$)								
Megvii (Beijing) Technology Co., Ltd.	Technology development of computer software, technology service, computer system integration, data processing, computer graphic design, wholesale of self- developed products, machinery and equipment, electronics, electric appliances, computers, software and auxiliary equipment	\$ 13,536,709	2	-	-	37,562	-	37,562	786,587	3.3	\$	-	37,562	\$	-	Note 2
Xun Pin Electronic Technology (Zhongshan) Co., Ltd.	Manufacture, research, development, and after- sale service of new electronic components, electronic manufacturing equipment, equipment spare parts, raw materials for self- produced products, machine, electrical equipment, electronic products and software, communication products and software.	-	2	-	-	-	-	-	-	-	-	-	-	-	-	Note 5
Polight Technology (Shenzhen) Co., Ltd.	Manufacturing and marketing of optoelectronic devices, sensitive components and sensors, new electronic components, digital cameras and their key components	-	2	-	-	-	-	-	-	-	-	-	-	-	-	Note 6

Table 9, Page 19

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
				Amount remitted from Mainland China to Taiwan	Amount remitted back to Taiwan for the year ended December 31, 2020	Amount remitted from Taiwan to Mainland China as of December 31, 2020	Amount remitted back to Taiwan						
				\$	\$	\$	\$						
Fu Sheng Optoelectronics Technology (Kunshan) Co., Ltd.	Optoelectronics technology development, technology transfer, technical consulting, technical services, development and manufacturing of optical communication modules, highspeed connectors and cables; development and testing of new energy vehicle charging systems, sales of self- produced products and photovoltaic products	\$ 321,382	2	\$ -	\$ -	\$ -	\$ -	(\$)	37.58	(\$)	203,438	\$ -	Note 2
FIH Electronics Technology (Nanjing) Co., Ltd.	Production and processing of mobile communication equipment (mobile phones) and their components and related modules, fixtures and inspection tools	-	2	-	-	-	-	-	62.38	-	-	-	Note 7
FIH (Nanjing) Intelligent Technology Co., Ltd.	Mobile phone-related software and hardware development testing, system integration, application services and related technical services	142,400	2	-	-	-	-	(7,979)	62.38	(4,948)	91,056	-	Note 2

Table 9, Page 20

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020
				Amount remitted back to Taiwan for the year ended December 31, 2020	Remitted to Mainland China to Taiwan	of remittance from Taiwan to Mainland China as of December 31, 2020	as of January 1, 2020					
				\$	\$	\$	\$					
Jin Ji Full Precision Machinery (Qinhuangdao) Co., Ltd.	Development and production of precision molds, metal and nonmetal mold components, machine components, electronic products spare parts; automation equipment and its key components, hardware products, sheet metal products, injection molding, plastic products development, design, production , heat treatment processing, metal material shear processing	\$ 42,720	2	-	-	-	427,200	-	100	2,651	38,753	-
Ji Zhi Precision Technology (Shenzhen) Co., Ltd.	Development, design, production and sales of display materials, precision glass components, photovoltaic glass, spare parts for mobile communication products, display screens and photovoltaic glass production equipment and raw materials	-	2	-	-	427,200	427,200	-	100	-	427,200	-
Guangxi Hongzhiyi Investment Management Co., Ltd.	Management and consulting services, trust asset management, equity investment, financial consulting, corporate management consulting, investment information consulting services	9,776	2	-	-	4,401	4,401	2,083	50	1,042	1,318	-

Table 9, Page 21

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020	Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
					Amount remitted back to Taiwan for the year ended December 31, 2020	Remitted to Mainland China to Taiwan							
Huai An Jiawei Industrial Development Co., Ltd.	Manufacture and sales of construction and building materials, furniture and hardware tools; business information consultancy; dining management; dining service	\$ 714,273	2	\$ -	\$ -	\$ -	(\$ -)	2,623)	38	(\$ 996)	\$ 268,904	\$ -	Note 2
Yuan Kang Agricultural Technology (Shenzhen) Co., Ltd.	Engaged in the development of pollution-free cultivation techniques and products for vegetables and fruits; agricultural cultivation technology equipment, craft gifts, health food, wholesale technical consultation, retail, import and export, and other related business	24,400	2	-	-	-	(-	48,978)	50	(24,489)	31,850	-	Note 2
Hong-Qi Mechatronics (Anhui) Co., Ltd.	Engaged in business development, production, sales and trading of automated equipment and its key components, automation peripherals, automation fixtures, precision spindles, servo drive systems, bus control systems, injection molding machines, smart appliances; engaged in goods and technology import and export business	132,240	2	-	-	-	(-	125,495)	100	(125,495)	455,329	-	Note 2

Table 9, Page 22

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Amount remitted from Taiwan to Mainland China/		Accumulated amount		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
				Amount remitted back to Taiwan for the year ended December 31, 2020	Remitted to Mainland China to Taiwan	Amount remitted from Taiwan to Mainland China as of December 31, 2020	of remittance from Taiwan to Mainland China as of December 31, 2020						
Hongfei Precision Technology (Shenzhen) Co., Ltd.	Engaged in the development, production and sales of video cameras and their accessories, multimedia recording and player and accessories, digital audio and video systems; leasing of electronic equipment; domestic trade; operating export business	\$ 281,032	2	\$ -	\$ -	\$ -	\$ -	41,230	100	\$ 41,230	\$ 195,476	\$ -	Note 2
Bisheng Technology (Chengdu) Co., Ltd.	Engaged in the operation of biometrics technology and key components, touch systems (touch screens, touch components), flat panel display modules, display materials, electronic materials and new electronic components, backlight molds, precision molds, product sales; Product testing and maintenance business, after-sales service, similar products wholesale business, engineering and management consulting and service business engaged in the above products	-	2	-	-	-	-	-	-	-	-	-	Note 8
Chengdu NUWA Robotics Corp.	Manufacturing and marketing of smart robot and auto digital signal process device and components	-	2	-	-	-	-	-	-	-	-	-	Note 9

Table 9, Page 23

Investee in Mainland China	Main business activities	Paid-in capital	Investment method Note 1	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	
				Amount remitted to Taiwan for the year ended December 31, 2020	Remitted back to Taiwan	Mainland China as of December 31, 2020	Mainland China as of December 31, 2020						
													\$
Kunshan Kang Rui Packaging Materials Limited	Engaged in the production and processing of cartons, paper packaging supplies, hardware accessories, plastic products, sales of self- produced products and after-sales service	\$ 18,259	2	\$ -	\$ -	\$ -	\$ -	(\$ 2,071)	26.47	(\$ 548)	\$ 4,545	\$ -	Footnote Note 2
Li Ding Semiconductor Technology (Shenzhen) Co., Ltd.	R&D of IC packaging, IC-specific materials, system-level packaging, sales of self-manufacture products and relevant technologies and after sales services	1,496,039	2	-	-	-	-	(69,792)	33.86	(23,632)	482,401	-	Note 2
Zetmage Solutions, Inc.	Design of Integrated circuit, development of software, wholesale and retail of electronic product and service of intellectual property	168,523	2	-	-	-	-	(128,838)	26.07	(33,591)	53,259	-	Note 2
Pollux Technologies, Inc.	Design of Integrated circuit, development of software, wholesale and retail of electronic product and service of intellectual property	101,114	2	-	-	-	-	313	26.07	82	52,535	-	Note 2
Langyange Semiconductor, Inc.	Design of Integrated circuit, development of software, wholesale, retail and repair of electronic product and service of intellectual property	67,409	2	-	-	-	-	(31,381)	26.07	(8,182)	34,224	-	Note 2

Table 9, Page 24

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to		Net income of investee for the year ended December 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2020	Book value of investments in Mainland China as of December 31, 2020	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2020	Footnote
				Mainland China/ Mainland China	Amount remitted back to Taiwan for the year ended December 31, 2020	Mainland China as of December 31, 2020	Mainland China as of December 31, 2020						
Foshan Pulida Technology Co., Ltd.	Design and sale of camera, electronic laser manufacturing machine, projector, monitor, digital video system, multi-dimension anaglyph spectacles, electronic and optoelectronic control unit, LCD display unit, precision lens and stamping die	\$ 349,407	2	\$ -	\$ -	\$ -	\$ -	22,687	100	(\$ 22,687)	\$ 326,335	\$ -	Note 2
Kore Semiconductor, Inc.	Design of Integrated IC packaging and testing. Sale of IC, support plate, equipment and related technical service and consulting. Design packaging equipment, testing equipment, software and hardware. Wholesale, import and export of semiconductor materials. Other related supporting service business.	1,297,671	2	-	-	-	-	101	20.13	(20)	261,200	-	Note 2
Sharp FIT Automotive Technology (Wuxi) Co., Ltd.	Manufacture and sales of other cameras (automotive camera modules) and production of automotive parts and components (E-mirrors)	-	2	-	-	-	-	41,088	-	(31,410)	-	-	Note 2
Beijing Ainemo Network Technology Limited	Computer software design, computer system integration services, other information providers and services, management consulting, computer software and peripheral equipment wholesale, computer peripheral equipment and software retail business	-	2	-	-	-	-	55,888	-	-	-	-	Note 2

Table 9, Page 25

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2020	Investment amount approved by the Ministry of Economic Affairs (MOEA)	Celling on investments in Mainland China imposed by the Investment Commission of MOEA
Hon Hai Precision Industry Co., Ltd.	\$ 188,962,377	\$ 339,404,021	\$ -

Note 1: Investment methods are classified into the following three categories:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in Foxconn (Far East) Limited in the third area, which then invested in the investee in Mainland China.
- (3) Others.

Note 2: The basis for investment income (loss) recognition is from the financial statements which were based on the audited and attested by R.O.C. parent company's CPA, except FII Precision Component (Beijing) Co., Ltd., Shenzhen Fu Tai Hong Precision Industry Co., Ltd., Honxun Electrical Industry (Hangzhou) Co., Ltd., FIIH (Tian Jin) Precision Electronics (Beijing) Co., Ltd., FIIH Precision Electronics (Lang Fang) Co., Ltd., FIIH (Nanjing) Communications Co., Ltd., Nanning Futaihong Precision industry Co., Ltd., Futaijing Precision Electronics (Yantai) Co., Ltd., TNS Mobile (Beijing) Co., Ltd., FIIH Electronics Technology (Nanjing) Co., Ltd., FIIH (Nanjing) Intelligent Technology Co., Ltd., which the financial statements are audited and attested by international accounting firm which has cooperative relationship with firm in R.O.C.

Note 3: The Company has remitted US\$654,890 from own funds in 2014 to Foxteq Holdings Inc. in the British Virgin Islands to acquire 40% of the shares from Chinadragon Telecom Holding Co., Ltd., allowing the Company to indirectly hold 40% of its reinvestment in Shenzhen Jing Huang Technology Co., Ltd.

Note 4: The Company was approved by Investment Commission, MOEA of an investment of US\$10,000,000 in Jin Ji Full Precision Machinery (Huaian) Co., Ltd., which has not been remitted as of December 31, 2020.

Note 5: The Company was approved by Investment Commission, MOEA of an investment of US\$5,762,700 in Xun Pin Electronic Technology (Zhongshan) Co., Ltd., which has not yet been established as of December 31, 2020.

Note 6: The Company was approved by Investment Commission, MOEA of an investment of US\$50,000,000 in Polight Technology (Shenzhen) Co., Ltd., which has not been remitted as of December 31, 2020.

Note 7: The Company was approved by Investment Commission, MOEA of an investment of US\$156,950,000 in FIIH Electronics Technology (Nanjing) Co., Ltd., which has not yet been established as of December 31, 2020.

Note 8: The Company was approved by Investment Commission, MOEA of an investment of US\$3,831,800 in Bisheng Technology (Chengdu) Co., Ltd., which has not yet been established as of December 31, 2020.

Note 9: The Company was approved by Investment Commission, MOEA of an investment of US\$13,441 in Chengdu NUWA Robotics Corp., which has not yet been established as of December 31, 2020.

The following is a list of investments in Mainland China that have been liquidated, divested, or annulled, but the registered investment amounts have not yet been filed to the Investment Commission, MOEA:

1. The Company was approved by Investment Commission, MOEA of an investment of US\$3,000,000 in Guangxuhui Technology (Shenzhen) Co., Ltd., which had been liquidated in 2005.
2. The Company was approved by Investment Commission, MOEA of an investment of US\$625,000 in Shanghai Premier Image Trade Co., Ltd., which had been liquidated in April 2009.
3. The Company was approved by Investment Commission, MOEA of an investment of US\$684,091 in Dongfeng Antec (Wuhan) Automobile Electric System Co., Ltd. All of the shares had been transferred in 2009.
4. The Company was approved by Investment Commission, MOEA of an investment of US\$814,000 in Lu Zhou Antec Fangshen Electric Sys tem Co., Ltd. All of the shares have been sold out in 2012.

5. The Company was approved by Investment Commission, MOEA of a total investment of US\$391,085 in Alibaba (China) Technology Co., Ltd., Alibaba (China) Software Co., Ltd., Alibaba (Shanghai) Technology Co., Ltd., and Beijing Sinyia Online Information Technology Co., Ltd., which have been sold out in 2012.

6. The Company was approved by Investment Commission, MOEA of an investment of US\$2,500,000 in Hongguang Precision Electronics (Yingkou) Co., Ltd., which had been liquidated in 2012.

7. The Company was approved by Investment Commission, MOEA of an investment of US\$12,000,000 in Hong Fujin Precision Industrial (Qinhuangdao) Co., Ltd., which had been liquidated in 2011.

8. The Company was approved by Investment Commission, MOEA of an investment of US\$8,000,000 in Foxconn Technology (Qinhuangdao) Co., Ltd., which had been liquidated in 2011.

9. Qunkang Precision Component (Kunshan) Co., Ltd. has been permitted by the Investment Commission, Ministry of Economic Affairs for the investment of US\$6,000,000 and completed the registration of business combination with Kangzhun Electronic Technology (Kunshan) Co., Ltd. at the competent authority. The surviving company is Kangzhun Electronic Technology (Kunshan) Co., Ltd.

10. The Company was approved by Investment Commission, MOEA of an investment of US\$18,000,000 in Foshan Fu Hua Ke Precision Electronics Co., Ltd., which had been liquidated in December 2017.

On October 22, 2018, MOEA approved the withdrawal of the investment of US\$13,500,000.

11. The Company was approved by Investment Commission, MOEA of an investment of US\$690,139 in Yantai Jiny Electronic Technology Co., Ltd., which had been liquidated by the competent authority on January 18, 2018.

12. The Company was approved by Investment Commission, MOEA of an investment of US\$53,490,425 in Champ Tech Optical (Foshan) Corporation, which had been sold out in 2018.

On April 26, 2019, MOEA approved the withdrawal of the investment of US\$53,490,425.

13. The Company was approved by Investment Commission, MOEA of an investment of US\$20,000 in Jin Ji Trading (Linyi) Co., Ltd., which had been liquidated in 2019.

14. Kangzhun Electronic Technology (Kunshan) Co., Ltd. has been permitted by the Investment Commission, Ministry of Economic Affairs for the investment of US\$12,689,109 and completed the registration of business combination with Fuyang Electrical Technology (Changshu) Co., Ltd. at the competent authority. The surviving company is Kangzhun Electronic Technology (Kunshan) Co., Ltd.

15. The Company was approved by Investment Commission, MOEA of an investment of US\$2,126,394 in Jaxing Radioshack Trading Limited, which had been liquidated in 2019.

16. The Company was approved by Investment Commission, MOEA of an investment of US\$7,183,572 in FIIH (Chengdu) Communication Technology Co., Ltd., which had been liquidated in 2019.

17. The Company was approved by Investment Commission, MOEA of an investment of US\$3,000,000 in Amlink (Shanghai) Ltd., which had been liquidated in 2019.

18. The Company was approved by Investment Commission, MOEA of an investment of US\$6,000,000 in Beijing Anemo Network Technology Limited. All of the shares have been sold out in 2020.

19. The Company was approved by Investment Commission, MOEA of an investment of US\$20,000,000 in Fargan Technology Co., Ltd., which had been liquidated in 2020.

20. The Company was approved by Investment Commission, MOEA of an investment of US\$6,106,870 in SHARP FIT Automotive Technology (Wuxi) Co., Ltd., All of the shares had been transferred in 2020.

21. The Company was approved by Investment Commission, MOEA of an investment of US\$47,158 in Fujian 101 Education Technology Co., Ltd. All of the shares have been sold out in 2020.

II. The following is a list of investments in Mainland China that have been reinvested by Chinese companies due to restructuring of investment structure, and whose investment amounts have been approved to be included in investments in Mainland China:

1. To the investees including Hongqunsheng Precision Electronics (Yingkou) Co., Ltd., Hongqisheng Precision Electronics (Qinhuangdao) Co., Ltd., Hong Heng Sheng Electronical Technology (Huainan) Co., Ltd., Fubao Industrial (Shenzhen) Co., Ltd., Qingding Precision Electronics (Huainan) Co., Ltd. and Yuding Precision Electronics (Huainan) Co., Ltd., the total investment of US\$216,509,695 has been approved by Investment Commission, MOEA. However, Avary Holding (Shenzhen) Co., Limited acquired the above mentioned investees in response to the adjustment in the investment structure. The Company was approved by Investment Commission, MOEA on September 20, 2017.

2. An investment proposal totaling US\$92,949,697 in the investees in Mainland China has been approved by Investment Commission of MOEA. The investees included Ambient Microsystem (Shanghai) Co., Ltd., Anworld Microsystems (Shanghai) Ltd., Jizhun Precision Industry (Huizhou) Co., Ltd., Hongfujing Precision Electronics (Tianjin) Co., Ltd., System Integration electronics(Hangzhou) Co., Ltd., Nanning Fugui Precision Industrial Co., Ltd., Futaihua Precision Electronics (Zhengzhou) Co., Ltd., Futaihua Precision Electronics (Jiyuan) Co., Ltd. and Henan Yuzhan Technology Limited. However, Foxconn Industrial Internet Co., Ltd. will acquire the aforementioned investees in Mainland China in response to changes in the Company's investment framework. The Company has reported to Investment Commission of MOEA about the investment adjustment on May 26, 2017.

III. Pursuant to the newly amended "Review Principles of Investment and Engagement of Technological Cooperation in Mainland China" dated August 29, 2008, since the Company has obtained the certificate of being qualified for operating headquarters, which was issued by the Industrial Development Bureau, MOEA, the ceiling amount of the investment in Mainland China is not applicable to the Company.

IV. The Company invests in the company via investee companies in Mainland China including Yantaishi Fultong International Trading Co., Ltd., Yantai Hongfu Occupation Training School, Guizhou Yuguiquan Real Estate Co., Ltd., Hengyang Futaihong Precision Industry Co., Ltd., Guizhou Fuzhihang Precision Electronics Co., Ltd., Shenzhen Fuhongxun Technology Co., Ltd., Infocies Precision Industry (Shenzhen) Co., Ltd., Langfang Hui Ju Yin Qing Zhong Chuang Kong Jian Co., Ltd., Zhengzhou Jusda Logistics Co., Ltd., Wuhan Jusda Supply Chain Management Limited, Hangzhou Jusda Supply Chain Management Limited, Shandong Jusda Supply Chain Management Limited, Shenzhen Qianhai Jusda Supply Chain Management Limited, Shenzhen Fertile Plan International Logistics Co., Ltd., Guangxi Jusda SCM Limited, Chongqingshi Futaitong Logistics Limited Co., Ltd., Yantai Futaitong International Logistics Co., Ltd., Shanghai Futaitong International Logistics Co., Ltd., Yantian Jusda Supply Chain Management Co., Ltd., Taihangjie Supply Chain Management (Shenzhen) Co., Ltd., Lang Fang Fertile Plan Logistics Co., Ltd., Jusda Supply Chain Management (Shanghai) Co., Ltd., Jiaxing Jusda Supply Chain Management Co., Ltd., Hunan Jusda Supply Chain Management Co., Ltd., Nanjing Jusda Supply Chain Management Co., Ltd., Zhengzhou Jusda Industrial Park Development Co., Ltd., Zhengzhou Zhunxuntong technology Co., Ltd., Wuhan Peda International Logistics Co., Ltd., Shenzhen Zhunxuntong Technology Co., Ltd., Wuhan Zhunxuntong Enterprise Service Co., Ltd., Chongqing Zhunxuntong Customs Service Co., Ltd., Shanghai Zhunxuntong Import & Export Co., Ltd., Chengdu Zhunxuntong Import & Export Co., Ltd., Guangzhou Jusda Supply Chain Management Co., Ltd., Beijing Jusda Supply Chain Management Co., Ltd., Jusda Energy Technology (Shanghai) Co., Ltd., Shanghai Ganxing Logistics Co., Ltd., China ASEAN Supply Chain Management Co., Ltd., Zhenzhou GDS Information & Technology Co., Ltd., Shenzhen Fortune Fintech Co., Ltd., Talentek Microelectronics (Hefei) Limited, Shenzhen Dengmao Science & Technology Co., Ltd., Shenzhen Jingji Precision Machinery Trade Co., Ltd., Jin Ji Full Precision Machinery (Hengyang) Co., Ltd., Ur Industry Materials (Langfang) Co., Ltd., Ur Uy Material (Kunshan) Co., Ltd., Ur Hongxin Detection Technology (Shenzhen) Co., Ltd., Ur Material Technology (Guangzhou) Co., Ltd., Ur Material (Yantai) Co., Ltd., Ur New Materials Technology (Wuhan) Co., Ltd., Jin Ji Precision Pneumatic (Shenzhen) Co., Ltd., Hong-Qi Mechatronics (Anhui) Co., Ltd., Mingyang Real Estate Development (Kunshan) Co., Ltd., Huian Mingyang Real Estate Development Co., Ltd., Jinan Development Property Development Co., Ltd., Triple Win Technology (Jincheng) Co., Ltd., Huainan Fultong Trading Co., Ltd., Teng Yi New Energy Technology (Kunshan) Co., Ltd., Huainan Hongyu Electronic Technology Co., Ltd., Huainan Tengyue Information Science & Technology Co., Ltd., Shenzhen Anya Trading Co., Ltd., Hongzhada Integrated Innovative Service (Kunshan) Co., Ltd., Yuanfu (Shenzhen) Technology Co., Ltd., Oyeze Internet Technology (Shenzhen) Co., Ltd., Candiedino Network Security Technology (Shenzhen) Co., Ltd., Chongqing Hongfuzhuo Trading Co., Ltd., Chongqing Guanzhuo Technology Co., Ltd., Hongxingxin Precision Electronics (Chongqing) Co., Ltd., Chongqing Jingmei Precision electronic Co., Ltd., Shenzhen Hochichuang Technology Co., Ltd., HCC Teleten (HK) Technology Co., Ltd., Shanghai Ketahuaie Technology Co., Ltd., Shenzhen Foxtricity Co., Ltd., Shenzhen Hong Jie Yu Technology Co., Ltd., Shanghai Fusharp Sales Co., Ltd., Foxon Technical (Dezhou) Co., Ltd., Eerduosi Hongshan Precision Electronics Co., Ltd., Shenzhen Fu Neng New Energy Technology Co., Ltd., Ambient Microsystems (Jiashan) Co., Ltd., Hongfu Innovation (Hangzhou) Co., Ltd., Simaite Technology (Shenzhen) Co., Ltd., Innovative & Intelligent Factory Accelerator (Shenzhen) Co., Ltd., Hangzhou Jiangyu Innovation Medical Technology Co., Ltd., Jiangyu Innovation Medical Technology Chengdu Co., Ltd., Shenzhen Futai Trade Co., Ltd., Guizhou Qianyu Electric Vehicle Service Co., Ltd., Lanzhou Futaihua Industrial Limited, Shenzhen Jinchangzhi Technology Co., Ltd., Shenzhen Galane Robotics Co., Ltd., Shenzhen Hong Jie Fei Technology Service Co., Ltd., Haina Cognitive Connections Co., Ltd., Fu Ming Tuo Property Management (Shenzhen) Co., Ltd., Shenzhen Fuhongcai Technology Service Co., Ltd., Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd., Chengdu Chengfu Future Technology Co., Ltd., Fuxiang Private Equity Investment Fund Joint Ventur, Hong Fu Cheng Technology (Tianjin) Co., Ltd., Tanghe Fuyang Soleros Technology Co., Ltd., Dongying PV Technology Co., Ltd., Langfang City Fuyang New Energy Technology Co., Ltd., Jiashan PV Technology Co., Ltd., Huainan Fuyang Soleros Technology Co., Ltd., Danjiangkou Fusheng Soleros Technology Co., Ltd., Inner Mongolia Xin Jing Photovoltaic Power Generation Co., Ltd., Beijing Fuyang New Energy Technology Co., Ltd., Shanghai Fusheng New Energy Technology Co., Ltd., Henan Fuchi Technology Co., Ltd., Zhengzhou Yu Teng Precision Technology Co., Ltd., Henan Zhongyuan Financial Leasing Co., Ltd., Zhengzhou Fuyucheng Agricultural Biotechnology Co., Ltd., Henan Zhongyuan Finance & Fund Management Co., Ltd., Zhengzhou Fuyusheng Energy Technology Co., Ltd., Zhengzhou Fulianwang Electronic Technology Co., Ltd., Wefix Electronics Technology (Shenzhen) Co., Ltd., Guangxi Fulianwang Electronic Technology Co., Ltd., Beijing Fusharp Electronic Commerce Limited, Chengdu Fulianwang Trading Co., Ltd., Shanxi Fulianwang Electronic Technology Co., Ltd., Hunan Fulianwang Trading Co., Ltd., Guizhou Fuxuntong Trading Co., Ltd., Langfang Fulianwang Trading Co., Ltd., Xian Wannayun Electronic Technology Co., Ltd., Huainan Fhnet Electronics and Technology Co., Ltd., Henyang Fulianwang Commerce & Trade Co., Ltd., Rich Dreams Network Technology (Hangzhou) Limited, Henan Zhongyuan Financial Guarantee Co., Ltd., Jiyuan Jizhun Precision Electronics Limited, Henan Yubin Real Estate Co., Ltd., Henan Jiagang Industrial Limited, Shenzhen Fulianwang Internet Of Things Intelligent Home Furnishing Co., Ltd., Shanghai Fuhong Electronic Technology Co., Ltd., Shenzhen Fulianwang Technology Co., Ltd., Fhnet Smartech (Shenzhen) Co., Ltd., Fu Shi Jie Shenzhen, Shenzhen Love Pocket Technology Co., Ltd., Zhengzhou Wannayun Electronic Technology Co., Ltd., Nanning Fugui Precision Industry Co., Ltd., Chongqing Fugui Electronics Co., Ltd., Guangxi Funeng Innovation Technology Co., Ltd., Futaihua Precision Electronics (Zhenzhou) Co., Ltd., Shanxi Yuding Precision Technology Co., Ltd., Henan Fujiang Precision Technology Co., Ltd., Wuhan Yuzhan Precision Technology Co., Ltd., Hebi Yuzhan Precision Technology Co., Ltd., Anworld Microsystems (Shanghai) Limited, Ingrassys Info-Tech Corporation, System Integration Electronics (Hangzhou) Co., Ltd., Ambient Microsystem (Shanghai) Co., Ltd., Jizhun Precision Industry (Huizhou) Co., Ltd., Shenzhen Jingjiang Yunchuang Technology Co., Ltd., Chengdu Zhuren Technology Co., Ltd., Zhengzhou Hongren Cutting Tool Limited, Jnchen Hongren Technology Co., Ltd., Futaihua Precision Electronics (Jiyuan) Co., Ltd., Hongfujing Precision Electronics (Tianjin) Co., Ltd., Hongfujing Precision Electronics (Guizyang) Co., Ltd., Baichang Technology Service (Tianjin) Co., Ltd., Jincheng Futaihua Precision Electronic Co., Ltd., Henan Yuzhan Technology Limited, Langfang Yuzhan Technology Limited, Qianhai Yuzhan (Shenzhen) Consulting Management Co., Ltd., Shenzhenshi Yuzhan Precision Technology Co., Ltd., Fulian Intelligent Workshop (Shenzhen) Co., Ltd., Zhengzhou Fulian Intelligent Cration Technology Co., Ltd., Lankao Yuzhan Precision Industry Co., Ltd., Shenzhen Fugui Precision Technology Co., Ltd., Flow Vision Technology Co., Ltd., Dong Guan Fu Yi

Precision Industry Co., Ltd., Shenzhen Fu Lian Intelligent Manufacturing Industry Innovation Center Co., Ltd., Fu Jia Zhichuang (Shenzhen) Technology Co., Ltd., Fu Ji Yun (Shenzhen) Technology Co., Ltd., System Integration (Hai Ning) Electronics Co., Ltd., Chongqing Fuyusheng Electronics Technology Co., Ltd., Hong Ding Management Consultants (Shenzhen) Co., Ltd., Hongfu (Shenzhen) Equity Investment Fund Management Co., Ltd., Hong Chi Consultant (Shenzhen) Co., Ltd., Hongfei Precision Technology (Shenzhen) Co., Ltd., Jiaxing Zhixie Trading Co., Ltd., Wang Hui Trading (Shanghai) Co., Ltd., Jiaxing Aifengpai Trading Co., Ltd., Suzhou Fumengxing Trading Co., Ltd., Shanghai Fuyijitong Business Factoring Limited, Shanghai Pengzhan Investment Co., Ltd., Foshan Shunde Jishun Precision Industry Co., Ltd., Fuxuntong Trading (Shenzhen) Co., Ltd., Efeihu (Chengdu) E-commerce Limited, Henyang Fuxiangyun Culture Co., Ltd., Shanghai Foxconn Co., Ltd., Zhongyuan Micro-credit Co., Ltd., Shenzhen Foxconn Advanced Manufacturing Capacity Training University, Fujitong Financial Information Services (Shanghai) Co., Ltd., Shenzhen Fuhongjie Technology Service Co., Ltd., Shenzhen Hongzhaoda Technology services Co., Ltd., Shenzhen Fu Rong Inclusive Finance Co., Ltd., Shenzhen eLux Display Co., Ltd., Jin Ji Tiger Investment Holding Co., Ltd., Shenzhen Jinjihu Information Consulting Co., Ltd., Fu Meng (Shenzhen) Consulting Service Co., Ltd., Shenzhen Zhanggongzhi Technology Service Co., Ltd., Shenzhen Hyper Power Information Technology Co., Ltd., Ur Hongxin Testing Technology (Dongguan) Co., Ltd., Guizhou Fuhuada Precision Electronics Co., Ltd., Panzhou Fu Gui Kang Precision Electronic Co., Ltd., Nanyang Hongfujing Precision electronic Co., Ltd., Kunming Fultong International Trading Co., Ltd., Gansu Fuguangyuan Electronic Technology Co., Ltd., Hongfujing Precision Electronic (Kaili) Co., Ltd., Hongfujing Precision Electronic (Wenshan) Co., Ltd., Kaili Fultong International Trading Co., Ltd., Hengyang Hengzhifu Finance & Accounting Services Co., Ltd., Zhengzhou Yongyang Detection Service Co., Ltd., Bisheng Technology (Chengdu) Co., Ltd., Chengdu NUWA Robotics Corp., Kunshan Kang Rui Packaging Materials Limited, Li Ding Semiconductor Technology (Shenzhen) Co., Ltd., Zettimage Solutions, Inc., Pollux Technologies, Inc., Langyage Semiconductor, Inc., Foshan Pulida Technology Co., Ltd., Kore Semiconductor, Inc.,

Except for the investment via the holding companies in Mainland China, other investments shall be approved by Investment Commission of the Ministry of Economic Affairs.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Bonds Payable
December 31, 2020

Table 10

Expressed in thousands of TWD
(Except as otherwise indicated)

Name of Security	Trustee	Issued on	Maturity	Date of interest payment	Interest rate (%)	Amount					Status of guarantee	Footnote
						Issued Amount	Issued Amount	Balance as at December 31, 2020	Amortisation for the period	Book value		
Second debenture issue of 2011	Bank SinoPac											
Bond C	"	2011/06/14	10 years	Note 1	1.82	\$	1,400,000	\$	-	\$	1,400,000	None
Third debenture issue of 2013												
Bond C	"	2013/12/17	7 years	"	1.85		2,200,000	(	2,200,000)	-	-	"
First debenture issue of 2014												
Bond C	"	2014/03/18	7 years	"	1.75		350,000		-		350,000	"
Bond D	"	"	10 years	"	2.00		2,500,000		-		2,500,000	"
Second debenture issue of 2014												
Bond C	"	2014/05/21	7 years	"	1.70		3,350,000		-		3,350,000	"
Bond D	"	"	10 years	"	1.95		4,200,000		-		4,200,000	"
Third debenture issue of 2014												
Bond A	"	2014/07/08	7 years	"	1.70		6,000,000		-		6,000,000	"
Bond B	"	"	10 years	"	1.95		6,000,000		-		6,000,000	"
Fourth debenture issue of 2014												
Bond C	"	2014/10/08	7 years	"	1.80		3,200,000		-		3,200,000	"
Bond D	"	"	10 years	"	2.02		2,200,000		-		2,200,000	"
Bond E	"	"	12 years	"	2.15		200,000		-		200,000	"
Fifth debenture issue of 2014												
Bond C	"	2015/01/14	7 years	"	1.80		2,800,000		-		2,800,000	"
First debenture issue of 2015												
Bond E	"	2015/04/14	7 years	"	1.75		1,000,000		-		1,000,000	"
Second debenture issue of 2015												
Bond E	"	2015/06/24	6 years	"	1.55		400,000		-		400,000	"
Bond F	"	"	7 years	"	1.70		2,300,000		-		2,300,000	"
Bond G	"	"	10 years	"	1.90		500,000		-		500,000	"

Table 10, Page 1

Name of Security	Trustee	Issued on	Maturity	Date of interest payment	Interest rate (%)	Amount					Status of guarantee	Footnote
						Issued Amount	Issued Amount	Balance as at December 31, 2020	Amortisation for the period	Book value		
Third debenture issue of 2015	Bank SinoPac											
Bond E		2015/09/29	5.5 years	Note 1	1.27	\$	200,000	\$	-	\$	200,000	None
Bond F		"	6 years	"	1.33		400,000		-		400,000	"
Bond G		"	7 years	"	1.45		1,000,000		-		1,000,000	"
Bond H		"	12 years	"	2.00		300,000		-		300,000	"
Fourth debenture issue of 2015	"											
Bond D		2015/11/30	5 years	"	1.20		3,900,000	(	3,900,000)	-	-	"
Bond E		"	6 years	"	1.28		100,000		-		100,000	"
Bond F		"	7 years	"	1.40		1,400,000		-		1,400,000	"
Bond G		"	10 years	"	1.75		100,000		-		100,000	"
Bond H		"	12 years	"	1.95		200,000		-		200,000	"
First debenture issue of 2016	"											
Bond C		2016/06/07	4.5 years	"	0.75		300,000	(	300,000)	-	-	"
Bond D		"	5 years	"	0.80		2,100,000		-		2,100,000	"
Bond E		"	6 years	"	0.88		1,300,000		-		1,300,000	"
Bond F		"	7 years	"	0.95		1,800,000		-		1,800,000	"
Bond G		"	10 years	"	1.20		1,800,000		-		1,800,000	"
Second debenture issue of 2016	"											
Bond C		2016/08/08	4.75 years	"	0.70		500,000		-		500,000	"
Bond D		"	5 years	"	0.73		2,300,000		-		2,300,000	"
Bond E		"	6 years	"	0.83		1,700,000		-		1,700,000	"
Bond F		"	7 years	"	0.90		2,900,000		-		2,900,000	"
Third debenture issue of 2016	"											
Bond C		2016/11/07	5 years	"	0.83		900,000		-		900,000	"
First debenture issue of 2017	"											
Bond C		2017/05/17	5 years	"	1.12		4,000,000		-		4,000,000	"
Bond D		"	7 years	"	1.36		900,000		-		900,000	"
Bond E		"	10 years	"	1.53		400,000		-		400,000	"

Table 10, Page 2

Name of Security	Trustee	Issued on	Maturity	Date of interest payment	Interest rate (%)	Amount					Status of guarantee	Footnote
						Issued Amount	Issued Amount	Balance as at December 31, 2020	Amortisation for the period	Book value		
Second debenture issue of 2017												
Bond C	Bank SinoPac	2017/08/08	4 years	Note 1	0.98	\$	800,000	\$	-	\$	800,000	None
Bond D		"	5 years	"	1.04		3,100,000		-		3,100,000	"
Bond E		"	6 years	"	1.18		200,000		-		200,000	"
Bond F		"	7 years	"	1.30		2,000,000		-		2,000,000	"
Bond G		"	10 years	"	1.52		700,000		-		700,000	"
Third debenture issue of 2017												
Bond A		2017/11/16	3 years	"	0.84		3,100,000	-	3,100,000	-	-	"
Bond B		"	5 years	"	1.00		2,950,000		-		2,950,000	"
Bond C		"	7 years	"	1.18		1,950,000		-		1,950,000	"
Bond D		"	10 years	"	1.40		1,000,000		-		1,000,000	"
First debenture issue of 2018												
Bond A		2018/05/09	3 years	"	0.76		1,000,000		-		1,000,000	"
Bond B		"	5 years	"	0.89		3,100,000		-		3,100,000	"
Bond C		"	6 years	"	0.96		200,000		-		200,000	"
Bond D		"	7 years	"	1.05		3,200,000		-		3,200,000	"
Bond E		"	10 years	"	1.35		1,500,000		-		1,500,000	"
Second debenture issue of 2018												
Bond A		2018/07/27	3 years	"	0.73		700,000		-		700,000	"
Bond B		"	4 years	"	0.80		200,000		-		200,000	"
Bond C		"	5 years	"	0.87		3,900,000		-		3,900,000	"
Bond D		"	6 years	"	0.92		500,000		-		500,000	"
Bond E		"	7 years	"	1.00		2,300,000		-		2,300,000	"
Bond F		"	10 years	"	1.30		1,400,000		-		1,400,000	"
First debenture issue of 2019												
Bond A		2019/10/22	3 years	"	0.68		100,000		-		100,000	"
Bond B		"	5 years	"	0.80		1,900,000		-		1,900,000	"
Bond C		"	6 years	"	0.86		500,000		-		500,000	"
Bond D		"	7 years	"	0.90		2,500,000		-		2,500,000	"
Bond E		"	10 years	"	1.10		950,000		-		950,000	"

Table 10, Page 3

Name of Security	Trustee	Issued on	Maturity	Date of interest payment	Interest rate (%)	Amount				Status of guarantee	Footnote
						Issued Amount	Issued Amount	Balance as at December 31, 2020	Amortisation for the period		
Second debenture issue of 2019	Bank SinoPac										
Bond A		2020/01/09	5 years	Note 1	0.81	\$	1,700,000	\$	-	1,700,000	None
Bond B		"	6 years	"	0.85		500,000		-	500,000	"
Bond C		"	7 years	"	0.92		2,350,000		-	2,350,000	"
Bond D		"	10 years	"	1.12		1,650,000		-	1,650,000	"
First debenture issue of 2020	"										
Bond A		2020/05/14	5 years	"	0.80		1,900,000		-	1,900,000	"
Bond B		"	7 years	"	0.90		4,100,000		-	4,100,000	"
Bond C		"	10 years	"	1.00		600,000		-	600,000	"
Second debenture issue of 2020	"										
Bond A		2020/09/09	5 years	"	0.69		2,850,000		-	2,850,000	"
Bond B		"	7 years	"	0.79		3,700,000		-	3,700,000	"
Bond C		"	10 years	"	0.90		1,400,000		-	1,400,000	"
Bond D		"	12 years	"	1.00		300,000		-	300,000	"
Third debenture issue of 2020											
Bond A		2020/12/28	5 years	"	0.53		1,800,000		-	1,800,000	"
Bond B		"	7 years	"	0.63		6,600,000		-	6,600,000	"
Bond C		"	10 years	"	0.68		3,400,000		-	3,400,000	"
Bond D		"	15 years	"	0.90		200,000		-	200,000	"
Issued Foreign unsecured corporate bonds in the amount of USD	-	2016/09/23	5 years	Note 2	2.25	USD 600,000 thousand		USD 600,000 thousand	-	USD 600,000 thousand	"
Issued Foreign unsecured corporate bonds in the amount of USD	-	2016/09/23	10 years	"	3.00	USD 400,000 thousand		USD 400,000 thousand	-	USD 400,000 thousand	"
Issued Foreign unsecured corporate bonds in the amount of JPY	-	2017/09/20	5 years	"	0.52	JPY 6,000,000 thousand		JPY 6,000,000 thousand	-	JPY 6,000,000 thousand	"
Issued Foreign unsecured corporate bonds in the amount of JPY	-	2017/09/20	7 years	"	0.70	JPY 2,500,000 thousand		JPY 2,500,000 thousand	-	JPY 2,500,000 thousand	"

Table 10, Page 4

Name of Security	Trustee	Issued on	Maturity	Date of interest payment	Interest rate (%)	Amount				Status of guarantee	Footnote
						Issued Amount	Issued Amount	Balance as at December 31, 2020	Amortisation for the period		
Issued Foreign unsecured corporate bonds in the amount of USD	-	2019/03/12	5 years	Note 2	3.75	USD 700,000 thousand	\$ -	USD 700,000 thousand	-	USD 700,000 thousand	None
Issued Foreign unsecured corporate bonds in the amount of USD	-	2019/03/12	10 years	"	4.25	USD 300,000 thousand	-	USD 300,000 thousand	-	USD 300,000 thousand	"
Issued Foreign unsecured corporate bonds in the amount of USD	-	2020/10/28	5 years	"	1.63	USD 800,000 thousand	-	USD 800,000 thousand	-	USD 800,000 thousand	"
Issued Foreign unsecured corporate bonds in the amount of USD	-	2020/10/28	10 years	"	2.50	USD 600,000 thousand	-	USD 600,000 thousand	-	USD 600,000 thousand	"
First overseas convertible debenture issue of 2017	-	2017/11/06	5 years	Note 1	0.00	\$ 15,096,000	(1,817,558)	\$ 13,278,442	(379,055)	\$ 12,899,387	"
First convertible debenture issue of 2018	-	2018/02/12	5 years	"	0.00	1,500,000	-	1,500,000	(56,044)	1,443,956	"

Note 1: Principal is due at maturity. Interest is paid semi-annually at simple interest rate.

Note 2: Principal is due at maturity. Interest is paid annually at simple interest rate.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Major Shareholders Information
December 31, 2020

Table 11

	Shareholding	
	Number of Shares Held	Shareholding Ratio
Terry Gou	1,342,198,518	9.68%

Table 11, Page 1

**HON HAI PRECISION INDUSTRY CO., LTD.
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
JUNE 30, 2021 AND 2020**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Hon Hai Precision Industry Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Hon Hai Precision Industry Co., Ltd. and its subsidiaries (the “Group”) as of June 30, 2021 and 2020, and the related consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2021 and 2020, as well as the consolidated statements of changes in equity and of cash flows for the six-month periods ended June 30, 2021 and 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of Auditing Standards No. 65, “Review of Financial Information Performed by the Independent Auditor of the Entity” in the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As explained in Notes 4(3) and 6(9), the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using equity method were not reviewed by independent auditors. Those statements reflect total assets (including investments accounted for using equity method) of NT\$371,973,004 thousand and NT\$243,846,090 thousand, constituting 10.89% and 7.91% of the

consolidated total assets, and total liabilities of NT\$11,793,672 thousand and NT\$53,536,025 thousand, constituting 0.61% and 3.04% of the consolidated total liabilities as of June 30, 2021 and 2020, respectively, and total comprehensive income (loss) (including share of profit (loss) and other comprehensive income of associates and joint ventures accounted for using equity method) of NT\$2,577,395 thousand, NT\$713,055 thousand, NT\$11,053,876 thousand and (NT\$4,725,301) thousand, constituting 8.46%, 5.10%, 16.31% and 30.06% of the consolidated total comprehensive income for the three-month and six-month periods ended June 30, 2021 and 2020, respectively. These amounts and the information disclosed in Note 13 were based solely on the unreviewed financial statements of these companies as of June 30, 2021 and 2020.

Qualified Conclusion

Based on our reviews and the review reports of other auditors, except for the adjustment to consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries, investments accounted for under the equity method and the information disclosed in Note 13 been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2021 and 2020, and of its consolidated financial performance for the three-month and six-month periods ended June 30, 2021 and 2020, and its consolidated cash flows for the six-month periods ended June 30, 2021 and 2020, in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.

Other Matter—Review Reports By Other Independent Auditors

We did not review the financial statements of certain consolidated subsidiaries. Those financial statements were reviewed by other independent auditors, whose reports thereon have been furnished to us, and our conclusion expressed herein, insofar as it relates to the amounts included in the financial statements was based solely on the review reports of other independent auditors. Those statements reflect total assets of NT\$158,872,294 thousand and NT\$164,714,775 thousand, constituting 4.65% and 5.34%

of the consolidated total assets as of June 30, 2021 and 2020, and total revenues of NT\$58,431,117 thousand, NT\$59,229,159 thousand, NT\$115,603,616 thousand and NT\$114,866,407 thousand, constituting 4.32%, 5.25%, 4.28% and 5.58% of total revenues for the three-month and the six-month periods ended June 30, 2021 and 2020, respectively.

Hsu, Yung-Chien Hsu, Sheng-Chung
for and on behalf of PricewaterhouseCoopers, Taiwan
August 12, 2021

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2021, DECEMBER 31, 2020 AND JUNE 30, 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(The balance sheets as of June 30, 2021 and 2020 are reviewed, not audited)

			June 30, 2021		December 31, 2020		June 30, 2020	
Assets		Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 1,112,649,267	33	\$ 1,232,794,015	34	\$ 953,161,485	31
1110	Financial assets at fair value through profit or loss - current	6(2)	3,914,931	-	6,285,594	-	1,225,746	-
1136	Financial assets at amortised cost, net-current	6(4) and 8	54,639,369	2	38,783,566	1	51,665,513	2
1139	Current financial assets for hedging	6(5)	662,634	-	-	-	-	-
1170	Accounts receivable, net	6(6)	785,263,404	23	903,070,230	25	722,108,923	23
1180	Accounts receivable - related parties	7	32,571,758	1	39,414,164	1	32,908,483	1
1200	Other receivables	6(7)(12)	51,672,076	1	58,237,719	2	52,906,729	2
1210	Other receivables - related parties	7	8,043,019	-	5,285,774	-	10,318,787	-
130X	Inventory	6(8)	531,219,556	15	582,113,735	16	504,872,238	16
1410	Prepayments	7	20,052,978	1	18,664,505	-	18,657,789	1
11XX	Total current assets		2,600,688,992	76	2,884,649,302	79	2,347,825,693	76
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current	6(2)	91,639,619	3	83,681,186	2	90,285,191	3
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	116,252,246	3	87,074,089	2	65,485,674	2
1535	Financial assets at amortised cost, net - non-current	6(4) and 8	19,139,734	1	18,786,030	1	15,217,128	-
1550	Investments accounted for using equity method	6(9)	170,861,904	5	175,199,441	5	158,702,923	5
1600	Property, plant and equipment	6(10) and 8	287,898,280	9	287,091,978	8	269,882,577	9
1755	Right-of-use assets	6(11) and 7	44,447,428	1	46,268,685	1	46,665,541	2
1760	Investment property - net	6(13)	10,645,557	-	11,083,273	-	10,485,611	-
1780	Intangible assets	6(14)	45,408,171	1	44,760,083	1	40,627,171	1
1840	Deferred income tax assets		18,033,754	1	19,946,852	1	23,414,820	1
1900	Other non-current assets	6(12)(15) and 8	12,246,639	-	15,734,671	-	15,301,979	1
15XX	Total non-current assets		816,573,332	24	789,626,288	21	736,068,615	24
1XXX	Total assets		\$ 3,417,262,324	100	\$ 3,674,275,590	100	\$ 3,083,894,308	100

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2021, DECEMBER 31, 2020 AND JUNE 30, 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(The balance sheets as of June 30, 2021 and 2020 are reviewed, not audited)

	Liabilities and Equity	Notes	June 30, 2021		December 31, 2020		June 30, 2020	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term loans	6(17)	\$ 461,186,722	13	\$ 446,422,100	12	\$ 415,824,358	14
2110	Short-term notes and bills payable	6(16)	25,547,536	1	39,101,893	1	41,071,452	1
2120	Financial liabilities at fair value through profit or loss - current	6(2)	1,643,541	-	2,291,221	-	1,424,681	-
2126	Financial liabilities for hedging - current	6(5)	101,739	-	-	-	-	-
2170	Accounts payable		735,544,104	22	1,037,912,518	28	648,806,176	21
2180	Accounts payable - related parties	7	23,312,254	1	27,680,046	1	19,927,481	1
2200	Other payables	6(18) and 7	253,311,916	7	220,177,215	6	245,541,777	8
2230	Current tax liabilities		17,258,512	-	24,004,318	1	11,506,054	-
2250	Provisions for liabilities - current	6(25)	3,884,525	-	4,136,517	-	2,527,551	-
2280	Current lease liabilities	7	8,714,281	-	9,058,272	-	8,572,170	-
2300	Other current liabilities	6(19)	120,353,053	4	105,473,211	3	92,815,006	3
21XX	Total current liabilities		<u>1,650,858,183</u>	<u>48</u>	<u>1,916,257,311</u>	<u>52</u>	<u>1,488,016,706</u>	<u>48</u>
	Non-current liabilities							
2500	Financial liabilities at fair value through profit or loss - non-current	6(2)	-	-	-	-	2,250	-
2530	Corporate bonds payable	6(20)	201,898,559	6	201,691,563	5	178,431,065	6
2540	Long-term loans	6(21)	30,278,063	1	31,593,197	1	40,731,361	1
2550	Provisions for liabilities - non-current	6(25)	423,257	-	407,915	-	377,714	-
2570	Deferred income tax liabilities		21,161,191	1	18,805,119	1	22,583,014	1
2580	Non-current lease liabilities	7	21,228,141	1	20,390,740	1	20,915,904	1
2600	Other non-current liabilities	6(24)	10,508,668	-	10,983,336	-	7,115,728	-
25XX	Total non-current liabilities		<u>285,497,879</u>	<u>9</u>	<u>283,871,870</u>	<u>8</u>	<u>270,157,036</u>	<u>9</u>
2XXX	Total liabilities		<u>1,936,356,062</u>	<u>57</u>	<u>2,200,129,181</u>	<u>60</u>	<u>1,758,173,742</u>	<u>57</u>
	Equity							
	Equity attributable to owners of parent							
	Share capital	6(26)						
3110	Common stock		138,629,906	4	138,629,906	4	138,629,906	5
	Capital reserve	6(27)						
3200	Capital surplus		199,294,954	6	202,645,942	5	201,732,042	7
	Retained earnings	6(28)						
3310	Legal reserve		170,755,591	5	161,043,748	4	161,043,748	5
3320	Special reserve		87,315,126	2	102,451,720	3	102,451,720	3
3350	Unappropriated retained earnings		788,733,445	23	779,836,380	21	708,370,677	23
	Other equity interest	6(29)						
3400	Other equity interest		(81,404,257)	(2)	(87,315,126)	(2)	(142,594,893)	(5)
3500	Treasury stocks	6(26)	(15,194)	-	(15,194)	-	(15,194)	-
31XX	Equity attributable to owners of the parent		<u>1,303,309,571</u>	<u>38</u>	<u>1,297,277,376</u>	<u>35</u>	<u>1,169,618,006</u>	<u>38</u>
36XX	Non-controlling interest	6(30)	177,596,691	5	176,869,033	5	156,102,560	5
3XXX	Total equity		<u>1,480,906,262</u>	<u>43</u>	<u>1,474,146,409</u>	<u>40</u>	<u>1,325,720,566</u>	<u>43</u>
	Commitments and Contingent Liabilities	9						
	Subsequent Events	11						
3X2X	Total liabilities and equity		<u>\$ 3,417,262,324</u>	<u>100</u>	<u>\$ 3,674,275,590</u>	<u>100</u>	<u>\$ 3,083,894,308</u>	<u>100</u>

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

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(UNAUDITED)

	Items	Notes	Three months ended June 30			Six months ended June 30		
			2021		2020		2021	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(31) and 7	\$ 1,351,466,640	100	\$ 1,128,336,907	100	\$ 2,698,579,463	100
5000	Operating costs	6(8)(35)(36) and 7	(1,269,924,705)	(94)	(1,061,705,988)	(94)	(2,538,904,983)	(94)
5900	Net operating margin		81,541,935	6	66,630,919	6	159,674,480	6
	Operating expenses	6(35)(36)						
6100	Selling expenses		(6,514,783)	(1)	(5,503,777)	(1)	(14,398,684)	(1)
6200	General and administrative expenses		(17,060,588)	(1)	(17,043,518)	(1)	(35,881,002)	(1)
6300	Research and development expenses		(25,489,607)	(2)	(21,614,956)	(2)	(49,348,241)	(2)
6000	Total operating expenses		(49,064,978)	(4)	(44,162,251)	(4)	(99,627,927)	(4)
6900	Operating profit		32,476,957	2	22,468,668	2	60,046,553	2
	Non-operating income and expenses							
7100	Interest income	6(32)	8,850,969	1	13,969,304	1	17,254,311	1
7010	Other income	6(33)	2,761,682	-	2,637,643	-	9,944,908	-
7020	Other gains and losses	6(34)	2,502,221	-	4,696,003	1	2,984,622	-
7050	Finance costs	6(37)	(5,612,985)	-	(10,997,289)	(1)	(12,360,218)	(1)
7060	Share of profit of associates and joint ventures accounted for using equity method	6(9)	3,249,701	-	2,093,570	-	5,547,442	-
7000	Total non-operating income and expenses		11,751,588	1	12,399,231	1	23,371,065	1
7900	Profit before income tax		44,228,545	3	34,867,899	3	83,417,618	3
7950	Income tax expense	6(38)	(12,008,860)	(1)	(9,469,633)	(1)	(20,218,681)	(1)
8200	Profit for the period		\$ 32,219,685	2	\$ 25,398,266	2	\$ 63,198,937	3

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(UNAUDITED)

	Items	Notes	Three months ended June 30			Six months ended June 30			
			2021		2020	2021		2020	
			AMOUNT	%	AMOUNT	%	AMOUNT	%	
	Other comprehensive income								
	Components of other comprehensive income that will not be reclassified to profit or loss								
8316	Unrealised gain on valuation of financial assets at fair value through other comprehensive income	6(3)(29)(30)	\$ 19,636,842	1	\$ 14,675,796	1	\$ 26,840,317	1	\$ 692,829
8320	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method	6(29)	(1,018,494)	-	467,247	-	4,277,777	-	(3,558,208)
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		18,618,348	1	15,143,043	1	31,118,094	1	(2,865,379)
	Components of other comprehensive income that will be reclassified to profit or loss								
8361	Financial statements translation differences of foreign operations	6(29)(30)	(19,530,401)	(1)	(26,281,030)	(2)	(21,710,888)	(1)	(38,513,051)
8368	Gains on hedging instrument	6(5)	167,777	-	-	-	167,777	-	-
8370	Share of other comprehensive loss of associates and joint ventures accounted for using equity method	6(29)	(962,715)	-	(279,412)	-	(4,965,219)	-	(1,887,169)
8399	Aggregated income tax relating to components of other comprehensive income	6(5)	(51,581)	-	-	-	(51,581)	-	-
8360	Other comprehensive loss that will be reclassified to profit or loss		(20,376,920)	(1)	(26,560,442)	(2)	(26,559,911)	(1)	(40,400,220)
8300	Other comprehensive (loss) income for the period		(\$ 1,758,572)	-	(\$ 11,417,399)	(1)	\$ 4,558,183	-	(\$ 43,265,599)
8500	Total comprehensive income (loss) for the period		\$ 30,461,113	2	\$ 13,980,867	1	\$ 67,757,120	3	\$ 15,717,122)
	Profit (loss) attributable to:								
8610	Owners of the parent		\$ 29,779,552	2	\$ 22,880,412	2	\$ 57,941,327	3	\$ 24,964,263
8620	Non-controlling interest		2,440,133	-	2,517,854	-	5,257,610	-	2,584,214
			\$ 32,219,685	2	\$ 25,398,266	2	\$ 63,198,937	3	\$ 27,548,477
	Comprehensive income (loss) attributable to:								
8710	Owners of the parent		\$ 29,638,942	2	\$ 13,762,144	1	\$ 63,850,870	3	\$ 14,478,269)
8720	Non-controlling interest		822,171	-	218,723	-	3,906,250	-	(1,238,853)
			\$ 30,461,113	2	\$ 13,980,867	1	\$ 67,757,120	3	\$ 15,717,122)
	Earnings per share (in dollars)	6(39)							
9750	Basic earnings per share		\$ 2.15		\$ 1.65		\$ 4.18		\$ 1.80
9850	Diluted earnings per share		\$ 2.13		\$ 1.64		\$ 4.15		\$ 1.80

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

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX MONTHS ENDED JUNE 30, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(UNAUDITED)

	Equity attributable to owners of the parent											Non-controlling interest	Amount
	Retained Earnings			Other equity interest									
	Share capital - common stock	Total capital reserve, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Gains (losses) on hedging instruments	Treasury stocks	Total				
2020													
Balance at January 1, 2020	\$ 1,38,629,906	\$ 199,383,371	\$ 149,512,874	\$ 60,309,927	\$ 794,615,182	\$ 113,889,466	\$ 11,437,746	\$ -	(\$ 15,194)	\$ 1,239,984,346	\$ 159,641,071	\$ 1,399,625,417	
Profit	-	-	-	-	24,964,263	-	-	-	-	24,964,263	2,584,214	27,548,477	
Other comprehensive loss	-	-	-	-	-	(37,083,662)	(2,358,870)	-	-	(39,442,532)	(3,823,067)	(43,265,599)	
Total comprehensive income (loss)	-	-	-	-	24,964,263	(37,083,662)	(2,358,870)	-	-	(14,478,269)	(1,238,853)	(15,717,122)	
Appropriations of 2019 earnings:													
Legal reserve	-	-	11,530,874	-	(11,530,874)	-	-	-	-	-	-	-	
Special reserve	-	-	-	42,141,793	(42,141,793)	-	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(58,224,561)	-	-	-	-	(58,224,561)	-	(58,224,561)	
Changes in equity of associates and joint ventures accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	-	-	
Adjustments arising from changes in percentage of ownership in subsidiaries	-	(335,762)	-	-	(12,181)	-	-	-	-	(347,943)	-	(347,943)	
Decrease in non-controlling interests	-	2,684,433	-	-	-	-	-	-	-	2,684,433	-	2,684,433	
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	(2,299,658)	(2,299,658)	
Balance at June 30, 2020	\$ 1,38,629,906	\$ 201,732,042	\$ 161,043,748	\$ 102,451,720	\$ 708,370,677	\$ 150,973,128	\$ 8,378,235	(\$ 700,641)	(\$ 15,194)	\$ 1,169,618,006	\$ 156,102,560	\$ 1,325,720,566	
2021													
Balance at January 1, 2021	\$ 1,38,629,906	\$ 202,645,942	\$ 161,043,748	\$ 102,451,720	\$ 779,836,380	\$ 124,551,979	\$ 37,236,853	\$ -	(\$ 15,194)	\$ 1,297,277,376	\$ 176,869,033	\$ 1,474,146,409	
Profit	-	-	-	-	57,941,327	-	-	-	-	57,941,327	5,257,610	63,198,937	
Other comprehensive income (loss)	-	-	-	-	-	(25,228,565)	31,028,313	109,795	-	5,909,543	(1,351,360)	4,558,183	
Total comprehensive income (loss)	-	-	-	-	57,941,327	(25,228,565)	31,028,313	109,795	-	63,850,870	3,906,250	67,757,120	
Appropriations of 2020 earnings:													
Legal reserve	-	-	9,711,843	-	(9,711,843)	-	-	-	-	-	-	-	
Cash dividends	-	-	-	(15,136,594)	15,136,594	-	-	-	-	-	-	-	
Changes in equity of associates and joint ventures accounted for using the equity method	-	-	-	-	(55,451,962)	-	-	-	(55,451,962)	-	-	(55,451,962)	
Adjustments arising from changes in percentage of ownership in subsidiaries	-	(5,371,544)	-	-	984,275	-	-	-	-	(4,387,269)	-	(4,387,269)	
Decrease in non-controlling interests	-	2,020,556	-	-	-	-	-	-	-	2,020,556	-	2,020,556	
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	(3,178,592)	(3,178,592)	
Balance at June 30, 2021	\$ 1,38,629,906	\$ 199,294,954	\$ 170,755,591	\$ 87,315,126	\$ 788,733,445	\$ 149,780,544	\$ 68,266,492	\$ 1,326	(\$ 15,194)	\$ 1,303,309,571	\$ 177,596,691	\$ 1,480,906,262	

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

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(UNAUDITED)

		Six months ended June 30	
	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 83,417,618	\$ 40,766,319
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(35)	33,927,374	30,269,125
Amortisation	6(35)	2,636,949	2,155,612
Cost of share-based payments	6(36)	1,383,972	2,254,930
(Reversal of allowance) provision for doubtful accounts and sales discount	12(2)	(694,223)	1,622,496
Loss (gain) on disposal of property, plant and equipment, net	6(34)	169,943	(31,783)
Gain on financial assets or liabilities at fair value through profit or loss, net	6(34)	(7,794,986)	(2,803,432)
Share of profit of associates and joint ventures accounted for using equity method	6(9)	(5,547,442)	(706,946)
(Gain) loss on disposal of investments	6(34)	(1,016,764)	577
Interest expense	6(37)	12,269,091	22,768,171
Interest income	6(32)	(17,254,311)	(27,619,345)
Dividend income	6(33)	(7,407,207)	(1,179,358)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss, mandatorily measured at fair value		3,144,178	90,446
Hedging instruments	(	355,831)	-
Notes receivable	(	191,532)	103,096
Accounts receivable		117,164,021	263,795,606
Accounts receivable due from related parties		6,844,973	13,296,901
Other receivables		1,879,484	1,513,682
Inventories		50,894,179	10,899,939
Prepayments	(	1,388,473)	1,237,785
Changes in operating liabilities			
Accounts payable	(	302,368,414)	(222,448,920)
Accounts payable to related parties	(	4,367,792)	(15,581,646)
Other payables	(	18,522,524)	(13,165,361)
Provisions for liabilities	(	236,650)	(189,981)
Other current liabilities		4,448,255	3,880,354
Contract liabilities	(	5,122,633)	(5,033,554)
Accrued pension liabilities		38,675	(29,835)
Cash (outflow) inflow generated from operations	(	54,050,070)	(115,931,986)
Income taxes paid	(	22,695,317)	(20,634,927)
Net cash flows (used in) from operating activities	(	76,745,387)	(95,297,059)

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(UNAUDITED)

		Six months ended June 30	
	Notes	2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		(\$ 5,856,296)	(\$ 5,029,139)
Proceeds from disposal of financial assets at fair value through profit or loss		865,758	1,389,208
(Acquisition) proceeds from repayments of financial assets at amortised cost-non-current		(15,845,603)	1,330,443
Acquisition of financial assets at amortised cost-non-current		(2,629,194)	(4,370,875)
Proceeds from repayments of financial assets at amortised cost-current		2,177,550	1,279,800
Acquisition of financial assets at fair value through other comprehensive income		(3,855,741)	(460,886)
Proceeds from disposal of financial assets at fair value through other comprehensive income		-	138,948
Other receivables due from related parties		670,527	15,507,298
Net cash flow from acquisition of subsidiaries	6(40)	-	(1,141,675)
Acquisition of investments accounted for using equity method	6(9)	(87,986)	(181,641)
Proceeds from disposal of investments accounted for using equity method		17,128	68,050
Acquisition of property, plant and equipment	6(41)	(37,497,673)	(32,119,243)
Proceeds from disposal of property, plant and equipment	6(41)	3,854,555	2,451,356
Acquisition of intangible assets	6(14)	(654,754)	(571,356)
Acquisition of right-of-use assets		(517,084)	(981,967)
(Increase) decrease in other non-current assets		(578,070)	169,433
Dividends received		12,646,523	2,260,839
Interest received		23,238,730	39,322,140
Other investing activities		(8,242)	(190,712)
Proceeds from disposal of subsidiaries		438,832	-
Net cash flows (used in) from investing activities		(23,621,040)	18,870,021
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans	6(41)	14,764,622	34,958,308
(Decrease) increase in short-term notes and bills payable	6(41)	(13,579,779)	10,560,095
Proceeds from issuing bonds	6(41)	12,000,000	12,800,000
Repayments of bonds	6(41)	(9,300,000)	(12,900,000)
Proceeds from long-term debt	6(41)	17,025,333	306,866
Repayments of long-term debt	6(41)	(2,153,781)	(5,070,587)
(Decrease) increase in other non-current liabilities		(505,101)	69,756
Payment of lease liabilities		(4,391,265)	(4,508,031)
Interest paid		(17,814,139)	(35,525,290)
Changes in non-controlling interests	6(30)	114,129	386,257
Cash dividends paid to non-controlling interest	6(30)	-	(2,685,915)
Net cash flows used in financing activities		(3,839,981)	(1,608,541)
Net effect of changes in foreign currency exchange rates		(15,938,340)	(17,261,416)
Net (decrease) increase in cash and cash equivalents		(120,144,748)	95,297,123
Cash and cash equivalents at beginning of period		1,232,794,015	857,864,362
Cash and cash equivalents at end of period		\$ 1,112,649,267	\$ 953,161,485

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

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANISATION

Hon Hai Precision Industry Co., Ltd. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in the manufacture, sales and service of connectors, case, thermal module, wired/wireless communication products, optical products, power supply modules, and assemblies for use in the IT, communications, automotive equipment, precision molding, automobile, and consumer electronics industries.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were reported to the Board of Directors on August 12, 2021.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC effective from 2021 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 4, ‘Extension of the temporary exemption from applying IFRS 9’	January 1, 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, ‘Interest Rate Benchmark Reform— Phase 2’	January 1, 2021
Amendment to IFRS 16, ‘Covid-19-related rent concessions beyond 30 June 2021’	April 1, 2021 (Note)

Note: Earlier application from January 1, 2021 is allowed by the FSC.

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2022 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts—cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	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
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the principal accounting policies applied in the preparation of these consolidated financial statements set out below have been consistently applied to all the periods presented.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard 34, 'Interim financial reporting' as endorsed by the FSC.

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under

the historical cost convention:

- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

- (a) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
- (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (d) Changes in a parent’s ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.
- (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary

should be reclassified from equity to profit or loss or transferred to another category of equity as specified by applicable IFRSs.

B. Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary	Main Business Activities	Ownership (%)			Note
			June 30, 2021	December 31, 2020	June 30, 2020	
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Investment holdings in companies in Mainland China, Hong Kong, and America primarily engaged in manufacturing, sale, research and development of computer cases, connectors and computer components	100	100	100	(a) (b) (d) (e) (f)
"	Foxconn Holding Ltd. and subsidiaries	Investment holdings in hi-tech companies in Asia-Pacific and America	100	100	100	(f)
"	Hyield Venture Capital Co., Ltd. and subsidiaries	Venture capital investments and provides planning, advisory and business operation and management services; its investees are primarily engaged in manufacturing and sale of computer terminal monitors and related components, data storage and treatment equipment	100	100	100	(f)
"	Bao Shin International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in manufacturing of computer terminal monitors and related components and computers and peripheral equipment	100	100	100	(f)
"	Hon Yuan International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in manufacturing of computer terminal monitors and related components and integrated circuit design	100	100	100	(f)

Investor	Subsidiary	Main Business Activities	Ownership (%)			Note
			June 30, 2021	December 31, 2020	June 30, 2020	
Hon Hai Precision Industry Co., Ltd.	Hon Chi International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in manufacturing of computer terminal monitors and related components and integrated circuit design	100	100	100	(f)
"	Lin Yih International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in providing FTTH broadband rental service, researching and manufacturing of routers	100	100	100	(f)
"	Hon Hai/Foxconn Logistics California LLC.	Logistics services in America	100	100	100	(f)
"	Hon Hai/Foxconn Logistics Texas LLC.	Logistics services in America	100	100	100	(f)
"	Ambit International Ltd. and subsidiaries	Investment holdings in companies in Mainland China primarily engaged in manufacturing and sale of power supply modules, application modules and network cables assemblies	100	100	100	(f)
"	Foxconn Singapore (Pte) Ltd. subsidiaries	Asia-Pacific sales company and development of educational technology	100	100	100	(f)
"	Foxconn International Inc.	Patent applications in America	100	100	100	(f)
"	Altus Technology Inc.	Leasing services	100	100	100	(f)

Investor	Subsidiary	Main Business Activities	Ownership (%)			Note
			June 30, 2021	December 31, 2020	June 30, 2020	
Hon Hai Precision Industry Co., Ltd.	Premier Technology -Hong Kong Limited and subsidiaries	Investment holdings in companies in Mainland China, primarily engaged in manufacturing and trading of portable cameras	99.96	99.96	99.96	(f)
"	Foxconn SA B.V. and subsidiaries	Investment holdings in Russian domestic sales companies	100	100	100	(f)
"	Margini Holdings Limited and subsidiaries	Investment holdings in Vietnam export processing and construction services companies and Brazil domestic sales companies	100	100	100	(f)
"	Hong Jin Chang Holdings Co., Ltd. -Hong Kong	Investment holdings and reinvestment in businesses relating to robots, automatic equipment, moulds, parts, accessories and corresponding services	100	100	100	(f)
"	Foxconn Holdings B.V. - Netherlands and subsidiaries	Investment holdings in companies in Europe	100	100	100	(f)
"	Syntrend Creative Park Co., Ltd.	Retail of office machinery and equipment and electronic appliances, and information/software services	74.80	74.80	74.80	(f)
"	Perobot Co., Ltd.	Sale, software development, repair services, after-sale services and rental services of robots	100	100	100	(f)
"	ECMMS Precision Singapore Pte. Ltd.	Manufacturing and sales of computers and data processing equipment	100	100	100	(f)

Investor	Subsidiary	Main Business Activities	Ownership (%)			Note
			June 30, 2021	December 31, 2020	June 30, 2020	
Hon Hai Precision Industry Co., Ltd.	Fenix Brazilfenix Industria De Electronicos Ltda.	Manufacturing WIFI cards and modules	100	100	100	(f)
"	Foxconn MOEBG Industria De Eletronicos Ltda.-Brazil	CFTV, DVR, bluetooth module, set-top box and optical network terminal	100	100	100	(f)
"	Asia Pacific Telecom Co., Ltd.	Concession of telecom industry, storage of data and manufacturing of wire or wireless communication, installation of computer and satellite TV channels and telecom-related business, and providing 3rd-Generation of mobile phone services	40.74	40.74	40.74	
"	Foxtron Vehicle Technologies Co., Ltd.	Complete electric vehicles design, and development, including technical authorisation and transfer. Also offering complete solutions for autonomous driving systems, new energy power and IoV systems	51	51	-	(c) (f)
"	Socle Technology Corporation	Design, manufacture and sale of electronic components and software	100	100	100	(f)

(a) The Group acquired 100% equity interest in Shandong Chengshang Energy Co., Ltd. in the second quarter 2020 and was included in the consolidated financial statements since the acquisition date.

(b) The Company's subsidiary, HongFuJin Precision Electronics (ZhengZhou) Co., Ltd., merged

- with a 100% subsidiary, Zhengzhou Fulianwang Electronic Technology Co., Ltd., due to reorganization in the second quarter of 2020. HongFuJin Precision Electronics (ZhengZhou) Co., Ltd. was the surviving company.
- (c) The Group established Foxtron Vehicle Technologies Co., Ltd. with Hua-Chuang Automobile Information Technical Center Co., Ltd. (the “Hua-Chuang”) on November 6, 2020. Hua-Chuang contributed assets with value of \$7,542,000 as capital, while the Group contributed cash of \$7,850,321 as capital and owned 51% equity interest. It was included in the consolidated financial statements since the setup date.
 - (d) The Company’s subsidiary, Lankao YuFu Precision Technology Co., Ltd., merged with a 100% subsidiary, LanKao YuDe Environment Material Technology Inc., due to reorganization in the first quarter of 2021. Lankao YuFu Precision Technology Co., Ltd. was the surviving company.
 - (e) The Group sold 33.13% Class A shares of Cybertan Technology Corporation in the second quarter of 2021 in order to indirectly dispose the Mainland China investee, Fuyu Properties (Shanghai) Co., Ltd. As the Group lost control over Cybertan Technology Corporation Class A shares, it was not included in the consolidated financial statements from the date the Group lost control, and the Group recognised the remaining investment in the former subsidiary at fair value on the disposal date. The Group recognised gain of \$759,188, which was shown as other gain and loss in other profit and loss items in the consolidated income statement.
 - (f) The financial statements of the entity as of and for the six-month periods ended June 30, 2021 and 2020 were not reviewed by independent auditors as the entity did not meet the definition of significant subsidiary.
 - (g) The financial statements of certain consolidated subsidiaries for the six-month periods ended June 30, 2021 and 2020 were not reviewed by independent auditors, which statements reflect total assets of \$356,465,180 and \$233,393,728, constituting 10.43% and 7.57% of total consolidated assets, and total liabilities were \$11,793,672 and \$53,536,025, constituting 0.61% and 3.04% of the consolidated total liabilities as of June 30, 2021 and 2020, respectively, as well as total comprehensive income (loss) of \$7,646,119, \$2,143,115, \$16,092,686 and (\$4,221,437), constituting 25.10%, 15.33%, 23.75% and 26.85% of the consolidated total comprehensive income for the three-month and six-month periods then ended, respectively.
- C. Subsidiaries not included in the consolidated financial statements: None.
 - D. Adjustments for subsidiaries with different balance sheet dates: None.
 - E. Significant restrictions: None.
 - F. Subsidiaries that have non-controlling interests that are material to the Group:
The information on non-controlling interest and respective subsidiaries are as follows:

Name of subsidiary	Principal place of business	Non-controlling interest		Non-controlling interest		Description
		June 30, 2021		December 31, 2020		
		Amount	Ownership %	Amount	Ownership %	
FIH Mobile Limited	Cayman	\$ 21,160,220	37%	\$ 22,199,143	38%	
Foxconn Ventures Pte. Ltd.	Singapore	24,883,606	46%	23,229,225	46%	
Foxconn Interconnect Technology Limited	Cayman	15,569,300	25%	15,483,980	25%	
Foxconn Industrial Internet Co., Ltd.	China	72,950,262	16%	72,472,774	16%	
Asia Pacific Telecom Co., Ltd.	Taiwan	17,393,384	59%	18,972,448	59%	
		<u>\$151,956,772</u>		<u>\$152,357,570</u>		

Name of subsidiary	Principal place of business	Non-controlling interest		
		June 30, 2020		
		Ownership		Description
Amount	%			
FIH Mobile Limited	Cayman	\$ 21,310,978	38%	
Foxconn Ventures Pte. Ltd.	Singapore	21,639,135	46%	
Foxconn Interconnect Technology Limited	Cayman	15,103,294	23%	
Foxconn Industrial Internet Co., Ltd.	China	61,904,987	16%	
Asia Pacific Telecom Co., Ltd.	Taiwan	20,651,431	59%	
		\$140,609,825		

Summarised financial information of the subsidiary:

Balance sheets

	FIH Mobile Limited		
	June 30, 2021	December 31, 2020	June 30, 2020
Current assets	\$ 124,359,041	\$ 135,501,090	\$ 128,881,748
Non-current assets	34,513,253	36,292,395	35,833,027
Current liabilities	(100,673,297)	(111,336,542)	(107,196,677)
Non-current liabilities	(993,381)	(1,159,695)	(1,491,290)
Total net assets	<u>\$ 57,205,616</u>	<u>\$ 59,297,248</u>	<u>\$ 56,026,808</u>

	Foxconn Interconnect Technology Limited		
	June 30, 2021	December 31, 2020	June 30, 2020
Current assets	\$ 74,700,934	\$ 81,114,425	\$ 75,162,777
Non-current assets	49,321,505	51,002,668	50,181,368
Current liabilities	(58,269,273)	(50,978,118)	(44,651,906)
Non-current liabilities	(2,092,732)	(18,756,900)	(19,356,835)
Total net assets	<u>\$ 63,660,434</u>	<u>\$ 62,382,075</u>	<u>\$ 61,335,404</u>
	Foxconn Ventures Pte. Ltd.		
	June 30, 2021	December 31, 2020	June 30, 2020
Current assets	\$ 29,227,137	\$ 26,545,134	\$ 14,688,926
Non-current assets	25,464,925	24,903,894	34,150,297
Current liabilities	(2,818)	(4,025)	(1,280,686)
Total net assets	<u>\$ 54,689,244</u>	<u>\$ 51,445,003</u>	<u>\$ 47,558,537</u>
	Foxconn Industrial Internet Co., Ltd.		
	June 30, 2021	December 31, 2020	June 30, 2020
Current assets	\$ 929,949,843	\$ 932,125,404	\$ 799,710,171
Non-current assets	68,824,253	62,506,190	54,720,698
Current liabilities	(513,440,373)	(528,560,676)	(462,364,420)
Non-current liabilities	(26,228,103)	(10,377,869)	(8,320,588)
Total net assets	<u>\$ 459,105,620</u>	<u>\$ 455,693,049</u>	<u>\$ 383,745,861</u>
	Asia Pacific Telecom Co., Ltd.		
	June 30, 2021	December 31, 2020	June 30, 2020
Current assets	\$ 6,949,031	\$ 8,171,700	\$ 8,828,236
Non-current assets	31,356,387	31,504,947	32,522,401
Current liabilities	(8,169,966)	(6,974,568)	(5,953,740)
Non-current liabilities	(3,059,627)	(2,962,107)	(2,728,049)
Total net assets	27,075,825	29,739,972	32,668,848
Fair value adjustment of lands, buildings and leased assets	109,457	54,311	10,274
Trademarks	<u>2,166,305</u>	<u>2,221,851</u>	<u>2,221,851</u>
Total net assets after adjustment	<u>\$ 29,351,587</u>	<u>\$ 32,016,134</u>	<u>\$ 34,900,973</u>

Statements of comprehensive income

	FIH Mobile Limited	
	For the three-month periods ended June 30,	
	2021	2020
Revenue and other operating revenue	\$ 58,431,117	\$ 59,229,159
Income (loss) for the period from continuing operations	281,300	(1,157,557)
Other comprehensive income (loss), net of tax	689,973	(626,995)
Total comprehensive income (loss) for the period	\$ 971,273	(\$ 1,784,552)
Comprehensive income (loss) attributable to non-controlling interest	\$ 366,847	(\$ 631,406)
Dividends paid to non-controlling interest	\$ -	\$ -
	FIH Mobile Limited	
	For the six-month periods ended June 30,	
	2021	2020
Revenue and other operating revenue	\$ 115,603,616	\$ 114,866,407
Loss for the period from continuing operations	(798,016)	(3,038,919)
Other comprehensive income (loss), net of tax	331,225	(3,250,508)
Total comprehensive loss for the period	(\$ 466,791)	(\$ 6,289,427)
Comprehensive loss attributable to non-controlling interest	(\$ 182,482)	(\$ 2,320,188)
Dividends paid to non-controlling interest	\$ -	\$ -
	Foxconn Interconnect Technology Limited	
	For the three-month periods ended June 30,	
	2021	2020
Revenue and other operating revenue	\$ 28,260,209	\$ 32,718,144
(Loss) income for the period from continuing operations	(100,208)	556,313
Other comprehensive income, net of tax	782,441	215,749
Total comprehensive income for the period	\$ 682,233	\$ 772,062
Comprehensive income attributable to non-controlling interest	\$ 170,559	\$ 195,909
Dividends paid to non-controlling interest	\$ -	\$ -

	Foxconn Interconnect Technology Limited	
	For the six-month periods ended June 30,	
	2021	2020
Revenue and other operating revenue	\$ 55,834,518	\$ 57,496,290
Income for the period from continuing operations	221,980	604,350
Other comprehensive income (loss), net of tax	454,551	(917,100)
Total comprehensive income (loss) for the period	\$ 676,531	(\$ 312,750)
Comprehensive income (loss) attributable to non-controlling interest	\$ 169,133	(\$ 71,933)
Dividends paid to non-controlling interest	\$ -	\$ -
	Foxconn Ventures Pte. Ltd.	
	For the three-month periods ended June 30,	
	2021	2020
Revenue and other operating revenue	\$ -	\$ -
Income for the period from continuing operations	922,622	2,756,702
Other comprehensive income (loss), net of tax	780,968	(419,892)
Total comprehensive income for the period	\$ 1,703,590	\$ 2,336,810
Comprehensive income attributable to non-controlling interest	\$ 402,233	\$ 1,500,521
Dividends paid to non-controlling interest	\$ -	\$ -
	Foxconn Ventures Pte. Ltd.	
	For the six-month periods ended June 30,	
	2021	2020
Revenue and other operating revenue	\$ -	\$ -
Income for the period from continuing operations	4,777,253	4,300,343
Other comprehensive income (loss), net of tax	815,938	(1,372,739)
Total comprehensive income for the period	\$ 5,593,191	\$ 2,927,604
Comprehensive income attributable to non-controlling interest	\$ 2,172,002	\$ 1,769,332
Dividends paid to non-controlling interest	\$ -	\$ -

	Foxconn Industrial Internet Co., Ltd.	
	For the three-month periods ended June 30,	
	2021	2020
Revenue and other operating revenue	\$ 422,406,600	\$ 407,639,179
Income for the period from continuing operations	15,675,086	13,731,625
Other comprehensive income, net of tax	200,110	1,407,649
Total comprehensive income for the period	\$ 15,875,196	\$ 15,139,274
Comprehensive income attributable to non-controlling interest	\$ 2,514,336	\$ 2,429,816
Dividends paid to non-controlling interest	\$ -	\$ 2,685,915
	Foxconn Industrial Internet Co., Ltd.	
	For the six-month periods ended June 30,	
	2021	2020
Revenue and other operating revenue	\$ 852,633,799	\$ 752,946,329
Income for the period from continuing operations	28,734,400	20,645,333
Other comprehensive (loss) income, net of tax	(1,724,267)	10,124
Total comprehensive income for the period	\$ 27,010,133	\$ 20,655,457
Comprehensive income attributable to non-controlling interest	\$ 4,291,053	\$ 3,303,043
Dividends paid to non-controlling interest	\$ -	\$ 2,685,915
	Asia Pacific Telecom Co., Ltd.	
	For the three-month periods ended June 30,	
	2021	2020
Revenue and other operating revenue	\$ 3,110,659	\$ 3,446,049
Loss for the period from continuing operations	(1,245,756)	(1,502,934)
Other comprehensive loss, net of tax	(5)	(22)
Total comprehensive loss for the period	(\$ 1,245,761)	(\$ 1,502,956)
Comprehensive loss attributable to non-controlling interest	(\$ 751,549)	(\$ 898,426)
Dividends paid to non-controlling interest	\$ -	\$ -

Asia Pacific Telecom Co., Ltd.		
For the six-month periods ended June 30,		
	2021	2020
Revenue and other operating revenue	\$ 6,157,353	\$ 6,822,007
Loss for the period from continuing operations	(2,664,138)	(2,890,216)
Other comprehensive loss, net of tax	(9)	(30)
Total comprehensive loss for the period	(\$ 2,664,147)	(\$ 2,890,246)
Comprehensive loss attributable to non-controlling interest	(\$ 1,579,064)	(\$ 1,717,800)
Dividends paid to non-controlling interest	\$ -	\$ -

Statements of cash flows

FIH Mobile Limited		
For the six-month periods ended June 30,		
	2021	2020
Net cash used in operating activities	(\$ 505,680)	(\$ 10,596,270)
Net cash (used in) provided by investing activities	(1,404,303)	2,160,600
Net cash provided by financing activities	748,421	6,636,480
Effect of exchange rates on cash and cash equivalents	112,032	(1,227,240)
Decrease in cash and cash equivalents	(1,049,530)	(3,026,430)
Cash and cash equivalents, beginning of period	50,123,782	46,358,100
Cash and cash equivalents, end of period	\$ 49,074,252	\$ 43,331,670

Foxconn Interconnect Technology Limited		
For the six-month periods ended June 30,		
	2021	2020
Net cash provided by (used in) operating activities	\$ 44,959	(\$ 939,900)
Net cash used in investing activities	(1,835,191)	(3,255,390)
Net cash provided by financing activities	1,285,482	102,960
Effect of exchange rates on cash and cash equivalents	240,515	(363,900)
Decrease in cash and cash equivalents	(264,235)	(4,456,230)
Cash and cash equivalents, beginning of period	21,581,375	26,763,330
Cash and cash equivalents, end of period	\$ 21,317,140	\$ 22,307,100

	Foxconn Ventures Pte. Ltd.	
	For the six-month periods ended June 30,	
	2021	2020
Net cash provided by operating activities	\$ 6,142	\$ 83,641
Net cash provided by (used in) investing activities	3,290,008 (	736,337)
Net cash provided by financing activities	-	-
Effect of exchange rates on cash and cash equivalents	-	-
Increase (decrease) in cash and cash equivalents	3,296,150 (	652,696)
Cash and cash equivalents, beginning of period	26,250,069	15,518,762
Cash and cash equivalents, end of period	\$ 29,546,219	\$ 14,866,066
	Foxconn Industrial Internet Co., Ltd.	
	For the six-month periods ended June 30,	
	2021	2020
Net cash provided by (used in) operating activities	\$ 33,231,998	(\$ 22,328,359)
Net cash used in investing activities	(20,173,037)	(8,829,912)
Net cash provided by financing activities	18,082,949	27,777,436
Effect of exchange rates on cash and cash equivalents	(1,066,055)	1,231,189
Increase (decrease) in cash and cash equivalents	30,075,855	(2,149,646)
Cash and cash equivalents, beginning of period	327,909,660	283,994,561
Cash and cash equivalents, end of period	\$ 357,985,515	\$ 281,844,915
	Asia Pacific Telecom Co., Ltd.	
	For the six-month periods ended June 30,	
	2021	2020
Net cash provided by operating activities	\$ 176,425	\$ 492,219
Net cash used in investing activities	(1,236,700)	(450,478)
Net cash used in financing activities	(19,741)	(1,760,488)
Effect of exchange rates on cash and cash equivalents	-	(30)
Decrease in cash and cash equivalents	(1,080,016)	(1,718,777)
Cash and cash equivalents, beginning of period	5,871,722	8,204,093
Cash and cash equivalents, end of period	\$ 4,791,706	\$ 6,485,316

(4) Foreign currency translation

- A. The consolidated financial statements are presented in New Taiwan Dollars, which is the Company's functional and the Group's presentation currency.
- B. Foreign currency transactions and balances
 - (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.
 - (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
 - (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
 - (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within "other gains and losses".
- C. Translation of foreign operations
 - (a) The operating results and financial position of all the group entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. All resulting exchange differences are recognised in other comprehensive income.
 - (b) When the foreign operation of an associate is partially disposed of or sold, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, if the Group still retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.
 - (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred

to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

- (d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - (a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realised within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
 - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. 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.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the above criteria and are held for the purpose of meeting short-term cash commitment in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair

value, and recognises the gain or loss in profit or loss.

- D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at fair value through other comprehensive income

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:

- (a) The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.
- (b) The assets' contractual cash flows represent solely payments of principal and interest.

- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value:

- (a) The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.
- (b) Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognised in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

(9) Financial assets at amortised cost

- A. Financial assets at amortised cost are those that meet all of the following criteria:

- (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
- (b) The assets' contractual cash flows represent solely payments of principal and interest.

- B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

- D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.
- C. The Group's operating pattern of accounts receivable that are expected to be factored is for the purpose of receiving contract cash flow and selling, and the accounts receivable are subsequently measured at fair value, with any changes in fair value recognised in other comprehensive income.

(11) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortised cost including accounts receivable that have a significant financing component, at each reporting date, the Group recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred; and the Group has not retained control of the financial asset.

(13) Leasing arrangement (lessor) – Lease receivables / Operating leases

- A. Based on the terms of a lease contract, a lease is classified as a finance lease if the lessee assumes substantially all the risks and rewards incidental to ownership of the leased asset.
 - (a) At commencement of the lease term, the lessor should record a finance lease in the balance sheet as 'lease receivables' at an amount equal to the net investment in the lease (including initial direct costs). The difference between gross lease receivable and the present value of the receivable is recognised as 'unearned finance income of finance lease'.
 - (b) The lessor should allocate finance income over the lease term based on a systematic and rational basis reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.
 - (c) Lease payments (excluding costs for services) during the lease term are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.
- B. Lease income from an operating lease (net of any incentives given to the lessee) is recognised in

profit or loss on a straight-line basis over the lease term.

(14) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average cost method. The cost of finished goods and work in process comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expense.

(15) Investments accounted for under the equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.
- G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(16) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.
- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. While land is not depreciated, other property, plant and equipment that apply cost model are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each component of property, plant and equipment that is significant in relation to the total cost of the item is depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change.

The estimated useful lives of property, plant and equipment are as follows:

Buildings	15 ~ 51 years
(Auxiliary buildings	5 ~ 11 years)
Machinery and equipment	3 ~ 9 years
Computer and communication equipment	3 ~ 25 years
Other equipment	1 ~ 25 years

(17) Leasing arrangements (lessee) – right-of-use assets/ lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:
- (a) Fixed payments, less any lease incentives receivable;
 - (b) Variable lease payments that depend on an index or a rate;
 - (c) Amounts expected to be payable by the lessee under residual value guarantees;
 - (d) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
 - (e) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
- (a) The amount of the initial measurement of lease liability;
 - (b) Any lease payments made at or before the commencement date;
 - (c) Any initial direct costs incurred by the lessee; and
 - (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

- D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognise the difference between remeasured lease liability in profit or loss.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Investment property is depreciated on a straight-line basis over its estimated useful life of 6 to 51 years.

(19) Intangible assets

- A. Trademark is amortised on a straight-line basis over its estimated useful life of 3 to 20 years.
- B. Goodwill is generated by adopting the acquisition method when merger and acquisition occurs.
- C. Patent is amortised on a straight-line basis over its estimated useful life of 2 to 20 years.
- D. The developed technologies are obtained from business combination. They are included application technology such as home networking, Internet of Things, model platforms and electric vehicle power systems. Part of the developed technologies are already be available for use and be amortised on a straight-line basis over its estimated useful life of 4 to 10 years. The remaining is the developed technologies that have not reached the available for use status, will be amortised since the asset reaches the usable status on a straight-line basis over its estimated useful life of 7 years.
- E. Customer relationship and Supplier relationship are obtained as a result of a business combination, and are amortised on a straight-line basis over its estimated life of 12 years and 5 years, respectively.
- F. Software is stated initially at its costs and is amortised on a straight-line basis over its estimated useful life of 3 to 10 years.
- G. Concession obtained individually is stated initially at its costs and is amortised on a straight-line basis over its useful life as follows:
 - (a) The concession of the mobile broadband spectrum (4G) 700MHz frequency group started form December 2014 and is amortised until 2030. The useful life of the concession is 16 years.
 - (b) The concession of the mobile broadband spectrum (4G) 2600MHz frequency group started form October 2017 and is amortised until 2033. The useful life of the concession is 16 years.
 - (c) The Group obtained the concession of the mobile broadband spectrum (4G) 700MHz frequency group in December 2015 and is amortised until 2030. The useful life of the concession is 15 years.
 - (d) The Group obtained the concession of the mobile broadband spectrum (4G) 900MHz frequency group in December 2015 and is amortised until 2030. The useful life of the concession is 15 years.

(20) Impairment of non-financial assets

- A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior periods no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amount of goodwill shall be evaluated periodically. An impairment is recognised when recoverable amount is lower than carrying amount. Impairment loss should not be reversed in the future.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(21) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(22) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(23) Financial liabilities at fair value through profit or loss

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges. Financial liabilities that meet one of the following criteria are designated as at fair value through profit or loss at initial recognition:

(a) Hybrid (combined) contracts; or

(b) They eliminate or significantly reduce a measurement or recognition inconsistency; or

(c) They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management policy.

B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

C. If the credit risk results in fair value changes in financial liabilities designated as at fair value through profit or loss, they are recognised in other comprehensive income in the circumstances other than avoiding accounting mismatch or recognising in profit or loss for loan commitments or financial guarantee contracts.

(24) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognised at fair value less transaction

costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to ‘finance costs’.

(25) Convertible bonds payable

Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group’s common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

- (a) The embedded call options and put options are recognised initially at net fair value as ‘financial assets or financial liabilities at fair value through profit or loss’. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as ‘gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss’.
- (b) The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to ‘finance costs’ over the period of circulation using the effective interest method.
- (c) The embedded conversion options which meet the definition of an equity instrument are initially recognised in ‘capital surplus—share options’ at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.
- (d) Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.
- (e) When bondholders exercise conversion options, the liability component of the bonds shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and ‘capital surplus—share options’.

(26) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(27) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(28) Non-hedging and embedded derivatives

Non-hedging derivatives are initially recognised at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss.

They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.

(29) Hedge accounting

A. At the inception of the hedging relationship, there is formal designation and documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements.

B. The Group designates the hedging relationship as follows:

Cash flow hedge: a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

C. Cash flow hedges

(a) The cash flow hedge reserve associated with the hedged item is adjusted to the lower of the following (in absolute amounts):

- i. the cumulative gain or loss on the hedging instrument from inception of the hedge; and
- ii. the cumulative change in fair value of the hedged item from inception of the hedge.

(b) The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income. The gain or loss on the hedging instrument relating to the ineffective portion is recognised in profit or loss.

(c) The amount that has been accumulated in the cash flow hedge reserve in accordance with (a) is accounted for as follows:

- i. If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Group shall remove that amount from the cash flow hedge reserve and include it directly in the initial cost or other carrying amount of the asset or liability.
- ii. For cash flow hedges other than those covered by i. above, that amount shall be reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss.
- iii. If that amount is a loss and the Group expects that all or a portion of that loss will not be recovered in one or more future periods, it shall immediately reclassify the amount that is not expected to be recovered into profit or loss as a reclassification adjustment.

(d) When the hedging instrument expires, or is sold, terminated, exercised or when the hedging relationship ceases to meet the qualifying criteria, if the forecast transaction is still expected to occur, the amount that has been accumulated in the cash flow hedge reserve shall remain in the cash flow hedge reserve until the forecast transaction occurs; if the forecast transaction

is no longer expected to occur, the amount shall be immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment.

(30) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

(31) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.
- ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii. Past service costs are recognised immediately in profit or loss.
- iv. Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial

year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(32) Employee share-based payment

A. For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

B. Restricted stocks:

- (a) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period.
- (b) For restricted stocks where those stocks do not restrict distribution of dividends to employees and employees are not required to return the dividends received if they resign during the vesting period, the Group recognises the fair value of the dividends received by the employees who are expected to resign during the vesting period as compensation cost at the date of dividends declared.
- (c) For restricted stocks where employees have to pay to acquire those stocks, if employees resign during the vesting period, they must return the stocks to the Group and the Group must refund their payments on the stocks, the Group recognises the payments from the employees who are expected to resign during the vesting period as liabilities at the grant date, and recognises the payments from the employees who are expected to be eventually vested with the stocks in 'capital surplus – others'.

(33) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive

income or equity.

- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
- D. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognised and recognised deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.
- G. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.
- H. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognises the effect of the change immediately in the interim period in which the change occurs.

The effect of the change on items recognised outside profit or loss is recognised in other comprehensive income or equity while the effect of the change on items recognised in profit or loss is recognised in profit or loss.

(34) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(35) Revenue recognition

- A. The Group manufactures and sells consumer electronics products. Sales are recognised when control of the products has transferred, being when the products are delivered to or picked by the customers, the customers has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customers, and either the customers has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- B. The Group renders telecommunication service. Service revenue is measured by the fair value of the consideration received or receivable taking into account business tax and rebates for the sale of goods to external customers in the ordinary course of the Group's activities. The main methods of revenue recognition are as follows:
- (a) The communication charges of fixed network and mobile services, as well as the connection charges among telecom operators, are recognised on the basis of the contract terms, which are calculated by predetermined rates and the actual usage volume.
 - (b) Fixed monthly service fees are recognised monthly.
 - (c) Prepaid card revenue is recognised on the basis of the actual usage volume by the customers.
- C. The Group recognises an asset (shown as 'other non-current assets') the incremental costs (mainly comprised of sales commissions) of obtaining a telecommunication contract if the Group expects to recover those costs. The recognised asset is amortised and consistent with the transfers to the customer of the goods or services to which the asset relates. The Group recognises an impairment loss to the extent that the carrying amount of the asset exceeds the remaining amount of consideration that the Group expects to receive less the costs that have not been recognised as expenses.
- D. Sales revenue is recognised based on the price specified in the contract, net of the estimated sales discounts and allowances. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. The contract cost does not include a significant financing component as the sales are made with credit term consistent with market practice.

- E. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.
- F. The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.
- G. The customer pays at the time specified in the payment schedule. If the products sold exceed the payment, a contract asset is recognised. If the payments exceed the products sold, a contract liability is recognised.

(36) Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate. Government grants related to property, plant and equipment are recognised as non-current liabilities and are amortised to profit or loss over the estimated useful lives of the related assets using the straight-line method.

(37) Business combinations

- A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.
- B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(38) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

5. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS ON UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgments in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. The above information is addressed below:

(1) Critical judgments in applying the Group's accounting policies

A. Revenue recognition

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognises revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Group recognises revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the good or service before it is provided to a customer include the following:

- (a) The Group is primarily responsible for the provision of goods or services;
- (b) The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer.
- (c) The Group has discretion in establishing prices for the goods or services.

B. Offsetting financial instruments

The Company's financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(2) Critical accounting estimates and assumptions

The Group makes estimates and assumptions based on the expectation of future events that are believed to be reasonable under the circumstances at the end of the reporting period. The resulting accounting estimates might be different from the actual results. The estimates and assumptions that may significantly adjust the carrying amounts of assets and liabilities within the next financial year are addressed below:

A. Impairment assessment of tangible and intangible assets (excluding goodwill)

The Group assesses impairment based on its subjective judgement and determines the separate cash flows of a specific group of assets, useful lives of assets and the future possible income and expenses arising from the assets depending on how assets are utilized and industrial characteristics.

Any changes of economic circumstances or estimates due to the change of Group strategy might cause adjustments on impairment of assets.

B. Impairment assessment of goodwill

The Group assesses impairment of goodwill based on subjective judgment which includes identifying and allocating assets, liabilities and goodwill to related cash-generating unit to determine recoverable amount of this unit. Details of impairment assessment of goodwill is provided in Note 6(14).

As of June 30, 2021, the Group recognised goodwill after impairment assessment of \$14,599,669.

C. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date based on judgments and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be significant changes to the evaluation.

As of June 30, 2021, the carrying amount of inventories was \$531,219,556.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	June 30, 2021	December 31, 2020	June 30, 2020
Cash on hand and revolving funds	\$ 94,842	\$ 146,814	\$ 88,745
Checking accounts and demand deposits	798,157,591	1,008,741,819	716,063,433
Cash equivalents - Time deposits	314,262,242	215,392,563	236,629,781
Cash equivalents - Repo bonds	134,592	8,512,819	379,526
	<u>\$ 1,112,649,267</u>	<u>\$ 1,232,794,015</u>	<u>\$ 953,161,485</u>

A. The Group transacts with a variety of financial institutions with high credit quality for the purpose of dispersing credit risk, so it expects that the probability of counterparty default is low.

B. The Group's time deposits pledged to others as collateral and with maturity of over three months had been transferred to "Financial assets at amortised cost". Please refer to Note 6(4) for details.

(2) Financial assets and liabilities at fair value through profit or loss

	<u>June 30, 2021</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
<u>Assets</u>			
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Beneficiary certificates	\$ 551,898	\$ 535,164	\$ 589,740
Derivatives	3,363,033	5,750,430	636,006
	<u>\$ 3,914,931</u>	<u>\$ 6,285,594</u>	<u>\$ 1,225,746</u>
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Equity instruments	\$ 2,946,048	\$ 3,187,930	\$ 13,399,369
Beneficiary certificates	87,201,122	79,443,386	72,954,304
Derivatives	1,492,449	1,049,870	3,931,518
	<u>\$ 91,639,619</u>	<u>\$ 83,681,186</u>	<u>\$ 90,285,191</u>
<u>Liabilities</u>	<u>June 30, 2021</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Derivatives	(\$ 1,643,541)	(\$ 2,291,221)	(\$ 1,424,681)
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Derivatives	\$ -	\$ -	(\$ 2,250)

A. The descriptions of financial assets and liabilities at fair value through profit or loss are as follows:

- (a) Equity instruments: Including listed, unlisted and emerging stocks.
- (b) Beneficiary certificates: Including investment in open-end funds and private equity fund.
- (c) Derivatives: Including cross currency swap contracts, forward exchange contracts, stock option and convertible bonds payable.

B. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

For the three-month periods ended June 30,		
	2021	2020
Equity instruments	(306,523)	\$ 1,575,788
Beneficiary certificates	3,552,551	2,471,038
Derivatives	941,450	(1,025,773)
	<u>\$ 4,187,478</u>	<u>\$ 3,021,053</u>
For the six-month periods ended June 30,		
	2021	2020
Equity instruments	(\$ 119,816)	\$ 254,169
Beneficiary certificates	5,607,371	5,376,230
Derivatives	2,307,431	(2,826,967)
	<u>\$ 7,794,986</u>	<u>\$ 2,803,432</u>

C. The non-hedging derivative instruments transaction and contract information are as follows:

	June 30, 2021		
	Contract amount		
<u>Derivative Financial Assets</u>	(Nominal Principal in thousands)		Contract period
Current items:			
Cross currency swap contracts	USD (BUY)	1,660,000	2016.09.13~2022.05.16
	TWD (SELL)	29,438,800	2021.05.28~2022.05.16
	JPY (SELL)	61,555,000	2016.09.13~2021.09.24
Foreign exchange forward contracts	RMB (BUY)	20,376,545	2021.02.19~2021.08.31
	MXN (BUY)	3,641,760	2021.05.24~2021.08.30
	JPY (BUY)	11,057,460	2021.06.17~2021.09.22
	USD (BUY)	906,915	2021.05.11~2021.11.30
	BRL (BUY)	1,637,430	2021.04.28~2021.07.12
	CZK (SELL)	4,164,763	2021.05.18~2021.07.26
	INR (SELL)	36,717,100	2021.06.11~2021.08.18
	MXN (SELL)	107,205	2021.05.18~2021.11.30
	USD (SELL)	3,710,000	2021.02.19~2021.09.22
	EUR (SELL)	165,000	2021.05.11~2021.09.07
Non-current items:			
Cross currency swap contracts	USD (BUY)	400,000	2016.09.13~2026.09.24
	JPY (SELL)	41,064,000	2016.09.13~2026.09.24
<u>Derivative Financial Liabilities</u>			
Current items:			
Cross currency swap contracts	USD (BUY)	1,840,000	2020.09.04~2022.03.24
	JPY (BUY)	33,000,000	2021.05.19~2021.12.28
	TWD (SELL)	60,653,600	2020.09.04~2022.03.24
Foreign exchange forward contracts	USD (BUY)	11,810	2021.03.03~2021.10.29
	CZK (BUY)	3,660,565	2021.06.09~2021.09.29
	KRW (BUY)	502,964,000	2021.06.16~2021.07.21
	JPY (BUY)	16,680,105	2021.05.28~2021.09.13
	RMB (BUY)	10,354,358	2021.05.10~2021.10.08
	USD (SELL)	2,388,500	2021.05.10~2021.10.08
	MXN (SELL)	243,428	2021.03.03~2021.10.29

	December 31, 2020		
	Contract amount		
<u>Derivative Financial Liabilities</u>	(Nominal Principal in thousands)		Contract period
Current items:			
Cross currency swap contracts	USD (BUY)	1,600,000	2016.09.13~2021.09.24
	JPY (BUY)	38,000,000	2020.12.11~2021.06.28
	TWD (SELL)	38,582,000	2020.12.11~2021.06.28
	JPY (SELL)	61,555,000	2016.09.13~2021.09.24
Foreign exchange forward contracts	RMB (BUY)	59,779,402	2020.10.26~2021.06.23
	CZK (BUY)	1,070,550	2020.12.28~2021.02.26
	BRL (BUY)	262,540	2020.12.28~2021.01.29
	JPY (BUY)	14,216,752	2020.11.04~2021.02.08
	USD (BUY)	50,000	2020.12.31~2021.01.06
	RMB (SELL)	325,505	2020.12.31~2021.01.06
	USD (SELL)	9,208,233	2020.10.26~2021.06.23
Convertible contract	USD	30,000	2016.12.19~2021.12.15
Non-current items:			
Cross currency swap contracts	USD (BUY)	400,000	2016.09.13~2026.09.24
	JPY (SELL)	41,064,000	2016.09.13~2026.09.24
<u>Derivative Financial Liabilities</u>			
Current items:			
Cross currency swap contracts	USD (BUY)	3,050,000	2020.03.03~2021.07.14
	TWD (SELL)	88,925,000	2020.03.03~2021.07.14
Foreign exchange forward contracts	USD (BUY)	420,128	2020.06.08~2021.04.30
	BRL (BUY)	260,490	2020.12.28~2021.01.29
	MXN (BUY)	3,619,834	2020.12.09~2021.02.26
	RMB (BUY)	4,070,580	2020.12.17~2021.05.31
	USD (SELL)	852,000	2020.12.09~2021.05.31
	RMB (SELL)	2,616,495	2020.12.04~2021.02.09
	MXN (SELL)	452,693	2020.06.08~2021.04.30

	June 30, 2020		
	Contract amount		
<u>Derivative Financial Assets</u>	(Nominal Principal in thousands)		Contract period
Current items:			
Cross currency swap contracts	USD (BUY)	200,000	2020.06.19~2021.02.23
	TWD (SELL)	5,936,000	2020.06.19~2021.02.23
Foreign exchange forward contracts	JPY (BUY)	1,305,600	2020.06.04~2020.07.15
	CZK (BUY)	1,226,050	2020.05.28~2020.07.07
	RMB (BUY)	7,207,091	2020.04.20~2020.08.24
	USD (BUY)	690,638	2020.03.02~2021.04.30
	MXN (SELL)	1,243,107	2020.06.08~2021.04.30
	USD (SELL)	1,074,160	2020.04.20~2020.08.24
	JPY (SELL)	67,893,088	2020.03.02~2020.08.31
Capital guarantee financial product	USD	6,000	2019.12.03~2020.12.10
Non-current items:			
Convertible contract	USD	30,000	2016.12.19~2021.12.15
Cross currency swap contracts	USD (BUY)	1,000,000	2016.09.13~2026.09.24
	JPY (SELL)	102,619,000	2016.09.13~2026.09.24
<u>Derivative Financial Liabilities</u>			
Current items:			
Cross currency swap contracts	USD (BUY)	1,440,000	2020.02.21~2021.05.28
	JPY (BUY)	96,950,000	2020.03.23~2020.09.28
	TWD (SELL)	70,292,735	2020.02.21~2021.05.28
Foreign exchange forward contracts	USD (BUY)	91,057	2020.03.24~2020.08.31
	MXN (BUY)	4,121,030	2020.06.08~2020.08.18
	RMB (BUY)	2,017,156	2020.06.11~2020.08.21
	USD (SELL)	472,000	2020.06.08~2020.08.21
	CZK (SELL)	2,003,974	2020.06.01~2020.08.03
	MXN (SELL)	205,189	2020.03.24~2020.08.31

(a) Cross currency swap contracts

The cross currency swap contracts signed by the Company are to fulfill capital movement. For exchange rate, principals denominated in two currencies are exchanged at the same exchange rate at the initial and final exchanges. Thus, there is no foreign exchange risk. For interest rate, the fixed rate between two currencies is used to exchange. Thus, there is no interest rate risk.

(b) Forward foreign exchange contracts

The Group enters into foreign exchange forward transactions to reduce the following risk of exchange rate:

- A. Operating activities: Import of raw materials and export sales.
- B. Investing activities: Import of machinery and equipment.

C. Financing activities: Long-term and short-term foreign currency assets and liabilities.

(c) Convertible bonds payable

The Company's indirect subsidiary, PCE Paragon Solutions Kft., acquired convertible bonds issued by Nanthealth, Inc. in the amount of US\$30 million. The convertible bonds are embedded derivatives. Based on the contract, PCE Paragon Solutions Kft. has the right to require conversion after issue date and until maturity date if the written consent is submitted in advance. If there are remaining convertible bonds at maturity, such convertible bonds will be redeemed in the form of cash.

D. Details of the Group's investments in equity instruments and beneficiary certificates are provided in Table 3.

E. The Group has no financial assets at fair value through profit or loss pledged to others.

F. Information relating to credit risk of financial assets and liabilities at fair value through profit or loss is provided in Note 12(2).

(3) Financial assets at fair value through other comprehensive income

Items	June 30, 2021	December 31, 2020	June 30, 2020
Equity instruments at cost	\$ 58,229,888	\$ 55,486,110	\$ 58,479,598
Fair value adjustments	58,022,358	31,587,979	7,006,076
	<u>\$ 116,252,246</u>	<u>\$ 87,074,089</u>	<u>\$ 65,485,674</u>

A. The Group has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income.

B. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	<u>For the three-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	<u>\$ 19,636,842</u>	<u>\$ 14,675,796</u>
Cumulative gains reclassified to retained earnings due to derecognition	<u>\$ -</u>	<u>\$ 700,557</u>
Dividend income recognised in profit or loss	<u>\$ 290,146</u>	<u>\$ 185,161</u>
	<u>For the six-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	<u>\$ 26,840,317</u>	<u>\$ 692,829</u>
Cumulative (loss) gains reclassified to retained earnings due to derecognition	<u>(\$ 1,326)</u>	<u>\$ 700,641</u>
Dividend income recognised in profit or loss	<u>\$ 297,083</u>	<u>\$ 185,161</u>

C. The Group has no financial assets at fair value through other comprehensive income pledged to others.

D. Details of the Group's investments in equity instruments are provided in Table 3.

(4) Financial assets at amortised cost

Items	June 30, 2021	December 31, 2020	June 30, 2020
Current items:			
Capital guarantee financial products	\$ -	\$ -	\$ 21,669,596
Time deposits with maturity over three months	52,093,431	36,252,968	28,458,485
Refundable deposits	2,121,522	1,815,433	459,161
Restricted bank deposits	276,927	468,414	684,117
Pledged time deposits	147,489	246,751	394,154
	<u>\$ 54,639,369</u>	<u>\$ 38,783,566</u>	<u>\$ 51,665,513</u>
Non-current items:			
Financial bonds-trust fund	\$ 9,056,670	\$ 11,321,960	\$ 10,885,420
Time deposits with maturity over twelve months	9,962,464	6,010,077	4,270,434
Restricted bank deposits	77,448	1,400,641	58,574
Pledged time deposits	43,152	53,352	2,700
	<u>\$ 19,139,734</u>	<u>\$ 18,786,030</u>	<u>\$ 15,217,128</u>

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	<u>For the three-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
Interest income	<u>\$ 401,644</u>	<u>\$ 597,347</u>
	<u>For the six-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
Interest income	<u>\$ 904,840</u>	<u>\$ 967,840</u>

B. The Group invested in the trust fund named Guangdong Finance Trust - Peng Yun Tian Hua Collection Fund Trust in December 2017 which was mainly created for the investment in Guangzhou Guangyin Nanyue Intelligent Technology Industrial Investment Partnership. As of June 30, 2021, the Group has invested a total of RMB 3.5 billion and has redeemed RMB 1.4 billion. Under the agreement, the Group will take over the share in the trust of the preferred beneficiary, Bank of Guangzhou, in case it initiates a redemption.

C. The counterparties of the Group's investments have good credit quality.

D. Information relating to financial assets at amortised cost pledged as collateral is provided in Note 8.

(5) Hedging financial assets and liabilities

	June 30, 2021	
	Current assets	Current liabilities
Cash flow hedges:		
<u>Exchange rate risk</u>		
Foreign exchange forward contracts	\$ 28,229	(\$ 101,739)
Foreign exchange option	634,405	-
	<u>\$ 662,634</u>	<u>(\$ 101,739)</u>

- A. Hedge accounting is applied to remove the accounting inconsistency between the hedging instrument and the hedged item. As the Group's US dollar denominated accounts receivable are exposed to the impact of variable exchange rate, the Group uses the risk exposed during the next 12 months with 1:1 hedge ratio to control the exchange rate risk under their acceptable range based on the Group's risk management policies.
- B. The forecast transactions which is highly probable incurred in the Group's companies are designated as hedged item, and the intrinsic value of foreign exchange options is designated as cash flow hedge. Changes in fair value of time value of foreign exchange options are included in other comprehensive income and are amortised and recognised in profit or loss during the contract period. There are economic relations between the hedging instrument and the hedged item, foreign exchange options are in line with major terms, such as monetary items, foreign currency borrowings or the currency and amount of bonds.
- C. Transaction information associated with the Group adopting hedge accounting is as follows:

Hedged items	June 30, 2021			
	Hedging instruments	Notional amount		Contract period
<u>Financial assets</u>				
Cash flow hedges:				
Forecast transaction	Foreign exchange forward contracts	RMB (BUY) 1,296,120	USD (SELL) 200,000	2021.05.20~2021.10.28
Forecast transaction	Foreign exchange option	RMB (BUY) 9,513,450	USD (SELL) 1,448,000	2021.04.26~2021.12.31
<u>Financial liabilities</u>				
Cash flow hedges:				
Forecast transaction	Foreign exchange forward contracts	RMB (BUY) 4,528,225	USD (SELL) 700,000	2021.05.17~2021.10.28

D. Cash flow hedge

	<u>2021</u>
<u>Other equity - cash flow hedge reserve</u>	
At January 1	\$ -
Add: Gains on hedge effectiveness-amount recognised in other comprehensive income	509,138
Less: Reclassified to profit or loss as the hedged item has affected profit or loss	(392,942)
At June 30	<u>\$ 116,196</u>

- (a) To hedge exposed exchange rate risk arising from forecast sales of goods and collections, the Group entered into a forward forecast sales agreement of US dollar, and the hedge ratio is 1:1. The effective portion with respect to the changes in the fair value of the hedging instruments is deferred to recognise in the cash flow hedge reserve, which is under other comprehensive income, and will be directly included in the sales revenue when the hedged items are subsequently recognised in accounts receivable.
- (b) The Group separates changes in spot price and time value, only change in spot price is designated as hedging instruments. Changes in fair value of time value, which is associated with hedged item, are recognised in other comprehensive income. Meanwhile, time value at hedging commencement date, which is associated with hedged items, are amortised during the period the hedging instrument affects profit or loss. The amortisation will be recognised in profit or loss from other comprehensive income or loss.

E. Information relating to fair value risk of hedging financial assets and liabilities is shown in Note 12(3).

(6) Notes and accounts receivable

	<u>June 30, 2021</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Notes receivable	\$ 441,033	\$249,501	\$ 337,210
Accounts receivable	791,830,184	909,750,714	729,102,209
Less: Allowance for uncollectible accounts	(7,007,813)	(6,929,985)	(7,330,496)
	<u>\$ 785,263,404</u>	<u>\$ 903,070,230</u>	<u>\$ 722,108,923</u>

- A. As of June 30, 2021, December 31, 2020 and June 30, 2020, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2020, the balance of receivables from contracts with customers amounted to \$1,037,840,337.
- B. On June 30, 2021, December 31, 2020 and June 30, 2021, the Group had accounts receivable classified as financial assets at fair value through other comprehensive income in the amounts of \$90,629,764, \$109,052,508 and \$134,710,340, respectively.
- C. The Group entered into a factoring agreement with the following banks to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the

transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognised the transferred accounts receivable.

As of June 30, 2021, December 31, 2020 and June 30, 2020, the relevant information of accounts receivable factored but unsettled were as follows:

June 30, 2021			
Accounts receivable factoring not yet due	Amount of accounts receivable derecognised	Amount advanced	Amount of consideration retained
\$ 32,891,133	\$ 32,891,133	\$ 32,891,133	\$ -
December 31, 2020			
Accounts receivable factoring not yet due	Amount of accounts receivable derecognised	Amount advanced	Amount of consideration retained
\$ 37,739,204	\$ 37,739,204	\$ 37,739,204	\$ -
June 30, 2020			
Accounts receivable factoring not yet due	Amount of accounts receivable derecognised	Amount advanced	Amount of consideration retained
\$ 51,648,668	\$ 51,648,668	\$ 51,648,668	\$ -

As of June 30, 2021, December 31, 2020 and June 30, 2020, the Group has no retention for the factoring of accounts receivable.

- D. As of June 30, 2021, December 31, 2020 and June 30, 2020, the Group has not signed promissory notes as guarantee for accounts receivable in commercial dispute.
- E. For the three-month and six-month periods ended June 30, 2021 and 2020, the information on the financing charges incurred from accounts receivable factoring is provided in Note 6(37).
- F. The Group does not hold any collateral as security.
- G. Information relating to credit risk is provided in Note 12(2).

(7) Other receivables

	June 30, 2021	December 31, 2020	June 30, 2020
Tax refund receivable	\$ 30,534,634	\$ 30,296,437	\$ 22,180,665
Interest receivable	7,246,312	13,230,731	16,305,357
Loans to related parties	970,358	2,181,655	2,430,057
Others	12,920,772	12,528,896	11,990,650
	<u>\$ 51,672,076</u>	<u>\$ 58,237,719</u>	<u>\$ 52,906,729</u>

The Group's other receivables are due from entities with good credit quality and government agencies. There is no significant credit risk as default is unlikely to occur.

(8) Inventories

	<u>June 30, 2021</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Raw materials	\$ 214,788,327	\$ 184,832,767	\$ 194,594,834
Work in process	99,936,882	124,724,802	98,366,186
Finished goods	218,951,994	268,629,479	221,558,989
Inventory in transit	<u>19,461,937</u>	<u>30,145,057</u>	<u>19,939,741</u>
	553,139,140	608,332,105	534,459,750
Less: Allowance for inventory obsolescence and market price decline	(<u>21,919,584</u>)	(<u>26,218,370</u>)	(<u>29,587,512</u>)
	<u>\$ 531,219,556</u>	<u>\$ 582,113,735</u>	<u>\$ 504,872,238</u>

Expenses and losses incurred on inventories for the three-month and six-month periods ended June 30, 2021 and 2020 were as follows:

	<u>For the three-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
Cost of inventories sold	\$ 1,276,279,202	\$ 1,057,830,273
(Gain from price recovery) loss on inventory obsolescence and market price decline	(3,703,579)	4,274,625
Revenue from sale of scraps	(2,705,740)	(436,771)
Others	<u>54,822</u>	<u>37,861</u>
	<u>\$ 1,269,924,705</u>	<u>\$ 1,061,705,988</u>
	<u>For the six-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
Cost of inventories sold	\$ 2,548,189,147	\$ 1,944,662,346
(Gain from price recovery) loss on inventory obsolescence and market price decline	(4,298,794)	5,698,113
Revenue from sale of scraps	(5,104,049)	(1,647,079)
Others	<u>118,679</u>	<u>312,025</u>
	<u>\$ 2,538,904,983</u>	<u>\$ 1,949,025,405</u>

As the Group sold some inventory with net realisable value lower than its cost, the allowance for inventory obsolescence and market price decline was reversed for the three-month and six-month periods ended June 30, 2021.

(9) Investments accounted for using equity method

	2021	2020
At January 1	\$ 175,199,441	\$ 168,631,642
Addition of investments accounted for using equity method	2,319,286	181,641
Disposal of investments accounted for using equity method	(88,046)	(68,627)
Earnings distribution of investments accounted for using equity method	(4,660,860)	(3,997,937)
Share of profit or loss of investments accounted for using equity method	5,547,442	706,946
Changes in retained earnings	984,275	(12,181)
Changes in capital surplus	(5,371,544)	(335,762)
Changes in other equity items	(687,442)	(5,445,377)
Others	(2,380,648)	(957,422)
At June 30	<u>\$ 170,861,904</u>	<u>\$ 158,702,923</u>

A. Some of the above investments accounted for using the equity method were based on the financial statements of the investee companies for the same periods which were not reviewed by independent auditors. The related investments balances for the abovementioned unaudited or unreviewed investee companies amounted to \$15,507,824 and \$10,452,362, constituting 0.46% and 0.34% of the consolidated total assets as of June 30, 2021 and 2020, respectively. The share of profit (loss) of associates and joint ventures accounted for using the equity method amounted to (\$5,068,724), (\$1,430,060), (\$5,038,810) and (\$503,864), constituting 16.64%, 10.23%, 7.44% and 3.21% of the consolidated comprehensive income for the three-month and six-month periods ended June 30, 2021 and 2020, respectively.

B. The Group sold 33.13% Class A shares of Cybertan Technology Corporation in the second quarter of 2021 in order to indirectly dispose the Mainland China investee, Fuyu Properties (Shanghai) Co., Ltd. As the Group lost control over the Class A shares of Cybertan Technology Corporation, the remaining investment was remeasured at fair value, and the cost of initial recognition of investment in associate amounted to \$2,231,300.

C. Associates

(a) The basic information of the associates that are material to the Group is as follows:

Company name	Principal place of business	Shareholding ratio			Nature of relationship	Method of measurement
		June 30, 2021	December 31, 2020	June 30, 2020		
Sharp Corporation	Japan	36%	42%	42%	Strategic Investment	Equity method
Foxconn Technology Co., Ltd.	Taiwan	29%	29%	29%	Supplier	Equity method

(b) The summarised financial information of the associates that are material to the Group is as

follows:

Balance sheet

	Sharp Corporation		
	June 30, 2021	December 31, 2020	June 30, 2020
Current assets	\$ 296,628,171	\$ 328,978,941	\$ 302,611,189
Non-current assets	185,548,153	206,441,054	203,020,192
Current liabilities	(220,129,939)	(258,063,115)	(238,528,584)
Non-current liabilities	(169,190,360)	(191,282,832)	(185,142,109)
Total net assets	92,856,025	86,074,048	81,960,688
Effect of accounting principles	(3,981,306)	(5,682,633)	(10,274,152)
Fair value adjustment of trademarks, other intangible net assets and tangible net assets	100,147,689	110,989,019	110,558,212
Total net assets after adjustment	\$ 189,022,408	\$ 191,380,434	\$ 182,244,748
Share in associate's net assets (Note)	\$ 67,349,472	\$ 73,338,398	\$ 68,998,800
Goodwill	12,092,269	12,197,171	12,391,746
Others	(2,921,525)	(670,048)	(874,599)
Carrying amount of the associate	\$ 76,520,216	\$ 84,865,521	\$ 80,515,947

Note 1: In February 2021, Sharp Corporation retired all its Class C shares and issued common shares to ES Platform Limited. Therefore, the Group's shareholding ratio of Sharp Corporation decreased from 42% to 36%. The Group decreased capital surplus and investments accounted for using equity method amounting to \$6,442,516 due to difference in net equity from associate not issuing new shares in proportion to its ownership. Further information is provided in Note 6(27).

Note 2: As of December 31, 2020 and June 30, 2020, share in associate's net assets is determined based on the equity of ordinary shares, excluding Class C shares of Sharp Corporation.

	Foxconn Technology Co., Ltd.		
	June 30, 2021	December 31, 2020	June 30, 2020
Current assets	\$ 113,104,240	\$ 113,612,184	\$ 102,471,735
Non-current assets	63,854,536	55,497,536	44,539,785
Current liabilities	(56,676,921)	(58,012,616)	(50,873,527)
Non-current liabilities	(817,521)	(828,349)	(881,969)
Total net assets	\$ 119,464,334	\$ 110,268,755	\$ 95,256,024
Share in associate's net assets	\$ 35,212,186	\$ 32,501,783	\$ 28,076,771
Goodwill	338,190	338,190	338,190
Others	81,004	(592,437)	7,962
Carrying amount of the associate	\$ 35,631,380	\$ 32,247,536	\$ 28,422,923

Statement of comprehensive income

Sharp Corporation		
For the three-month periods ended June 30,		
	2021	2020
Revenue	\$ 156,827,247	\$ 143,805,372
Income for the period from continuing operations	5,527,428	1,987,809
Other comprehensive income, net of tax	138,379	1,989,191
Total comprehensive income	5,665,807	3,977,000
Effect of accounting principles	358,793	210,261
Total comprehensive income after adjustment	\$ 6,024,600	\$ 4,187,261
Dividends received from associates	\$ 1,689,236	\$ 1,105,471

Sharp Corporation		
For the six-month periods ended June 30,		
	2021	2020
Revenue	\$ 319,930,822	\$ 286,337,577
Income (loss) for the period from continuing operations	8,289,393 (	7,101,165)
Other comprehensive income (loss), net of tax	11,325,992 (	223,978)
Total comprehensive income (loss)	19,615,385 (	7,325,143)
Effect of accounting principles	531,678	738,461
Total comprehensive income (loss) after adjustment	\$ 20,147,063 (\$	6,586,682)
Dividends received from associates	\$ 1,689,236	\$ 1,105,471

Foxconn Technology Co., Ltd.		
For the three-month periods ended June 30,		
	2021	2020
Revenue	\$ 22,532,634	\$ 22,739,527
Income for the period from continuing operations	1,506,179	1,455,777
Other comprehensive loss, net of tax	(2,903,434) (	777,542)
Total comprehensive (loss) income	(\$ 1,397,255) \$	678,235
Dividends received from associates	\$ -	\$ -

Foxconn Technology Co., Ltd.		
For the six-month periods ended June 30,		
	2021	2020
Revenue	\$ 42,806,300	\$ 33,933,637
Income for the period from continuing operations	2,488,899	1,949,559
Other comprehensive income (loss), net of tax	9,241,153 (	11,762,932)
Total comprehensive income (loss)	\$ 11,730,052 (\$	9,813,373)
Dividends received from associates	\$ -	\$ -

- (c) The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

As of June 30, 2021, December 31, 2020 and June 30, 2020, the carrying amount of the Group's individually immaterial associates amounted to \$58,710,308, \$58,086,384 and \$49,764,053, respectively.

	For the three-month periods ended June 30,	
	2021	2020
Income for the period from continuing operations	\$ 2,731,746	\$ 2,653,012
Other comprehensive income (loss), net of tax	108,214	(2,262,559)
Total comprehensive income	<u>\$ 2,839,960</u>	<u>\$ 390,453</u>
	For the six-month periods ended June 30,	
	2021	2020
Income for the period from continuing operations	\$ 4,371,062	\$ 3,495,379
Other comprehensive income (loss), net of tax	507,201	(3,264,280)
Total comprehensive income	<u>\$ 4,878,263</u>	<u>\$ 231,099</u>

- (d) The fair value of the Group's material associates which have quoted market price was as follows:

	June 30, 2021	December 31, 2020	June 30, 2020
Sharp Corporation	\$ 102,484,554	\$ 95,941,221	\$ 69,994,323
Foxconn Technology Co., Ltd.	27,391,668	22,263,548	23,556,001
	<u>\$ 129,876,222</u>	<u>\$ 118,204,769</u>	<u>\$ 93,550,324</u>

- (e) The Group is the single largest shareholder of the following companies, and has no control, but only has a significant influence on the company as described below.
- The Group is the single largest shareholder of Sharp Corporation with a 36% equity interest. Given that the Group does not hold the voting rights of more than half of its shareholders attendance rate, which indicates that the Group has no current ability to direct the relevant activities of Sharp Corporation, the Group has no control, but only has significant influence, over the investee.
 - The Group is the single largest shareholder of Foxconn Technology Co., Ltd. with a 29% equity interest. Given that the Group does not hold the voting rights of more than half of its shareholders attendance rate, which indicates that the Group has no current ability to direct the relevant activities of Foxconn Technology Co., Ltd., the Group has no control, but only has significant influence, over the investee.

(10) Property, plant and equipment

	2021						
	Land	Buildings	Machinery and equipment	Computer and communication equipment	Others	Equipment under installation and construction in progress	Total
At January 1, 2021							
Cost	\$ 12,330,536	\$ 214,266,695	\$ 279,733,859	\$ 46,751,910	\$ 168,556,642	\$ 35,885,708	\$ 757,525,350
Accumulated depreciation and impairment	-	(98,706,875)	(215,301,244)	(37,088,779)	(119,336,474)	-	(470,433,372)
	<u>\$ 12,330,536</u>	<u>\$ 115,559,820</u>	<u>\$ 64,432,615</u>	<u>\$ 9,663,131</u>	<u>\$ 49,220,168</u>	<u>\$ 35,885,708</u>	<u>\$ 287,091,978</u>
2021							
Opening net book amount as at January 1	\$ 12,330,536	\$ 115,559,820	\$ 64,432,615	\$ 9,663,131	\$ 49,220,168	\$ 35,885,708	\$ 287,091,978
Additions	45,998	949,692	12,868,711	969,034	9,062,571	12,259,099	36,155,105
Transfer	-	6,132,090	5,193,137	231,918	1,555,727	(13,582,611)	(469,739)
Disposals	-	(280,948)	(2,275,364)	(18,836)	(1,157,650)	(410,960)	(4,143,758)
Depreciation charge	-	(6,064,710)	(12,735,636)	(1,711,628)	(8,468,709)	-	(28,980,683)
Net exchange differences	(443,783)	(1,003,310)	(225,321)	160,957	(120,016)	(123,150)	(1,754,623)
Closing net book amount as at June 30	<u>\$ 11,932,751</u>	<u>\$ 115,292,634</u>	<u>\$ 67,258,142</u>	<u>\$ 9,294,576</u>	<u>\$ 50,092,091</u>	<u>\$ 34,028,086</u>	<u>\$ 287,898,280</u>
At June 30, 2021							
Cost	\$ 11,932,751	\$ 219,165,311	\$ 272,672,974	\$ 47,502,205	\$ 170,190,392	\$ 34,028,086	\$ 755,491,719
Accumulated depreciation and impairment	-	(103,872,677)	(205,414,832)	(38,207,629)	(120,098,301)	-	(467,593,439)
	<u>\$ 11,932,751</u>	<u>\$ 115,292,634</u>	<u>\$ 67,258,142</u>	<u>\$ 9,294,576</u>	<u>\$ 50,092,091</u>	<u>\$ 34,028,086</u>	<u>\$ 287,898,280</u>

2020

	Land	Buildings	Machinery and equipment	Computer and communication equipment	Others	Equipment under installation and construction in progress	Total
<u>At January 1, 2020</u>							
Cost	\$ 14,233,757	\$ 208,869,510	\$ 275,816,855	\$ 39,326,807	\$ 160,547,139	\$ 28,415,269	\$ 727,209,337
Accumulated depreciation and impairment	-	(88,283,906)	(208,403,723)	(29,795,877)	(113,202,578)	-	(439,686,084)
<u>2020</u>							
Opening net book amount as at January 1	\$ 14,233,757	\$ 120,585,604	\$ 67,413,132	\$ 9,530,930	\$ 47,344,561	\$ 28,415,269	\$ 287,523,253
Additions	87,128	1,078,770	4,396,044	431,057	5,383,148	13,910,087	25,286,234
Transfer	44,119	516,475	1,364,389	1,044,482	1,263,481	(10,009,913)	(5,776,967)
Acquired through business combinations	-	2,396	147	-	1,384,078	13,685	1,400,306
Disposals	(2,988)	(18,806)	(1,151,547)	(7,613)	(826,306)	(229,136)	(2,236,396)
Depreciation charge	-	(5,093,958)	(11,341,621)	(1,618,705)	(7,354,824)	-	(25,409,108)
Net exchange differences	(2,062,604)	(1,102,090)	(3,657,900)	(70,499)	(2,864,781)	(1,146,871)	(10,904,745)
Closing net book amount as at June 30	\$ 12,299,412	\$ 115,968,391	\$ 57,022,644	\$ 9,309,652	\$ 44,329,357	\$ 30,953,121	\$ 269,882,577
<u>At June 30, 2020</u>							
Cost	\$ 12,299,412	\$ 206,741,729	\$ 267,263,186	\$ 40,148,413	\$ 161,723,367	\$ 30,953,121	\$ 719,129,228
Accumulated depreciation and impairment	-	(90,773,338)	(210,240,542)	(30,838,761)	(117,394,010)	-	(449,246,651)
	\$ 12,299,412	\$ 115,968,391	\$ 57,022,644	\$ 9,309,652	\$ 44,329,357	\$ 30,953,121	\$ 269,882,577

Details of property, plant and equipment pledged as collateral are provided in Note 8.

(11) Leasing arrangements—lessee

A. The Group leases various assets including land, land use right, buildings and other equipment.

The period of lease contracts are as follows:

Land and land use right: 3~50 years

Buildings: 1~20 years

Other equipment: 1~6 years

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. It does not enjoy the right to extend the lease term. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months, include dormitories, business vehicles and office.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	June 30, 2021	December 31, 2020	June 30, 2020
	Carrying amount	Carrying amount	Carrying amount
Land and land use right	\$ 16,564,812	\$ 18,525,528	\$ 18,129,297
Buildings	25,008,074	25,881,653	25,933,630
Other equipment	2,874,542	1,861,504	2,602,614
	<u>\$ 44,447,428</u>	<u>\$ 46,268,685</u>	<u>\$ 46,665,541</u>

For the three-month periods ended June 30,

	2021	2020
	Depreciation charge	Depreciation charge
Land and land use right	\$ 202,349	\$ 154,920
Buildings	2,658,543	2,541,712
Other equipment	98,220	104,764
	<u>\$ 2,959,112</u>	<u>\$ 2,801,396</u>

For the six-month periods ended June 30,

	2021	2020
	Depreciation charge	Depreciation charge
Land and land use right	\$ 421,981	\$ 311,770
Buildings	4,328,903	4,260,895
Other equipment	195,807	287,352
	<u>\$ 4,946,691</u>	<u>\$ 4,860,017</u>

D. For the three-month and six-month periods ended June 30, 2021 and 2020, the additions to right-of-use assets were \$4,598,269, \$3,132,657, \$5,818,695 and \$4,426,222, respectively.

E. The information on income and expense accounts relating to lease contracts is as follows:

	For the three-month periods ended June 30,	
	2021	2020
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 355,945	\$ 357,710
Expense on short-term lease contracts	\$ 1,353,801	\$ 1,019,569
	For the six-month periods ended June 30,	
	2021	2020
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 730,875	\$ 745,078
Expense on short-term lease contracts	\$ 2,082,958	\$ 1,285,294

G. For the three-month and six-month periods ended June 30, 2021 and 2020, the Group's total cash outflow for leases were \$4,460,853, \$5,072,814, \$7,722,182 and \$7,520,370, respectively.

(12) Leasing arrangements — lessor

A. The Group mainly leases machinery and equipment. Rental contracts are typically made for 5 years.

B. The maturity analysis of the undiscounted lease payments in the finance lease is as follows:

	June 30, 2021	December 31, 2020	June 30, 2020
No later than one year	\$ 459,916	\$ 467,917	\$ 490,801
Later than one year but not later than five years	1,253,184	1,517,607	1,940,893
	<u>\$ 1,713,100</u>	<u>\$ 1,985,524</u>	<u>\$ 2,431,694</u>

C. Reconciliation of the undiscounted lease payments and the net investment in the finance lease is provided as follows:

		June 30, 2021	
		Current	Non-current
Undiscounted lease payments	\$	459,916	\$ 1,253,184
Unearned finance income	(	23,275)	(31,149)
Net investment in lease	\$	<u>436,641</u>	<u>\$ 1,222,035</u>
		December 31, 2020	
		Current	Non-current
Undiscounted lease payments	\$	467,917	\$ 1,517,607
Unearned finance income	(	8,636)	(58,441)
Net investment in lease	\$	<u>459,281</u>	<u>\$ 1,459,166</u>
		June 30, 2020	
		Current	Non-current
Undiscounted lease payments	\$	490,801	\$ 1,940,893
Unearned finance income		59,306	185,674
Net investment in lease	\$	<u>550,107</u>	<u>\$ 2,126,567</u>

The net investment in the financial lease is shown as “other receivables” and “other non-current assets”, respectively.

(13) Investment property

		Land and buildings	
		2021	2020
<u>At January 1</u>			
Cost	\$	15,528,707	\$ 8,015,199
Accumulated depreciation and impairment	(	4,445,434)	(3,595,287)
	\$	<u>11,083,273</u>	<u>\$ 4,419,912</u>
<u>For the six-month period ended June 30</u>			
Opening net book amount as at January 1	\$	11,083,273	\$ 4,419,912
Transfer in		275,996	6,638,455
Transfer out	(	183,920)	-
Depreciation charge	(	406,897)	(359,475)
Net exchange differences	(	122,895)	(213,281)
Closing net book amount as at June 30	\$	<u>10,645,557</u>	<u>\$ 10,485,611</u>
<u>At June 30</u>			
Cost	\$	15,370,584	\$ 14,683,731
Accumulated depreciation and impairment	(	4,725,027)	(4,198,120)
	\$	<u>10,645,557</u>	<u>\$ 10,485,611</u>

A. Rental income from the lease of the investment property and direct operating expenses arising

from the investment property are shown below:

	For the three-month periods ended June 30,	
	2021	2020
Rental income from the lease of the investment property	\$ <u>301,205</u>	\$ <u>283,011</u>
Direct operating expenses arising from the investment property that generated rental income for the period	\$ <u>214,064</u>	\$ <u>179,872</u>
	For the six-month periods ended June 30,	
	2021	2020
Rental income from the lease of the investment property	\$ <u>545,826</u>	\$ <u>413,042</u>
Direct operating expenses arising from the investment property that generated rental income for the period	\$ <u>406,897</u>	\$ <u>359,475</u>

- B. The Group assesses the recoverable amounts of those assets where there is an indication that they are impaired. There were no impairment losses during the six-month periods ended June 30, 2021 and 2020.
- C. The fair value of the investment property held by the Group as at June 30, 2021, December 31, 2020 and June 30, 2020 was \$28,165,469, \$28,531,066 and \$11,015,829, respectively, which was revalued by independent appraisers. The valuation is based on latest market price of similar investment property in the same area and condition which is categorized within Level 3 in the fair value hierarchy.

(14) Intangible assets

2021

	Goodwill	Concession	Patents	Trademarks	Developed technology	Customer relationships	Software	Total
<u>At January 1</u>								
Cost	\$17,266,764	\$14,581,255	\$ 4,323,547	\$ 9,447,950	\$10,386,924	\$ 1,657,536	\$ -	\$57,663,976
Accumulated amortization and impairment	(2,349,869)	(4,719,570)	(2,945,509)	(519,023)	(2,012,836)	(357,086)	-	(12,903,893)
	<u>\$14,916,895</u>	<u>\$ 9,861,685</u>	<u>\$ 1,378,038</u>	<u>\$ 8,928,927</u>	<u>\$ 8,374,088</u>	<u>\$ 1,300,450</u>	<u>\$ -</u>	<u>\$44,760,083</u>
Opening net book amount as at January 1	\$14,916,895	\$ 9,861,685	\$ 1,378,038	\$ 8,928,927	\$ 8,374,088	\$ 1,300,450	\$ -	\$44,760,083
Transfer	-	-	-	-	-	-	2,369,522	\$ 2,369,522
Additions	-	-	92,833	-	-	-	561,921	654,754
Disposals	-	-	-	-	-	-	(28,336)	(28,336)
Amortisation charge	-	(462,373)	(130,263)	(246,466)	(305,675)	(77,679)	(548,902)	(1,771,358)
Net exchange differences	(319,774)	-	(27,439)	(142,682)	(40,482)	(27,455)	(18,662)	(576,494)
Closing net book amount as at June 30	<u>\$14,597,121</u>	<u>\$ 9,399,312</u>	<u>\$ 1,313,169</u>	<u>\$ 8,539,779</u>	<u>\$ 8,027,931</u>	<u>\$ 1,195,316</u>	<u>\$ 2,335,543</u>	<u>\$45,408,171</u>
<u>At June 30</u>								
Cost	\$16,895,835	\$14,581,255	\$ 4,324,524	\$ 9,292,174	\$10,299,259	\$ 1,621,452	\$ 7,915,888	\$64,930,387
Accumulated amortization and impairment	(2,298,714)	(5,181,943)	(3,011,355)	(752,395)	(2,271,328)	(426,136)	(5,580,345)	(19,522,216)
	<u>\$14,597,121</u>	<u>\$ 9,399,312</u>	<u>\$ 1,313,169</u>	<u>\$ 8,539,779</u>	<u>\$ 8,027,931</u>	<u>\$ 1,195,316</u>	<u>\$ 2,335,543</u>	<u>\$45,408,171</u>

2020

	Goodwill	Concession	Patents	Trademarks	Developed technology	Customer relationships	Total
<u>At January 1, 2020</u>							
Cost	\$ 17,880,175	\$ 14,169,255	\$ 4,805,694	\$ 9,721,511	\$ 4,239,016	\$ 1,744,836	\$ 52,560,487
Accumulated amortization and impairment	(2,473,634)	(3,810,083)	(2,911,823)	(305,822)	(1,468,219)	(210,553)	(11,180,134)
	<u>\$ 15,406,541</u>	<u>\$ 10,359,172</u>	<u>\$ 1,893,871</u>	<u>\$ 9,415,689</u>	<u>\$ 2,770,797</u>	<u>\$ 1,534,283</u>	<u>\$ 41,380,353</u>
Opening net book amount as at January 1	\$ 15,406,541	\$ 10,359,172	\$ 1,893,871	\$ 9,415,689	\$ 2,770,797	\$ 1,534,283	\$ 41,380,353
Additions	-	412,000	159,356	-	-	-	571,356
Amortisation charge	-	(452,200)	(193,581)	(117,912)	(325,532)	(82,725)	(1,171,950)
Purchase price allocation	187,712	-	-	-	-	-	187,712
Net exchange differences	(175,203)	-	(37,407)	(82,466)	(28,332)	(16,892)	(340,300)
Closing net book amount as at June 30	<u>\$ 15,419,050</u>	<u>\$ 10,318,972</u>	<u>\$ 1,822,239</u>	<u>\$ 9,215,311</u>	<u>\$ 2,416,933</u>	<u>\$ 1,434,666</u>	<u>\$ 40,627,171</u>
<u>At June 30</u>							
Cost	\$ 17,863,805	\$ 14,581,255	\$ 4,890,692	\$ 9,634,131	\$ 4,189,529	\$ 1,724,466	\$ 52,883,878
Accumulated amortization and impairment	(2,444,755)	(4,262,283)	(3,068,453)	(418,820)	(1,772,596)	(289,800)	(12,256,707)
	<u>\$ 15,419,050</u>	<u>\$ 10,318,972</u>	<u>\$ 1,822,239</u>	<u>\$ 9,215,311</u>	<u>\$ 2,416,933</u>	<u>\$ 1,434,666</u>	<u>\$ 40,627,171</u>

A. Impairment assessment for goodwill of Belkin International Inc.

The Group acquired Belkin International Inc. (referred herein as “Belkin”) which generated goodwill of \$13,563,157. Impairment assessment of goodwill is allocated to the Belkin’s CGU. The recoverable amount of the CGU relating to the goodwill arising from acquisition of Belkin was determined based on value-in-use calculation. The calculation uses projected cash flows based on financial budgets for the next five-year period.

Management determined budgeted gross margin based on past performance and their expectations of market development. The weighted average growth rates used are consistent with the projection included in industry reports. Cash flows beyond the five-year period are extrapolated using the estimated growth rates.

The assumptions used in the main assessment on December 31, 2020 are as follows:

Five-year revenue growth rate	10%
Long-term revenue growth rate	2%
Pre-tax discount rate	16.5%

Based on the above assessment, there is no impairment loss on goodwill as of June 30, 2021.

B. The details of amortisation are as follows:

	For the three-month periods ended June 30,	
	2021	2020
Operating costs and operating expenses	\$ 846,455	\$ 585,472
	For the six-month periods ended June 30,	
	2021	2020
Operating costs and operating expenses	\$ 1,771,358	\$ 1,171,950

(15) Other non-current assets

	June 30, 2021	December 31, 2020	June 30, 2020
Utility duct access	\$ 821,878	\$ 913,198	\$ 1,004,517
Computer software cost	-	2,369,522	2,577,408
Refundable deposits	2,324,858	2,483,407	1,801,418
Assets recognised for incremental costs of obtaining contract with customers	2,477,396	2,146,582	1,971,410
Prepayments for equipment	1,866,545	1,748,399	1,866,542
Net investment in lease	1,222,035	1,459,166	2,126,567
Others	3,533,927	4,614,397	3,954,117
	<u>\$ 12,246,639</u>	<u>\$ 15,734,671</u>	<u>\$ 15,301,979</u>

A. Incremental costs of obtaining a contract

A subsidiary of the Company, Asia Pacific Telecom Co., Ltd., recognises the incremental costs (mainly comprised of sales commissions) of obtaining a contract with a customer as an asset if the Group expects to recover those costs. The recognised asset is amortised on a systematic basis

that is consistent with the transfers to the customer of the goods or services to which the asset relates. The Group recognised amortised costs of \$438,161, \$473,156, \$865,591 and \$983,662 in profit or loss for the three-month and six-month periods ended June 30, 2021 and 2020, respectively.

B. Details of net investment in lease is provided in Note 6(12).

C. Details of other non-current assets pledged as collateral are provided in Note 8.

(16) Short-term notes and bills payable

	June 30, 2021	December 31, 2020	June 30, 2020
Commercial paper	\$ 25,560,000	\$ 39,139,779	\$ 41,150,162
Less: Unamortized discount	(12,464)	(37,886)	(78,710)
	<u>\$ 25,547,536</u>	<u>\$ 39,101,893</u>	<u>\$ 41,071,452</u>
Interest rates per annum	<u>0.328%~1.05%</u>	<u>0.498%~1.238%</u>	<u>0.688%~1.488%</u>

(17) Short-term loans

Type of loans	June 30, 2021	Interest rate range	Collateral
Bank loans			
Credit loans	<u>\$ 461,186,722</u>	0.35%~6.4%	None
Type of loans	December 31, 2020	Interest rate range	Collateral
Bank loans			
Credit loans	<u>\$ 446,422,100</u>	0.08%~8%	None
Type of loans	June 30, 2020	Interest rate range	Collateral
Bank loans			
Credit loans	\$ 415,792,794	0.81%~6.5%	None
Secured loans	<u>31,564</u>	4.25%	Time deposits
	<u>\$ 415,824,358</u>		

A. The above credit loans are all unsecured loans.

B. The Group has signed an agreement to offset financial assets and liabilities with financial institutions. The agreement meets the offsetting criteria of IAS 32, whereby the financial assets and liabilities are offset and reported in the net amount in the balance sheet. Details of the offset as of June 30, 2021, December 31, 2020 and June 30, 2020 are as follows:

	June 30, 2021		
Description	Gross amount of recognised financial assets and liabilities	Gross amount of recognised financial assets and liabilities offset in the balance sheet	Net amount of financial assets and liabilities presented in the balance sheet
Bank deposits and loans	<u>\$ 1,352,905,691</u>	<u>\$ 1,352,905,691</u>	<u>\$ -</u>

December 31, 2020			
Description	Gross amount of recognised financial assets and liabilities	Gross amount of recognised financial assets and liabilities offset in the balance sheet	Net amount of financial assets and liabilities presented in the balance sheet
Bank deposits and loans	\$ 1,259,254,404	\$ 1,259,254,404	\$ -
June 30, 2020			
Description	Gross amount of recognised financial assets and liabilities	Gross amount of recognised financial assets and liabilities offset in the balance sheet	Net amount of financial assets and liabilities presented in the balance sheet
Bank deposits and loans	\$ 1,504,438,468	\$ 1,504,438,468	\$ -

(18) Other payables

	June 30, 2021	December 31, 2020	June 30, 2020
Dividends payable	\$ 58,744,683	\$ -	\$ 58,604,017
Awards and salaries payable	48,588,389	54,865,333	47,253,167
Accrued interest payable	6,444,025	11,989,073	15,811,314
Employees' bonuses payable	22,296,450	20,510,641	20,217,588
Payables for equipment	21,436,953	22,979,363	15,670,758
Consumption goods expense payable (including indirect materials)	12,106,390	12,695,792	9,603,986
Royalty fees payable	5,810,357	6,186,346	5,606,866
Tax payable	3,871,128	6,074,678	4,095,168
Restricted stock repurchase obligation	2,386,474	3,436,024	4,271,559
Others	71,627,067	81,439,965	64,407,354
	<u>\$ 253,311,916</u>	<u>\$ 220,177,215</u>	<u>\$ 245,541,777</u>

A subsidiary of the Company, Foxconn Industrial Internet Co., Ltd., issued employees' restricted shares in 2019. Employees have to pay to acquire those stocks, and if employees resign during the vesting period, they must return the stocks to the Group and the Group must refund payments made on the stocks. The Group recognises the payments from the employees who are expected to resign during the vesting period as liabilities at the grant date.

(19) Other current liabilities

	<u>June 30, 2021</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Receipts in advance of payments for equipment on behalf of others	\$ 18,087,136	\$ 17,510,796	\$ 10,024,410
Contract liabilities - advance payment	12,676,181	17,761,388	22,914,957
Contract liabilities - deferred income	7,413,719	7,451,145	7,272,486
Bonds payable maturing within one year	42,516,000	42,231,956	34,935,699
Long-term loans maturing within one year	29,988,431	14,718,255	10,188,814
Others	9,671,586	5,799,671	7,478,640
	<u>\$ 120,353,053</u>	<u>\$ 105,473,211</u>	<u>\$ 92,815,006</u>

(20) Bonds payable

	<u>June 30, 2021</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Convertible bonds payable	\$ 14,778,442	\$ 14,778,442	\$ 16,596,000
Add: Premium on bonds payable	7,500	7,500	7,500
Less: Discount on bonds payable	(326,673)	(442,599)	(624,686)
	14,459,269	14,343,343	15,978,814
Corporate bonds payable	133,100,000	130,400,000	124,350,000
Foreign unsecured corporate bonds	96,855,290	99,180,176	73,037,950
	244,414,559	243,923,519	213,366,764
Less: Current portion (shown as "other current liabilities")	(42,516,000)	(42,231,956)	(34,935,699)
	<u>\$ 201,898,559</u>	<u>\$ 201,691,563</u>	<u>\$ 178,431,065</u>

A. First overseas convertible bond issue of 2017

- (a) The Company issued the first overseas unsecured convertible bonds totaling USD 500 million with the approval of the competent authority on August 22, 2017. The bonds carry zero coupon rate over five years. The circulation period is from November 6, 2017 to November 6, 2022.
- (b) The conversion price is adjusted in line with the model specified in the conversion rules. As of June 30, 2021, there has not been any converted common stock at the conversion price of NT\$151.583 (using the exchange rate of 1 USD: 30.192 TWD) which was adjusted by the Company on July 30, 2021 based on the conversion rules of the first overseas convertible bond issue of 2017.
- (c) In accordance with the conversion rules, if the convertible bond is purchased (including purchased from the secondary market), early redeemed, or repaid at maturity by the Company, or if the convertible bond is converted into common stocks or redeemed by the bondholder,

the bond is to be retired and will not be reissued.

- (d) In accordance with the conversion rules, the rights and obligations of common stocks converted are the same as the outstanding ones previously subscribed.
- (e) The conversion options for the first overseas convertible bond issue of 2017 are separated from the liabilities and recorded as ‘capital surplus – share options’ amounting to \$1,099,253.
- (f) In accordance with the conversion rules, bondholders have the right to request the Company to redeem any bonds at the price of the bonds’ par value upon three years from the issue date. On November 6, 2020, bondholders requested to redeem bonds totaling \$1,817,558 (USD 60,200 thousand).

B. First unsecured convertible bond issue of 2018

- (a) ShunSin Technology Holdings Limited, a subsidiary of the Company, issued the first unsecured convertible bonds totaling \$1,500 million with the approval of the competent authority on January 10, 2018. The bonds carry zero coupon rate over five years. The circulation period is from February 12, 2018 to February 12, 2023.
- (b) The conversion price is NT\$165.4 after adjusting in line with the model specified in the conversion rules.
- (c) As the bondholders have the right to request the Company to redeem the bond at the price of the bond’s par value after three years from the bonds’ issue date (February 12, 2021 is the selling base day of the bondholders), the subsidiary, ShunSin Technology Holdings Limited, needs to redeem the bonds at par value. In the first quarter of 2020, the corporate bonds payable and the financial assets and liabilities at fair value through profit or loss-non-current were reclassified into other current liabilities. Nevertheless, the bonds payable is not required to be fully paid off within one year. On February 12, 2021, no bondholder has requested to redeem the bonds. Therefore, the corporate bonds were reclassified to non-current liabilities.
- (d) The conversion options of the bonds were separated from liabilities and recognised respectively as equity and liabilities at its issuance as follows:

Convertible bonds’ present value at compound interest	\$	1,357,350
Embedded derivatives (i.e. put options and redemption rights)		13,650
Components of equity at issuance		<u>129,000</u>
	\$	<u>1,500,000</u>

- (e) The details of financial asset (liabilities) at fair value through profit or loss are as follows:

	June 30, 2021	December 31, 2020	June 30, 2020
Embedded derivatives (i.e. put options and redemption rights)	\$ 2,550	\$ 2,250	\$ 2,250
Valuation (loss) gain	(2,100)	300	(4,500)
	<u>\$ 450</u>	<u>\$ 2,550</u>	<u>(\$ 2,250)</u>

C. For details of principal, interest rate, maturity and other information of corporate bonds payable

and foreign unsecured corporate bonds, please refer to Table 12.

(21) Long-term loans

<u>Institution</u>	<u>Loan period</u>	<u>Interest rate</u>	<u>Collateral</u>	<u>June 30, 2021</u>
Long-term loans				
Mizuho Corporate Bank Ltd., etc. syndicated loan	2019/03/19~ 2022/02/26	0.9967%~ 1.0467%	None	\$ 16,019,500
Mizuho Corporate Bank Ltd., etc. syndicated loan	2020/11/21~ 2025/11/25	0.4800%	None	2,751,450
First Commercial Bank	2011/11/30~ 2030/11/30	1.2791%	Yes	2,022,857
First Commercial Bank	2013/09/06~ 2033/09/06	1.4905%	Yes	1,103,226
First Commercial Bank	2015/04/09~ 2022/03/10	1.5433%	None	1,158
The Shanghai Commercial & Savings Bank, Ltd.	2013/06/17~ 2028/04/15	1.6700%	Yes	9,710
Jincheng Bank Company Limited	2019/01/29~ 2022/01/25	9.1000%	Yes	276,013
Jih Sun International Bank Ltd.	2019/11/25~ 2022/11/25	1.0300%	None	1,000,000
Agricultural Bank of China Limited	2017/05/23~ 2027/12/26	4.4100%~ 4.900%	None	6,035,948
Taiwan Cooperative Bank	2019/12/16~ 2024/12/16	1.5000%	None	7,673
SG Equipment Finance Czech Republic s.r.o.	2017/11/09~ 2022/08/15	3.4700%	None	1,657
ChinaTrust Commercial Bank Ltd., etc. syndicated loan	2020/10/29~ 2022/12/26	1.8499%	None	840,000
The Shanghai Commercial & Savings Bank, Ltd.	2021/06/25~ 2024/06/25	1.4950%	None	3,333
Industrial and Commercial Bank of China Limited, Singapore Branch	2021/02/04~ 2025/11/24	1.39225%~ 1.34904%	None	16,716,000
Other loan				
China Bills Finance Corporation etc. syndicated loan	2018/08/22~ 2021/08/21	1.038%~ 1.046%	None	13,500,000
				60,288,525
Less: Current portion				(29,988,431)
Administration fee of syndicated loans				(6,942)
Unamortised discount				(15,089)
				<u>\$ 30,278,063</u>

<u>Institution</u>	<u>Loan period</u>	<u>Interest rate</u>	<u>Collateral</u>	<u>December 31, 2020</u>
Long-term loans				
Mizuho Corporate Bank Ltd., etc. syndicated loan	2019/03/19~ 2022/02/26	0.9952%~ 1.0452%	None	\$ 16,376,000
Mizuho Corporate Bank Ltd., etc. syndicated loan	2020/11/21~ 2025/11/25	0.4800%	None	4,552,600
First Commercial Bank	2011/11/30~ 2030/11/30	1.2791%	Yes	2,022,857
First Commercial Bank	2013/09/06~ 2033/09/06	1.4905%	Yes	1,147,355
First Commercial Bank	2015/04/09~ 2022/03/10	1.5433%	None	1,929
The Shanghai Commercial & Savings Bank, Ltd.	2013/06/17~ 2028/04/15	1.6700%	Yes	11,400
Jincheng Bank Company Limited	2019/01/29~ 2022/01/25	9.1000%	Yes	322,240
Jih Sun International Bank Ltd.	2019/11/25~ 2022/11/25	1.0300%	None	1,000,000
Agricultural Bank of China Limited	2017/05/23~ 2027/12/26	4.4100%~ 4.900%	None	6,549,138
Taiwan Cooperative Bank	2019/12/16~ 2024/12/16	1.5000%	None	8,737
SG Equipment Finance Czech Republic s.r.o.	2017/11/09~ 2022/08/15	3.4700%	Yes	2,404
ChinaTrust Commercial Bank Ltd., etc. syndicated loan	2020/10/29~ 2022/12/26	1.8499%	None	840,000
Other loan				
China Bills Finance Corporation etc. syndicated loan	2018/08/22~ 2021/08/21	1.038%~ 1.046%	None	13,500,000
				46,334,660
Less: Current portion				(14,718,255)
Administration fee of syndicated loans				(12,555)
Unamortised discount				(10,653)
				<u>\$ 31,593,197</u>

Institution	Loan period	Interest rate	Collateral	June 30, 2020
Long-term loans				
Mizuho Corporate Bank Ltd., etc. syndicated loan	2019/03/19~ 2022/02/26	1.8592%~ 3.0300%	None	\$ 17,037,250
Mizuho Corporate Bank Ltd., etc. syndicated loan	2015/11/30~ 2020/11/30	0.4800%	None	2,827,950
ING Bank, N.V. etc. syndicated loan	2013/01/07~ 2020/07/29	1.7900%	None	1,070,785
First Commercial Bank	2011/11/30~ 2030/11/30	1.5433%	Yes	2,142,857
First Commercial Bank	2013/09/06~ 2033/09/06	1.7548%	Yes	1,191,484
First Commercial Bank	2015/04/09~ 2022/04/09	1.8076%	None	2,701
The Shanghai Commercial & Savings Bank, Ltd.	2013/06/17~ 2028/04/15	1.9900%~ 2.2000%	Yes	13,091
Jincheng Bank Company Limited	2019/01/29~ 2022/01/25	9.1000%	Yes	330,750
Agricultural Bank of China Limited	2017/05/23~ 2027/12/26	4.4100%~ 4.900%	None	6,428,405
Taiwan Cooperative Bank	2019/12/16~ 2024/12/16	1.5000%	None	5,648
SG Equipment Finance Czech Republic s.r.o.	2017/11/09~ 2022/08/15	3.4700%	Yes	2,898
Other loan				
China Bills Finance Corporation etc. syndicated loan	2016/08/22~ 2021/12/22	1.038%~ 1.046%	None	19,900,000
Other			None	6,040
				50,959,859
Less: Current portion				(10,188,814)
Administration fee of syndicated loans				(18,741)
Unamortised discount				(20,943)
				<u>\$ 40,731,361</u>

A. Throughout the term of Mizuho Corporate Bank Ltd., JihSun International Commercial Bank Co., Ltd., ING Bank, N.V., First Commercial Bank and ChinaTrust Commercial Bank Ltd., etc. syndicated long-term loan agreement, the Group shall maintain certain financial ratios including current ratio, net debt to tangible assets and interest coverage ratio, to be tested semi-annually and annually on consolidated basis. The Group's financial ratios in the consolidated financial statements as of June 30, 2021 met the financial covenants of abovementioned syndicated long-term agreement.

B. Details of long-term loans pledged as collateral are provided in Note 8.

(22) Pensions

A. Defined benefit plans

- (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law of Taiwan, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.
- (b) For the aforementioned pension plan, the Group recognised pension costs of \$4,691, \$4,111, \$9,931 and \$9,662 for the three-month and six-month periods ended June 30, 2021 and 2020, respectively.
- (c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2022 amount to \$15,845.

B. Defined contribution plans

- (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) The subsidiaries in mainland China have defined contribution pension plans and contribute an amount monthly based on 8%~9% of employees' monthly salaries and wages to an independent fund administered by a government agency. The plan is administered by the government of mainland China. Other than the monthly contributions, the Group does not have further pension liabilities.
- (c) The pension costs under the defined contribution pension plans of the Group for the three-month and six-month periods ended June 30, 2021 and 2020 were \$4,157,169, \$2,453,131, \$7,600,047 and \$5,002,044, respectively. As a result of the coronavirus pandemic in China in early 2020, the local government reduced by half the pension insurance for a period of six

months from February 2020.

(23) Share-based payment

As of June 30, 2021, December 31, 2020 and June 30, 2020, the share-based payment transactions of Foxconn Interconnect Technology Limited and Foxconn Industrial Internet Co., Ltd., subsidiaries of the Company, are set forth below:

Type of arrangement	Grant date	Quantity granted	Vesting conditions
Senior management share grant plan	January 1, 2015	349,440,000	Note (1)
Restricted share plan	December 6, 2017	259,240,433	Note (2)
Restricted share plan	April 30, 2019	149,183,352	Note (2)
Restricted share plan	September 11, 2019	10,348,325	Note (2)
Restricted share plan	December 31, 2019	18,881,226	Note (2)
Employee stock options	April 30, 2019	25,947,021	Note (3)
Employee stock options	September 11, 2019	473,000	Note (3)
Employee stock options	December 31, 2019	6,013,755	Note (3)
Employee stock options	December 28, 2018	41,763,000	Note (5)

Note 1: Grantees do not need to pay to acquire those shares. Issuance of shares is based on grantees' service periods. Shares will be vested from March 31, 2017 in accordance with the number of the grantees' shares at 9% in each quarter of 2017, 3% in each quarter of 2018 and 3.25% in each quarter from 2019 to 2022. Such vesting schedule was subsequently revised by the Company in May 2017, under which the shares will be vested from March 31, 2018 in accordance with the number of the grantees' shares at 12% in each quarter of 2018 and 3.25% in each quarter from 2019 to 2022.

Note 2: The employees can only exercise the rights after fulfilling the stipulated term of service under the limited partnership agreement. The difference between the fair value of the equity instrument and the consideration paid by the employee to acquire the instrument is amortised over a service period of 3 to 5 years starting from the grant date.

Note 3: From the date of grant that exercises issue annually in five years, each issue exercises 20% equally.

Note 4: Vesting period is over 1 to 4 years starting from grant date which was December 28, 2018.

A. Senior management share grant plan-Foxconn Interconnect Technology Limited

The weighted average fair value of shares granted under this plan determined using the H-model was USD 0.25 per share. The significant inputs into the model were weighted average cost of capital of 13.4%, perpetuity growth rate of 3%, discount for lack of marketability of 20% and control premium of 20%. The volatility is measured at the standard deviation of continuously compounded share returns based on statistical analysis of daily share prices of comparable companies in the market. For the three-month and six-month periods ended June 30, 2021 and 2020, expenses incurred on senior management share grant plan were \$17,561 (USD628 thousands), \$40,469 (USD1,353 thousand), \$35,382 (USD1,256 thousand) and \$73,500 (USD2,450 thousand), respectively.

B. Restricted share plan-Foxconn Industrial Internet Co., Ltd.

The fair value of shares granted was RMB3,873,301 thousand. For the three-month and six-month periods ended June 30, 2021 and 2020, expenses incurred on restricted share plan were \$810,085 (RMB186,527 thousand), \$1,108,624 (RMB262,252 thousand), \$1,251,495 (RMB287,363 thousand) and \$2,005,395 (RMB470,088 thousand), respectively.

C. Employee stock options-Foxconn Industrial Internet Co., Ltd.

The increment of fair value related to the Options determined using the Black-Scholes model was RMB217,098 thousand.

For the three-month and six-month periods ended June 30, 2021 and 2020, expenses incurred on employee stock options were reversed amounting to \$113,233 (RMB25,765 thousand), \$83,714 (RMB19,815 thousand), \$86,954 (RMB19,966 thousand) and \$155,875 (RMB36,539 thousand), respectively.

D. Employee stock options-Foxconn Interconnect Technology Limited

On December 28, 2018, the Company granted certain eligible employees an aggregated 41,763,000 share options at an exercise price of HKD3.422 per share and will be vested over 1-year to 4-year period. The share options granted are subject to performance related adjustment. The fair value of the options determined using the Black-Scholes model was \$185,091 (USD6,139 thousand), and the share-based payment expenses incurred under this transaction for the three-month and six-month periods ended June 30, 2021 and 2020 were \$5,034 (USD180 thousands), \$10,103 (USD338 thousand), \$10,141 (USD360 thousand) and \$20,160 (USD672 thousand), respectively.

(24) Other non-current liabilities

	June 30, 2021	December 31, 2020	June 30, 2020
Deferred government grants	\$ 4,590,274	\$ 4,598,516	\$ 2,850,002
Reserve for retirement pension	1,498,835	1,460,160	1,414,001
Advanced rent receipts	1,629,264	1,693,008	-
Others	2,790,295	3,231,652	2,851,725
	<u>\$ 10,508,668</u>	<u>\$ 10,983,336</u>	<u>\$ 7,115,728</u>

(25) Provisions

	Warranty	Decommissioning liabilities	Others	Total
At January 1, 2021	\$ 4,128,480	\$ 407,915	\$ 8,037	\$ 4,544,432
Provisions during the period	225,901	15,342	-	241,243
Used during the period	(125,627)	-	-	(125,627)
Unused amounts reversed	(312,160)	-	-	(312,160)
Exchange differences	(40,106)	-	-	(40,106)
At June 30, 2021	<u>\$ 3,876,488</u>	<u>\$ 423,257</u>	<u>\$ 8,037</u>	<u>\$ 4,307,782</u>

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Analysis of total provisions:

	June 30, 2021	December 31, 2020	June 30, 2020
Current	\$ 3,884,525	\$ 4,136,517	\$ 2,527,551
Non-current	\$ 423,257	\$ 407,915	\$ 377,714

A. The Group provides warranties on 3C products sold. Provision for warranty is estimated based on historical warranty data of 3C products.

B. In accordance with the applicable agreements or the law/regulation requirements, the Group bears dismantling, removing the asset and restoring the site obligations for certain base stations. Provision was recognised at the present value of costs which was estimated to be incurred for dismantling, removing the asset and restoring the site. The decommissioning activities are ongoing.

(26) Share capital—common stock

A. As of June 30, 2021, the Company's authorized capital was \$180,000,000, consisting of 18 billion shares of ordinary stock, and the paid-in capital was \$138,629,906, consisting of 13,862,991 thousand shares with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

B. Pursuant to the resolution adopted at the stockholders' meeting held on June 1, 1999, and after obtaining approval from the SFC, the Company issued 50 million ordinary shares so as to issue 25 million units of global depository receipts (GDRs) in Europe, Asia and the USA. The issuance amounted to USD 347,250 thousand, and the main terms and conditions of the GDRs are as follows:

(a) Voting

Holders of GDRs have no right to directly exercise voting rights or attend the Company's stockholders' meeting, except when a motion is on the election of directors or supervisors.

A holder or holders together holding at least 51% of the GDRs outstanding at the relevant record date of the stockholders' meeting can instruct the Depositary to vote in the same direction in respect of one or more resolutions to be proposed at the meeting.

(b) Sale and withdrawal of GDRs

Under the current R.O.C. law, shares represented by the GDRs may be withdrawn by holders of GDRs commencing three months after the initial issue of GDRs. A holder of a GDR may, provided that the Company has delivered to the custodian physical share certificates in respect of the Deposited Shares, request the Depositary to sell or cause to be sold on behalf of such holder the shares represented by such GDRs.

(c) Dividends

GDR holders are entitled to receive dividends to the same extent as the holders of common stock.

(d) As of June 30, 2021, 94,672 thousand units of GDRs were outstanding, which represents 189,344 thousand shares of common stock.

C. Treasury stocks

The Company's subsidiary, Hon Jin International Investment Co., Ltd., acquired ordinary shares issued by the Company in 1998. As of June 30, 2021, December 31, 2020 and June 30, 2020, the subsidiary all owned a total of 1,483,078 shares. The original cost of treasury stocks was \$18,901, and the cost after capital reduction was \$15,194.

(27) Capital surplus

Pursuant to the R.O.C. Company Act, capital reserve arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital reserve to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital reserve should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2021				
	Share premium	Changes in ownership interests in subsidiaries	Net change in equity of associates	Share option	Total
At January 1	\$ 88,501,031	\$102,442,097	\$ 10,603,561	\$ 1,099,253	\$202,645,942
Adjustments arising from changes in percentage of ownership in subsidiaries	-	2,020,556	-	-	2,020,556
Changes in equity of associates and joint ventures accounted for under the equity method	-	-	(5,371,544)	-	(5,371,544)
At June 30	<u>\$ 88,501,031</u>	<u>\$104,462,653</u>	<u>\$ 5,232,017</u>	<u>\$ 1,099,253</u>	<u>\$199,294,954</u>
	2020				
	Share premium	Changes in ownership interests in subsidiaries	Net change in equity of associates	Share option	Total
At January 1	\$ 88,501,031	\$ 99,189,558	\$ 10,593,529	\$ 1,099,253	\$199,383,371
Adjustments arising from changes in percentage of ownership in subsidiaries	-	2,684,433	-	-	2,684,433
Changes in equity of associates and joint ventures accounted for under the equity method	-	-	(335,762)	-	(335,762)
At June 30	<u>\$ 88,501,031</u>	<u>\$101,873,991</u>	<u>\$ 10,257,767</u>	<u>\$ 1,099,253</u>	<u>\$201,732,042</u>

Regarding the recognition of the capital surplus from changes in ownership interests in subsidiaries, please refer to Note 6(30) for details.

(28) Retained earnings

A. The annual net income of the Company shall be appropriated in accordance with the priorities listed as follows:

(a) Recovery of losses;

(b) Appropriation of 10% for legal reserve.

(c) Appropriation or reversal of special reserve pursuant to applicable law or regulation.

As to the earnings available for appropriation to shareholders including accumulated unappropriated earnings and earnings available for appropriation this year, the board of directors is authorized to draft an appropriation plan in accordance with the dividend policy in Section D of the Articles of Incorporation.

The board of directors is authorized to distribute dividends and bonuses in whole or in part, which may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors.

The Company is currently at a developing stage. The Company's dividend distribution policy is subject to the Company's current and future investment environment, fund requirements, competition from local and abroad, and capital budgets, as well as taking into consideration the interests of shareholders and the long-term financial planning. Shareholder dividends are set aside on accumulated unappropriated earnings, which shall not be less than 15% of earnings available for appropriation for the year and cash dividends shall not be less 10% of total dividends.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. The appropriations of 2020 earnings had been resolved through electronic voting on June 22, 2021 as it met the statutory resolution threshold. The appropriations of 2019 earnings had been resolved at the shareholders' meeting on June 23, 2020. Details are summarised as follows:

	2020		2019	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 9,711,843		\$ 11,530,874	
Stock dividends	(15,136,594)		42,141,793	
Cash dividends	55,451,962	\$ 4.0	58,224,561	\$ 4.2
	<u>\$ 50,027,211</u>		<u>\$ 111,897,228</u>	

The information on distribution of earnings will be posted on the “Market Observation Post System” of the TSEC.

(29) Other equity items

	2021			
	Financial assets at fair value through other comprehensive income			
		Currency translation adjustments	Hedging instruments	Total
At January 1	\$ 37,236,853	(\$ 124,551,979)	\$ -	(\$ 87,315,126)
Revaluation:				
- Group	26,750,536	-	-	26,750,536
- Associates	4,277,777	-	-	4,277,777
Revaluation transferred to retained earnings	1,326	-	-	1,326
Currency translation:				
- Group	- (20,263,346)	- (20,263,346)	- (20,263,346)	- (20,263,346)
- Associates	- (4,965,219)	- (4,965,219)	- (4,965,219)	- (4,965,219)
Cash flow hedges:				
- Fair value gains in the period	-	-	529,834	529,834
- Tax on fair value gains	-	- (48,741)	(48,741)	(48,741)
- Transfers to other equity items	-	- (371,298)	(371,298)	(371,298)
At June 30	<u>\$ 68,266,492</u>	<u>(\$ 149,780,544)</u>	<u>\$ 109,795</u>	<u>(\$ 81,404,257)</u>
	2020			
	Financial assets at fair value through other comprehensive income			
		Currency translation adjustments		Total
At January 1	\$ 11,437,746	(\$ 113,889,466)	(\$ 102,451,720)	
Revaluation:				
- Group	1,199,338	-	1,199,338	
- Associates	(3,558,208)	- (3,558,208)		
Revaluation transferred to retained earnings	(700,641)	- (700,641)		
Currency translation:				
- Group	- (35,196,493)	(35,196,493)		
- Associates	- (1,887,169)	(1,887,169)		
At June 30	<u>\$ 8,378,235</u>	<u>(\$ 150,973,128)</u>	<u>(\$ 142,594,893)</u>	

(30) Non-controlling interests

	For the six-month periods ended June 30,	
	2021	2020
At January 1	\$ 176,869,033	\$ 159,641,071
Share attributable to non-controlling interests:		
Gain for the period	5,257,610	2,584,214
Currency translation difference	(1,447,542)	(3,316,558)
Unrealised gains and losses on investments in equity instruments measured at fair value through other comprehensive income	89,781	(506,509)
Gain on hedging instrument	6,401	-
Earnings distribution to non-controlling interests	(3,292,721)	(2,685,915)
Changes in non-controlling interests:	114,129	386,257
At June 30	<u>\$ 177,596,691</u>	<u>\$ 156,102,560</u>

Certain subsidiaries of the Group have issued employee share-based payment and new shares during 2021 and 2020. The Group has not purchased additional shares in proportion to its ownership and thus, the non-controlling interest of the Group increased by \$5,188, \$683,428, \$114,129 and \$386,257 and equity attributable to owners of the parent decreased by \$178,192, increased by \$1,783,732, increased by \$2,020,556 and increased by \$2,684,433, for the three-month and six-month periods ended June 30, 2021 and 2020, respectively.

(31) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

Revenue from external customer contracts	For the three-month periods ended June 30,	
	2021	2020
America	\$ 463,121,149	\$ 323,311,620
Ireland	411,012,143	338,478,009
China	112,736,496	146,690,626
Singapore	92,591,724	74,553,665
Japan	72,465,049	34,376,993
Taiwan	30,794,272	29,315,615
Others	168,745,807	181,610,379
	<u>\$ 1,351,466,640</u>	<u>\$ 1,128,336,907</u>

Revenue from external customer contracts	For the six-month periods ended June 30,	
	2021	2020
America	\$ 871,902,082	\$ 606,549,011
Ireland	891,450,048	607,298,920
China	225,924,277	231,646,806
Singapore	184,137,827	171,870,791
Japan	139,262,186	61,182,494
Taiwan	57,122,352	43,519,741
Others	328,780,691	335,402,266
	<u>\$ 2,698,579,463</u>	<u>\$ 2,057,470,029</u>

B. Contract assets and liabilities

The Group has recognised the following revenue-related contract liabilities:

	June 30, 2021	December 31, 2020	June 30, 2020	January 1, 2020
Contract liabilities (shown as “other current liabilities”)	<u>\$ 20,089,900</u>	<u>\$ 25,212,533</u>	<u>\$ 30,187,443</u>	<u>\$ 25,153,889</u>

Revenues of \$3,179,886, \$3,298,288, \$7,674,840 and \$8,119,418 were recognised for the three-month and six-month periods ended June 30, 2021 and 2020, respectively which were included in the contract liability balance at the beginning of the period.

C. Assets recognised from costs to obtaining a contract

Under IFRS 15, the incremental costs related to obtaining a telecommunication contract was recognised as an asset as the Group expects to recover these costs. For the details on incremental costs recognised during the three-month and six-month periods ended June 30, 2021, please refer to Note 6(15).

(32) Interest income

	For the three-month periods ended June 30,	
	2021	2020
Interest income from bank deposits	\$ 8,449,325	\$ 13,371,957
Interest income from current financial assets at amortised cost	<u>401,644</u>	<u>597,347</u>
	<u>\$ 8,850,969</u>	<u>\$ 13,969,304</u>
	For the six-month periods ended June 30,	
	2021	2020
Interest income from bank deposits	\$ 16,349,471	\$ 26,651,505
Interest income from current financial assets at amortised cost	<u>904,840</u>	<u>967,840</u>
	<u>\$ 17,254,311</u>	<u>\$ 27,619,345</u>

(33) Other income

		For the three-month periods ended June 30,	
		2021	2020
Rental income		510,572	601,098
Dividend income		1,176,718	1,133,885
Government grants		320,683	416,397
Other non-operating income		753,709	486,263
		<u>\$ 2,761,682</u>	<u>\$ 2,637,643</u>
		For the six-month periods ended June 30,	
		2021	2020
Rental income		1,143,170	964,080
Dividend income		7,407,207	1,179,358
Government grants		338,663	425,998
Other non-operating income		1,055,868	996,346
		<u>\$ 9,944,908</u>	<u>\$ 3,565,782</u>

(34) Other gains and losses

		For the three-month periods ended June 30,	
		2021	2020
Net gain on financial assets and liabilities at fair value through profit or loss		\$ 4,187,478	\$ 3,021,053
(Loss) gain on disposal of property, plant and equipment	(	158,931)	56,188
Gain (loss) on disposal of investment	(	1,016,764	621)
Net currency exchange (loss) gain	(	1,860,168)	2,328,578
Other losses	(	682,922)	709,195)
		<u>\$ 2,502,221</u>	<u>\$ 4,696,003</u>
		For the six-month periods ended June 30,	
		2021	2020
Net gain on financial assets and liabilities at fair value through profit or loss		\$ 7,794,986	\$ 2,803,432
(Loss) gain on disposal of property, plant and equipment	(	169,943)	31,783
Gain (loss) on disposal of investment	(	1,016,764	577)
Net currency exchange (loss) gain	(	5,023,642)	3,342,236
Other losses	(	633,543)	1,039,494)
		<u>\$ 2,984,622</u>	<u>\$ 5,137,380</u>

(35) Expenses by nature

Additional disclosures related to cost of sales and operating expenses are as follows:

	For the three-month periods ended June 30,	
	2021	2020
Product warranty costs	\$ 6,369,044	\$ 10,642,313
Employee benefit expense	82,813,449	73,778,701
Depreciation	16,305,620	15,628,278
Amortisation	1,284,616	1,058,628
	<u>\$ 106,772,729</u>	<u>\$ 101,107,920</u>
	For the six-month periods ended June 30,	
	2021	2020
Product warranty costs	\$ 12,896,456	\$ 17,217,313
Employee benefit expense	164,211,301	133,331,368
Depreciation	33,927,374	30,269,125
Amortisation	2,636,949	2,155,612
	<u>\$ 213,672,080</u>	<u>\$ 182,973,418</u>

(36) Employee benefit expense

	For the three-month periods ended June 30,	
	2021	2020
Wages and salaries	\$ 70,864,063	\$ 64,847,522
Share-based payment	719,447	1,242,910
Labor and health insurance fees	2,841,643	1,367,611
Pension costs	4,161,860	2,457,242
Other personnel expenses	4,226,436	3,863,416
	<u>\$ 82,813,449</u>	<u>\$ 73,778,701</u>
	For the six-month periods ended June 30,	
	2021	2020
Wages and salaries	\$ 141,365,294	\$ 115,365,798
Share-based payment	1,383,972	2,254,930
Labor and health insurance fees	5,700,008	3,455,018
Pension costs	7,609,978	5,011,706
Other personnel expenses	8,152,049	7,243,916
	<u>\$ 164,211,301</u>	<u>\$ 133,331,368</u>

- A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation. The ratio shall be between 5% and 7% for employees' compensation.
- B. For the three-month and six-month periods ended June 30, 2021 and 2020, employees' compensation was accrued at \$1,882,879, \$1,378,642, \$3,440,717 and \$1,542,834, respectively.

The aforementioned amounts were recognised in salary expenses. The expenses recognised for 2021 and 2020 were estimated and accrued based on 5% of profit of current year distributable. For 2020, the employees' compensation resolved by the Board of Directors amounted to \$6,001,329 on March 30, 2021. The amount was the same as the amount recognised in the financial statements for the year ended December 31, 2020, and will be distributed in the form of cash.

Information about the appropriation of employees' compensation (bonus) and directors' and supervisors' remuneration by the Company as proposed by the Board of Directors and resolved by the stockholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(37) Financial costs

	<u>For the three-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
Interest expense:		
Bank borrowings	\$ 3,856,666	\$ 10,125,064
Corporate bonds	1,367,267	408,813
Interest expense from lease liability	355,945	357,710
Financing expense from accounts receivable factoring	33,107	105,702
	<u>\$ 5,612,985</u>	<u>\$ 10,997,289</u>
	<u>For the six-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
Interest expense:		
Bank borrowings	\$ 9,349,965	\$ 20,661,598
Corporate bonds	2,188,251	1,361,495
Interest expense from lease liability	730,875	745,078
Financing expense from accounts receivable factoring	91,127	488,734
	<u>\$ 12,360,218</u>	<u>\$ 23,256,905</u>

(38) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the three-month periods ended June 30,	
	2021	2020
Current tax:		
Current tax on profits for the period	\$ 11,507,773	\$ 7,884,723
Tax on undistributed surplus earnings	2,369,329	257,101
Adjustments in respect of prior period	(4,219,565)	1,971,822
Total current tax	<u>9,657,537</u>	<u>10,113,646</u>
Deferred tax:		
Origination and reversal of temporary differences	<u>2,351,323</u>	(<u>644,013</u>)
Income tax expense	<u>\$ 12,008,860</u>	<u>\$ 9,469,633</u>
	For the six-month periods ended June 30,	
	2021	2020
Current tax:		
Current tax on profits for the period	\$ 15,973,639	\$ 10,191,409
Tax on undistributed surplus earnings	2,369,329	257,101
Adjustments in respect of prior period	(2,393,457)	3,161,182
Total current tax	<u>15,949,511</u>	<u>13,609,692</u>
Deferred tax:		
Origination and reversal of temporary differences	<u>4,269,170</u>	(<u>391,850</u>)
Income tax expense	<u>\$ 20,218,681</u>	<u>\$ 13,217,842</u>

(b) The income taxes (charge)/credit relating to components of other comprehensive income are as follows:

	For the six-month periods ended June 30,	
	2021	2020
Cash flow hedges	<u>\$ 51,581</u>	<u>\$ -</u>

B. The Company's income tax returns through 2018 have been assessed and approved by the Tax Authority.

(39) Earnings per share

<u>For the three-month period ended June 30, 2021</u>			
	<u>Amount</u>	<u>Weighted average</u>	<u>Earnings</u>
	<u>after tax</u>	<u>number of ordinary</u>	<u>per share</u>
		<u>shares outstanding</u>	<u>(in dollars)</u>
		<u>(shares in thousands)</u>	
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 29,779,552	13,861,508	\$ 2.15
<u>Diluted earnings per share:</u>			
Profit attributable to ordinary shareholders of the parent	\$ 29,779,552	13,861,508	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	30,571	
Convertible bonds-overseas	50,660	96,070	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 29,830,212	13,988,149	\$ 2.13
<u>For the three-month period ended June 30, 2020</u>			
	<u>Amount</u>	<u>Weighted average</u>	<u>Earnings</u>
	<u>after tax</u>	<u>number of ordinary</u>	<u>per share</u>
		<u>shares outstanding</u>	<u>(in dollars)</u>
		<u>(shares in thousands)</u>	
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 22,880,412	13,861,508	\$ 1.65
<u>Diluted earnings per share:</u>			
Profit attributable to ordinary shareholders of the parent	\$ 22,880,412	13,861,508	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	19,557	
Convertible bonds-overseas	56,546	86,582	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 22,936,958	13,967,647	\$ 1.64

For the six-month period ended June 30, 2021			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 57,941,327	13,861,508	\$ 4.18
<u>Diluted earnings per share:</u>			
Profit attributable to ordinary shareholders of the parent	\$ 57,941,327	13,861,508	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	30,571	
Convertible bonds-overseas	100,569	96,070	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 58,041,896	13,988,149	\$ 4.15
For the six-month period ended June 30, 2020			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 24,964,263	13,861,508	\$ 1.80
<u>Diluted earnings per share:</u>			
Profit attributable to ordinary shareholders of the parent	\$ 24,964,263	13,861,508	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	19,557	
Convertible bonds-overseas	112,872	86,582	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 25,077,135	13,967,647	\$ 1.80

(40) Business combinations

- A. The Group established Foxtron Vehicle Technologies Co., Ltd. (“Foxtron Vehicle”) together with Hua-Chuang Co., Ltd. on November 6, 2020. Hua-Chuang Co., Ltd. contributed asset with a value of \$7,542,000 as capital, and the Group contributed cash amounting to \$7,850,321 as capital. From the business combination, the Group mainly obtained the technology in progress and construction in progress-mould equipment with total amount of \$7,542,000. With the acquisition, the Group looks forward to develop the business of electric vehicle.
- B. The fair value of identifiable assets acquired and liabilities assumed are summarised as follows:

	Foxtron Vehicle Technologies Co., Ltd.
Purchase consideration	
Cash paid	\$ 7,850,321
Fair value of the non-controlling interest	7,542,000
	<u>15,392,321</u>
Recognised amount of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	7,850,321
Property, plant and equipment	1,182,000
Intangible assets	6,360,000
Total identifiable net assets	<u>15,392,321</u>
Goodwill	<u>\$ -</u>

- C. The fair value of the acquired identifiable tangible and intangible assets of \$7,542,000 (including electric vehicle platform, automobile power system and related developing technology, and mould equipment) is provisional pending the final purchase price allocation. For details, please refer to Notes 6(10) and 6(14).
- D. FuYang Soleros Technology (Nanyang) Co., Ltd., a subsidiary of the Company, acquired 100% equity interest in Shandong Chengshang Energy Co., Ltd. in the second quarter of 2020 for a consideration of RMB275,260 thousand. The subsidiary mainly acquired property, plant and equipment of \$1,400,306 as a result of said acquisition.
- E. Foxconn Precision International Limited, a subsidiary of the Company, acquired 100% equity interest in Leapsy International Ltd. in the second quarter of 2020 for a consideration of RMB31,068 thousand. The subsidiary mainly acquired patent of \$142,697 as a result of said acquisition.

(41) Supplemental cash flow information

A. Investing activities with partial cash payments

	For the six-month periods ended June 30,	
	2021	2020
Purchase of property, plant and equipment	\$ 36,155,105	\$ 25,286,234
Add: Opening balance of payable on equipment	22,979,363	22,418,721
Less: Ending balance of payable on equipment	(21,436,953)	(15,670,758)
Net exchange differences	(199,842)	85,046
Cash paid during the period	<u>\$ 37,497,673</u>	<u>\$ 32,119,243</u>
Disposal of property, plant and equipment	\$ 3,973,815	\$ 2,268,179
Add: Opening balance of receivable on equipment	170,110	220,019
Less: Ending balance of receivable on equipment	(288,251)	(35,528)
Net exchange differences	(1,119)	(1,314)
Cash received during the period	<u>\$ 3,854,555</u>	<u>\$ 2,451,356</u>

B. Financing activities with no cash flow effects

	For the six-month periods ended June 30,	
	2021	2020
Declared cash dividends	\$ 55,451,962	\$ 58,224,561
Declared cash dividends for non-controlling interests	3,292,721	-
	<u>\$ 58,744,683</u>	<u>\$ 58,224,561</u>

C. Changes in liabilities from financing activities

	2021				
	Short-term notes and bills payable	Short-term borrowings	Long-term borrowings	Bonds payable	Liabilities from financing activities-gross
At January 1	\$ 39,101,893	\$ 446,422,100	\$ 46,311,452	\$ 243,923,519	\$ 775,758,964
Changes in cash flow from financing activities	(13,579,779)	14,764,622	14,871,552	2,700,000	18,756,395
Impact of changes in foreign exchange rate	-	-	(917,687)	(2,324,886)	(3,242,573)
Changes in other non-cash items	25,422	-	1,177	115,926	142,525
At June 30	<u>\$ 25,547,536</u>	<u>\$ 461,186,722</u>	<u>\$ 60,266,494</u>	<u>\$ 244,414,559</u>	<u>\$ 791,415,311</u>

	2020				
	Short-term notes and bills payable	Short-term borrowings	Long-term borrowings	Bonds payable	Liabilities from financing activities-gross
At January 1	\$ 30,528,296	\$ 380,866,050	\$ 56,130,163	\$ 214,051,708	\$ 681,576,217
Changes in cash flow from financing activities	10,560,095	34,958,308	(4,763,721)	(100,000)	40,654,682
Impact of changes in foreign exchange rate	-	-	(453,391)	(712,850)	(1,166,241)
Changes in other non-cash items	(16,939)	-	7,124	127,906	118,091
At June 30	\$ 41,071,452	\$ 415,824,358	\$ 50,920,175	\$ 213,366,764	\$ 721,182,749

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
Sharp Corporation and subsidiaries	Associate
Foxconn Technology Co., Ltd. and subsidiaries	Associate
Pan International Industrial Corporation and subsidiaries	Associate
Eson Precision Ind. Co., Ltd. and subsidiaries	Associate
General Interface Solution Holding Limited and subsidiaries	Associate
Zhen Ding Technology Holding Limited and subsidiaries	Associate
Ennoconn Corporation and subsidiaries	Associate
CyberTAN Technology, Inc. and subsidiaries	Associate
Foxsemicon Integrated Technology Inc. and subsidiaries	Associate
G-TECH Optoelectronics Corporation	Associate
Advanced Optoelectronic Technology Inc.	Associate
Ampower Technology Co., Ltd.	Associate
Fitipower Integrated Technology Inc.	Associate
Zeitec Semiconductor Co., Ltd.	Associate
Foxstar Technology Co., Ltd.	Associate
Dawan District Semiconductor (Zhuhai) Co., Ltd.	Associate
CJ Electric Systems Co., Ltd.	Associate
Ampower (BeiHai) Ltd.	Associate
SafeDX S.R.O.	Associate
Beijing HengYu New Energy Auto Rental Co., Ltd.	Associate
Hangzhou GengDe Electronics Co., Ltd.	Associate
LingYanGe Semiconductor, Inc.	Associate
Shenzhen Lluvia Technology Co., Ltd.	Associate
Trans-Iot Technology Co., Ltd.	Associate
Hongkang Zhihui Corporation Limited	Associate
HaiWei Technology (Shenzhen) Co., Ltd.	Associate
Morgen Precision Industry Co., Ltd. and subsidiaries	Associate
Zhoukou Gengde Electronics Co., Ltd.	Associate
He Cheng Da Technology (Shenzhen) Co., Ltd.	Associate

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Sichuang Cheng Gong Fu Chuang Technology Co., Ltd.	Associate
Maxnerva Technology Services Ltd. and subsidiaries	Associate
FuDongQun Automation Technology (Shenzhen) Co., Ltd.	Associate
Hunan Fuyuan Intelligent Technology Co., Ltd.	Associate
Henan Zhongchi Fulian Precision Technology Co., Ltd.	Associate
Hua-Chuang Automobile Information Technical Center Co., Ltd.	Other related party
Cheng Uei Precision Industry Co., Ltd. and subsidiaries	Other related party
Innolux Corporation and subsidiaries	Other related party
SIO International Holdings Limited and subsidiaries	Other related party
ES Platform Limited	Other related party

(2) Significant transactions and balances with related parties

A. Sales

	<u>For the three-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
Sales of goods:		
Associates	\$ 33,315,479	\$ 34,852,874
Other related parties	<u>2,626,207</u>	<u>2,238,082</u>
	<u>\$ 35,941,686</u>	<u>\$ 37,090,956</u>
	<u>For the six-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
Sales of goods:		
Associates	\$ 63,493,574	\$ 57,770,503
Other related party	<u>5,398,773</u>	<u>3,687,237</u>
	<u>\$ 68,892,347</u>	<u>\$ 61,457,740</u>

The amounts above include administration and service revenue. Except for the circumstances in which there are no similar transactions for reference and accordingly the prices and credit periods are negotiated by both parties, the rest of the aforementioned related parties transactions are offered with prices very close to those offered to other customers and given a payment period of 45 to 90 days. For the transactions involving the sale of raw materials to the aforementioned related parties and subsequent repurchase of finished goods made from the same raw materials from the same party, the initial sale of raw materials is eliminated due to economic substance. The sales amount of materials and repurchase price of finished goods were offset against each other and shown at net amount in the financial statements.

B. Purchases

	<u>For the three-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
Purchase of goods:		
Associates	\$ 18,780,587	\$ 21,215,933
Other related party	<u>2,034,189</u>	<u>2,569,928</u>
	<u>\$ 20,814,776</u>	<u>\$ 23,785,861</u>
	<u>For the six-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
Purchase of goods:		
Associates	\$ 39,745,039	\$ 35,247,392
Other related party	<u>4,034,507</u>	<u>5,105,810</u>
	<u>\$ 43,779,546</u>	<u>\$ 40,353,202</u>

Except for the circumstances in which there are no similar transactions for reference and accordingly the prices and payment terms are negotiated by both parties, the Group purchases from the supplier and aforementioned related parties at the prevailing market price. The payment terms dealt with other vendors and related parties are 45 to 90 days and 30 to 90 days, respectively.

C. Receivables from related parties

	<u>June 30, 2021</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Accounts receivable:			
Associates	\$ 30,192,572	\$ 37,132,298	\$ 30,862,825
Other related parties	2,391,405	2,296,652	2,058,003
Less: Allowance for doubtful accounts	(12,219)	(14,786)	(12,345)
	<u>32,571,758</u>	<u>39,414,164</u>	<u>32,908,483</u>
Other receivables - sale of property, plant and equipment:			
Associates	187,014	126,389	30,766
Other related parties	-	-	21
Other receivables - purchase of materials on behalf of related parties:			
Associates	3,482,964	1,075,843	1,164,844
Other related parties	203	50,738	599
Other receivables - dividend receivable:			
Associates	2,610,738	-	2,885,059
Other related parties	-	-	31,397
Other receivables - disposal of investment:			
ES Platform Limited	2,147,058	5,172,696	6,821,601
Less: Allowance for doubtful accounts	(536,765)	(1,293,174)	(762,872)
	<u>7,891,212</u>	<u>5,132,492</u>	<u>10,171,415</u>
	<u>\$ 40,462,970</u>	<u>\$ 44,546,656</u>	<u>\$ 43,079,898</u>

- (a) The amount is due 45 to 90 days after the transaction date.
- (b) The Company disposed the preferred C stock shares without voting rights of Sharp Corporation on December 29, 2017. The consideration for the disposal of 1,136,363 shares was \$93,128,046 (¥352,490,712 thousand), which is due in each quarter beginning from the settlement date. Both of the transaction parties have agreed the last settlement date to be on March 31, 2022. As of June 30, 2021, December 31, 2020 and June 30, 2020, the allowance for doubtful accounts amounted to \$536,765 and \$1,293,174 and \$762,872, respectively. Allowance for doubtful accounts is calculated based on historical repayment.
- (c) The receivables are unsecured and non-interest bearing.
- (d) Information relating to credit risk is provided in Note 12(2).

D. Payables to related parties

	June 30, 2021	December 31, 2020	June 30, 2020
Accounts payable:			
Associates	\$ 21,355,918	\$ 24,842,288	\$ 16,745,590
Other related parties	1,956,336	2,837,758	3,181,891
	<u>23,312,254</u>	<u>27,680,046</u>	<u>19,927,481</u>
Other payables - acquisition of property, plant and equipment:			
Associates	57,839	456,315	74,393
Other payables - procurement of raw materials on behalf of others:			
Associates	4,448,220	2,019,678	2,671,914
	<u>4,506,059</u>	<u>2,475,993</u>	<u>2,746,307</u>
	<u>\$ 27,818,313</u>	<u>\$ 30,156,039</u>	<u>\$ 22,673,788</u>

The amount is due 30 to 90 days after the transaction date. The payables are non-interest bearing.

E. Lease transactions—lessee

- (a) The Group leases buildings from associates. Rental contracts are typically made for periods of 1 to 3 years. Rents are paid at the end of each month.
- (b) For the three-month and six-month periods ended June 30, 2021 and 2020, the Group acquired right-of-use asset of \$0, \$0, \$936 and \$0, respectively, from related parties.
- (c) Lease liabilities

	June 30, 2021	December 31, 2020	June 30, 2020
Associates	<u>\$ 68,719</u>	<u>\$ 156,507</u>	<u>\$ 160,056</u>

For the three-month and six-month periods ended June 30, 2021 and 2020, the interest expense incurred on lease liabilities were \$1,018, \$2,098, \$2,673 and \$4,566, respectively.

F. Prepayments:

	June 30, 2021	December 31, 2020	June 30, 2020
Associates	<u>\$ 5,209</u>	<u>\$ 1,686</u>	<u>\$ 1,658</u>

G. Property transactions:

- (a) Acquisition of property, plant and equipment:

	For the three-month periods ended June 30,	
	2021	2020
Acquisition of property, plant and equipment:		
Associates	<u>\$ 247,387</u>	<u>\$ 201,363</u>
	For the six-month periods ended June 30,	
	2021	2020
Acquisition of property, plant and equipment:		
Associates	<u>\$ 286,898</u>	<u>\$ 247,980</u>

(b) Proceeds from sale of property, plant and equipment and gain (loss) on disposal:

For the three-month periods ended June 30,				
2021			2020	
	Proceeds from sale of property, plant and equipment	Gain (loss)	Proceeds from sale of property, plant and equipment	Gain
Sale of property, plant and equipment:				
Associates	\$ 27,458	(\$ 17,827)	\$ 9,638	\$ 2,005
Other related parties	1,680	1,120	-	-
	<u>\$ 29,138</u>	<u>(\$ 16,707)</u>	<u>\$ 9,638</u>	<u>\$ 2,005</u>

For the six-month periods ended June 30,				
2021			2020	
	Proceeds from sale of property, plant and equipment	Gain	Proceeds from sale of property, plant and equipment	Gain
Sale of property, plant and equipment:				
Associates	\$ 193,996	\$ 24,908	\$ 11,384	\$ 2,448
Other related parties	2,339	1,779	-	-
	<u>\$ 196,335</u>	<u>\$ 26,687</u>	<u>\$ 11,384</u>	<u>\$ 2,448</u>

(c) Disposal of financial assets:

For the six-month period ended June 30, 2021					
	Item recognised	Shares traded	Transaction target	Proceeds from disposal	Gain on sale
Associates	Investment accounted using the equity method	-	Efeihu (Taiwan) Limited	\$ 10,199	\$ 44

H. Loans to related parties

(a) Receivables from related parties

	June 30, 2021	December 31, 2020	June 30, 2020
Associates	<u>\$ 151,807</u>	<u>\$ 153,282</u>	<u>\$ 147,372</u>

For collaterals, please refer to Table 1.

(b) Interest income

For the three-month periods ended June 30,		
	2021	2020
Associates	<u>\$ 1,141</u>	<u>\$ 2,085</u>

	For the six-month periods ended June 30,	
	2021	2020
Associates	\$ 3,041	\$ 4,558

For the three-month and six-month periods ended June 30, 2021 and 2020, the interest was recognised at the rates of 4%, 1.8%~12%, 4% and 1.8%~12%, respectively.

(3) Key management compensation

	For the three-month periods ended June 30,	
	2021	2020
Salaries and other short-term employee benefits	\$ 174,757	\$ 111,570
Post-employment benefits	279	1,716
Share-based payments	78,764	32,569
	<u>\$ 253,800</u>	<u>\$ 145,855</u>
	For the six-month periods ended June 30,	
	2021	2020
Salaries and other short-term employee benefits	\$ 345,522	\$ 273,768
Post-employment benefits	725	3,353
Share-based payments	133,352	191,534
	<u>\$ 479,599</u>	<u>\$ 468,655</u>

8. PLEDGED ASSETS

As of June 30, 2021, December 31, 2020 and June 30, 2020, the book values of the Group's pledged assets are as follows:

Assets	Nature	June 30, 2021	December 31, 2020	June 30, 2020
Time deposits and cash (shown as “current financial assets at amortised cost”)	Customs deposits and short-term loans	\$ 147,489	\$ 246,751	\$ 394,154
Restricted deposits (shown as “current financial assets at amortised cost”)	Guarantee for prepaid card, performance bond, reserve accounts for short-term loans and security for litigation	276,927	468,414	684,117
Time deposits and cash (shown as “non-current financial assets at amortised cost”)	Security deposit for provisional attachment, bond deposit as security for court proceedings, security deposit for employment of foreign employees and customs deposits	43,152	53,352	2,700
Restricted deposits (shown as “non-current financial assets at amortised cost”)	Switch center lease guarantee, performance bond and the deposits restricted by the court	77,448	1,400,641	58,574
Property, plant and equipment and other non-current assets	Long-term loans	4,549,513	4,789,314	4,881,624
		<u>\$ 5,094,529</u>	<u>\$ 6,958,472</u>	<u>\$ 6,021,169</u>

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

Except for Note 6(4), contingencies and commitments are as follows:

(1) Contingencies - Significant legal matter

On March 8, 2019, Microsoft Corporation and Microsoft Licensing, GP sued the Group over the dispute regarding the royalty payment under the patent licensing agreement. The two parties in the case has reached a settlement in August 2020. Accordingly, the Group has properly accrued the settlement value in the financial statements and paid in installments according to the agreement.

(2) Commitments

A. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	June 30, 2021	December 31, 2020	June 30, 2020
Property, plant and equipment	\$ 4,585,930	\$ 6,191,809	\$ 4,070,540

- B. As of June 30, 2021, December 31, 2020 and June 30, 2020, a subsidiary of the Company, Asia Pacific Telecom Co., Ltd., had outstanding contracts for equipment procurements and base transceiver stations construction totaling \$2,943,200, \$3,872,453 and \$2,015,774, respectively, which will be paid in the future or paid by issuing promissory notes and commercial papers.
- C. On September 4, 2020, the Company passed the resolution of the Board of Directors to exchange 527,524,409 ordinary shares of Asia Pacific Telecom Co., Ltd. held by the Company in exchange for approximately 81,842,616 ordinary shares issued by Far EasTone Telecommunications Co., Ltd. After the approval by the authority, the share exchange is expected to be completed on June 30, 2022.
- D. The Group entered into a business cooperation agreement with FET. The period of the agreement is from September 4, 2020 to December 31, 2040. It is expected that after obtaining approval from the regulatory authority, the Group will cooperate with FET to provide service on 3.5GHz frequency band through Multi-Operator Core Networks (MOCN). The Group will share two-ninths of the network deployment cost of FET's 3.5GHz frequency band of which the cost of spectrum sharing amounted to \$9,473,000 in order to obtain two-ninths of use right capacity of the 3.5GHz frequency band. This cooperation agreement was approved with conditions by the National Communications Commission (NCC) Committee, the regulatory authority, on March 17, 2021. The aforementioned cooperation agreement was approved with conditions by the Fair Trade Commission, the regulatory authority, on August 4, 2021.
- E. In order to enhance spectrum efficiency and increase competitiveness with FET, as resolved by the Board of Directors on November 5, 2020, the Group entered into (a) a service on 700MHz through MOCN agreement effective from November 5, 2020 to December 31, 2030 which the Group and FET agreed to share the costs and expenses arising from or related to the agreement in the proportions of two-ninths and seven-ninths, respectively; and (b) a frequency exchange agreement wherein the Group exchanges its 723MHz~728MHz (uplink) and 778MHz~783MHz (downlink) frequency bands with FET's 2595MHz~2615MHz frequency bands and the exchange value is based on mutual agreement. The two aforementioned agreements must be approved by the regulatory authority before they can be implemented. However, if the service on 700MHz through MOCN agreement is approved earlier than the frequency exchange exercise date, the frequency exchange agreement is automatically terminated.
- F. On May 31, 2021, the Company's subsidiary Foxconn Interconnect Technology Limited ("FIT") signed a share purchase agreement with Sound Discovery Limited and Lumit Corporation Limited through a resolution of the Board of Directors, stipulating that FIT will anticipate conditional acquisition of transaction objects by way of share swaps. The consideration for all the equity of Sound Discovery Limited and its subsidiary, Sound Solutions International (Zhenjiang) Co., Ltd.,

is expected to be USD54,088 thousand, which will be converted into new shares equivalent to FIT. This transaction has not yet been completed as of June 30, 2021. The prerequisites agreed upon in the contract have been reached and are yet to be approved by certain competent authorities. If the prerequisites agreed upon in the contract have not been reached as of October 31, 2021, unless otherwise agreed by both parties, this acquisition agreement shall become invalid at that time.

G. The Group's additional commitments after June 30, 2021 are provided in Note 11.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- A. The Company completed the pricing of the first overseas convertible unsecured corporate bonds of 2021 on July 29, 2021, with the issuance date set on August 5, 2021 for a total issuance amount of USD700 million.
- B. In July 2021, the Company and Yong Lin Foundation jointly entered into a purchase agreement with the supplier to procure 5 million doses of the BNT162b2 vaccine, for a total consideration of approximately US\$175 million. Of the total amount, the Company's share shall not be lower than US\$105 million while Yong Lin Foundation's share shall not be higher than US\$70 million. These vaccines will be donated to the Taiwan Centers for Disease Control, Executive Yuan for the prevention of novel coronavirus pneumonia as resolved by the Board of Directors.
- C. On August 5, 2021, the Board of Directors resolved to acquire plants and machinery and equipment from Macronix International Co., Ltd. at a consideration of \$2,520,000.
- D. Linksys Holdings, Inc. ("Linksys"), a 67%-owned subsidiary of the Company's subsidiary, FIT, signed a share subscription agreement with Fortinet Inc. ("Fortinet") which is a listed company in U.S. NASDAQ as approved by the Board of Directors of Foxconn Interconnect Technology Limited on August 2, 2021. Fortinet intends to subscribe new preference shares of Linksys with a consideration of USD85 million and acquire 18% equity interest in Linksys. After completing the transaction, the shareholding ratio of the Company's subsidiary in Linksys will decrease to 49% and Fortinet will hold 51% equity interest in Linksys. Also, the Group lost control over Linksys starting from the effective date of the capital increase. Accordingly, Linksys will not be anymore included in the consolidated financial statements.
- E. As resolved by the Board of Directors on August 12, 2021, the Company will issue \$27,000,000 unsecured corporate bonds, which can be issued once or several times.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to operate with the goal to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total

capital. Net debt is calculated as total borrowings (including ‘current and non-current borrowings’ as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as ‘equity’ as shown in the consolidated balance sheet less the total intangible assets.

During 2021, the Group’s strategy, which was unchanged from 2020, was to maintain the gearing ratio at 70% or below.

(2) Financial instruments

A. Financial instruments by category

Please refer to the consolidated balance sheets and Note 6 for the amounts and details of the financial assets (financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortised cost, derivative financial assets for hedging, accounts receivable (including related parties) and other receivables) and financial liabilities (financial liabilities at fair value through profit or loss, accounts payable (including related parties), other payables, short-term loans, long-term loans and corporate bonds payable).

B. Financial risk management policies

(a) Risk categories:

The Group employs a comprehensive risk management and control system to clearly identify, measure, and control the various kinds of financial risk it faces, including market risk (including foreign exchange risk, interest rate risk and price risk), credit risk, and liquidity risk.

(b) Management objectives:

- i. Except for market risk, which is controlled by outside factors, the remainder of the foregoing types of risks can be controlled internally or removed from business processes. Therefore, the goal in managing each of these risks is to reduce them to zero.
- ii. As for market risk, the goal is to optimize its overall position through strict analysis, suggestion, execution and audit processes, and proper consideration of a) long-term trends in the external economic/financial environment, b) internal operating conditions, and c) the actual effects of market fluctuations.
- iii. The Group's overall risk management policy focuses on the unpredictable item of financial markets and seeks to reduce the risk that potentially pose adverse effects on the Group's financial position and financial performance.
- iv. For the information on the derivative financial instruments that the Group enters into, please refer to Note 6(2) and (5).

(c) Management system:

- i. Risk management is executed by the Group’s finance department by following policies approved by the Board. Through cooperation with the Group's operating units, finance department is responsible for identifying, evaluating and hedging financial risks.
- ii. The Board has a written policy covering overall risk management. It also has written

policies covering specific issues, such as exchange rate risk, interest rate risk, credit risk, derivative and non-derivative financial instruments used, and the investment of excess working capital.

C. Significant financial risks and degrees of financial risks

(a) Market risk

i. Foreign exchange risk

(i) Nature:

The Group is a multinational group in the Electronics manufacturing services industry. Most of the exchange rate risk from operating activities come from:

- a. Foreign exchange risk arises from different exchange rates to functional currency as the invoice dates of accounts receivable and payable denominated in non-functional foreign currency are different. Due to the characteristics of the subcontracting industry, the Company's revenue and expenditures are mostly denominated in foreign currency. Thus, the remaining net foreign exchange risk is not material after offsetting assets and liabilities. Furthermore, although the variations in currencies of the Company's certain foreign investments in emerging countries (i.e. Brazil, Mexico, etc.) are considered huge, the percentage of the investments is not significant and thus the Company's foreign exchange risk can be maintained in the controllable range. (Note: The Group has several sites in various countries and thus is exposed to various foreign exchange risks. The main risk arises from USD and RMB.)
- b. Except for the above transactions (operating activities) recognised in the income statement, assets and liabilities recognised in the balance sheet and the net investment in foreign operations also result in the exchange rate risk.

(ii) Management:

- a. For such risks, the Group has set up policies requiring companies in the Group to manage its exchange rate risks.
- b. As to the exchange rate risk arising from the difference between various functional currencies and the reporting currency in the consolidated financial statements, it is managed by the Group's finance department.

(iii) The source:

a. U.S. dollar and NT dollar:

Foreign exchange risk arises primarily from U.S. dollar-denominated cash, cash equivalents, accounts receivable and other receivables, other assets, loans, accounts payable and other payables and other liabilities, which results in exchange loss or gain when they are converted into New Taiwan dollars.

b. U.S. dollar and RMB:

Foreign exchange risk arises primarily from U.S. dollar-denominated cash, cash

equivalents, accounts receivable and other receivables, other assets, loans, accounts payable and other payables and other liabilities, which results in exchange loss or gain when they are converted into RMB.

c. JPY and U.S. dollar:

Foreign exchange risk arises primarily from yen-denominated loans, accounts payable and other payables, which results in exchange loss or gain when they are converted into U.S. dollar.

d. JPY and NT dollar:

Foreign exchange risk arises primarily from yen-denominated loans, accounts payable and other payables, which results in exchange loss or gain when they are converted into New Taiwan dollars.

(iv) Extent

The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

June 30, 2021					
(Foreign currency: Functional currency)	Foreign currency amount	Exchange rate	Book value (NTD)	Sensitivity analysis	
	(in thousands)			Extent of variation	Effect on profit or loss
<u>Financial assets</u>					
<u>Monetary items</u>					
USD : NTD	\$ 19,342,331	27.86	\$ 538,877,342	1%	\$ 5,388,773
USD : RMB	14,383,286	6.4600	400,718,348	1%	4,007,183
JPY : USD	41,724,873	0.0090	10,518,840	1%	105,188
JPY : NTD	19,318,809	0.2521	4,870,272	1%	48,703
<u>Net effect in consolidated entities with foreign currency</u>					
USD : NTD	\$ 51,996,757	27.86	\$ 1,448,629,650		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD : NTD	\$ 13,738,485	27.86	\$ 382,754,192	1%	\$ 3,827,542
USD : RMB	16,915,166	6.4600	471,256,525	1%	4,712,565
JPY : USD	9,769,358	0.0090	2,462,855	1%	24,629
JPY : NTD	659,411	0.2521	166,238	1%	1,662

December 31, 2020					
(Foreign currency: Functional currency)	Foreign currency amount	Exchange rate	Book value (NTD)	Sensitivity analysis	
	(in thousands)			Extent of variation	Effect on profit or loss
<u>Financial assets</u>					
<u>Monetary items</u>					
USD : NTD	\$ 24,831,785	28.48	\$ 707,209,237	1%	\$ 7,072,092
USD : RMB	21,170,183	6.5402	602,926,812	1%	6,029,268
JPY : USD	40,787,990	0.0097	11,269,722	1%	112,697
JPY : NTD	19,401,596	0.2763	5,360,661	1%	53,607
<u>Net effect in</u>					
<u>consolidated entities</u>					
<u>with foreign</u>					
<u>currency</u>					
USD : NTD	\$ 48,918,393	28.48	\$ 1,393,195,833		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD : NTD	\$ 20,957,158	28.48	\$ 596,859,860	1%	\$ 5,968,599
USD : RMB	12,329,569	6.5402	351,146,125	1%	3,511,461
JPY : USD	8,459,700	0.0097	2,337,415	1%	23,374
JPY : NTD	1,329,434	0.2763	367,323	1%	3,673

June 30, 2020

(Foreign currency: Functional currency)	Foreign currency amount	Exchange rate	Book value (NTD)	Sensitivity analysis	
	(in thousands)			Extent of variation	Effect on profit or loss
<u>Financial assets</u>					
<u>Monetary items</u>					
USD : NTD	\$ 11,786,258	29.63	\$ 349,226,825	1%	\$ 3,492,268
USD : RMB	53,879,113	7.0772	1,596,438,118	1%	15,964,381
JPY : USD	81,024,096	0.0093	22,289,729	1%	222,897
JPY : NTD	39,434,998	0.2751	10,848,568	1%	108,486
<u>Net effect in consolidated entities with foreign currency</u>					
USD : NTD	\$ 44,937,596	29.63	\$ 1,331,500,969		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD : NTD	\$ 9,177,115	29.63	\$ 271,917,917	1%	\$ 2,719,179
USD : RMB	46,774,744	7.0772	1,385,935,665	1%	13,859,357
JPY : USD	59,867,283	0.0093	16,469,490	1%	164,695
JPY : NTD	338,636	0.2751	93,159	1%	932

(v) Total exchange gain (loss), including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the three-month and six-month periods ended June 30, 2021 and 2020 amounted to (\$1,860,168), \$2,328,578, (\$5,023,642) and \$3,342,236, respectively.

ii. Equity securities

(i) Nature

The Group primarily invests in domestic and foreign publicly traded equity instruments, which are accounted for as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. The price of those equity instruments will be affected by the uncertainty of the future value of the investment.

(ii) Extent

If such equity instruments' price rise or fall by 1%, with all other factors held constant, the impact on equity due to investments in equity instruments measured at fair value through other comprehensive income, and investments in equity at fair value through profit or loss are \$1,191,983 and \$788,850 for the six-month periods ended June 30, 2021 and 2020, respectively.

iii. Cash flow and fair value interest rate risk

(i) The Group's interest rate risk arises from long-term loans and short-term loans. Borrowings with floating rates expose the Group to cash flow interest rate risk, but

part of the risks are offset by cash and cash equivalents with variable interest rates. Borrowings with fixed rates expose the Group to fair value interest rate risk. The Group's borrowings are mainly fixed and floating interest rates. During the six-month periods ended June 30, 2021 and 2020, the Group's borrowings at variable rate were mainly denominated in US Dollars and Czech Koruny.

- (ii) The Group manages its cash flow interest rate risk by using fixed-to-fixed interest rate swaps. Under these swaps, the Group agrees with other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments.

According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. The Group assesses the credit quality of the customers by taking into account their financial position, past experience and other factors to conduct its internal risk management.

Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. The utilisation of credit limits is regularly monitored. Major credit risk arises from cash and cash equivalents, derivative financial instruments and other financial instruments. The counterparties are banks with good credit quality and financial institutions with investment grade or above and government agencies, so there is no significant compliance concerns and credit risk.

- ii. The Group assumes that if the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition; if past due over 360 days, a default has occurred.
- iii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
 - (ii) Default or delinquency in interest or principal repayments;
 - (iii) Adverse changes in national or regional economic conditions that are expected to cause a default.

- iv. The aging analysis of notes receivable and accounts receivable (including related parties) is as follows:

	<u>June 30, 2021</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
Not past due	\$ 809,005,900	\$ 932,168,658	\$ 731,651,906
Up to 90 days	8,924,427	10,579,283	21,576,084
91 to 180 days	815,499	652,993	3,876,249
181 to 270 days	281,185	476,187	749,508
271 to 360 days	418,277	232,608	429,782
Over 361 days	<u>5,409,906</u>	<u>5,319,436</u>	<u>4,076,718</u>
	<u>\$ 824,855,194</u>	<u>\$ 949,429,165</u>	<u>\$ 762,360,247</u>

The above aging analysis is based on days overdue.

- v. The Group applies the following approaches to assess the expected credit losses (ECLs) of accounts receivable:
- (i) Assess the ECLs on an individual basis if a significant default has occurred to certain customers.
 - (ii) Classify the other customers' accounts receivable based on the Group's credit rating standards and estimates the ECLs using loss rate methodology or provision matrix.
 - (iii) Adjust the loss rates constructed from historical and recent information by taking into account the business cycle indicators of the National Development Council and forecasts of the Basel Committee on Banking Supervision.
 - (iv) As of June 30, 2021, December 31, 2020 and June 30, 2020, the individual provision for impairment of accounts receivable using loss rate methodology or provision matrix is as follows:

	Individual	Group 1	Group 2	Group 3	Group 4	Total
<u>June 30, 2021</u>						
Expected loss rate	100%	0.0375%	0.0875%	0.06%~37.15%	0.08%~41.24%	
Total book value	\$ 5,414,590	\$ 514,868,425	\$ 245,149,746	\$ 38,801,736	\$ 20,620,697	\$ 824,855,194
Loss allowance	\$ 5,414,590	\$ 193,076	\$ 214,506	\$ 576,731	\$ 621,129	\$ 7,020,032
	Individual	Group 1	Group 2	Group 3	Group 4	Total
<u>December 31, 2020</u>						
Expected loss rate	100%	0.0375%	0.0875%	0.09%~37.55%	0.06%~41.63%	
Total book value	\$ 5,338,814	\$ 685,428,941	\$ 213,283,588	\$ 32,850,225	\$ 12,527,597	\$ 949,429,165
Loss allowance	\$ 5,338,814	\$ 257,036	\$ 186,623	\$ 464,359	\$ 697,939	\$ 6,944,771
	Individual	Group 1	Group 2	Group 3	Group 4	Total
<u>June 30, 2020</u>						
Expected loss rate	100%	0.0375%	0.0875%	0.19%~35.66%	4.07%~55.09%	
Total book value	\$ 4,316,767	\$ 538,341,782	\$ 161,030,634	\$ 50,156,330	\$ 8,514,734	\$ 762,360,247
Loss allowance	\$ 4,316,767	\$ 201,878	\$ 140,902	\$ 2,012,523	\$ 670,771	\$ 7,342,841

- Group 1: Standard Poor's, Fitch's, or Moody's rating of A-level, or rated as A-level in accordance with the Group's credit policies for those that have no external credit ratings.
- Group 2: Standard Poor's or Fitch's rating of BBB, Moody's rating of Baa, or rated as B or C in accordance with the Group's credit policies for those that have no external credit ratings.
- Group 3: Standard Poor's or Fitch's rating of BB + and below, or Moody's rating of Ba1 and below.
- Group 4: Rated as other than A, B, or C in accordance with the Group's credit policies for those that have no external credit ratings.
- vi. As of June 30, 2021, December 31, 2020 and June 30, 2020, the Group calculated the expected loss rate based on historical overdue repayment to assess other receivables - related parties impairment losses and recognised allowance for uncollectible accounts at \$536,765, \$1,293,174 and 762,872, respectively.
- vii. Movements in relation to the Group's loss allowance for accounts receivable (including related parties) is as follows:

	2021	2020
At January 1	\$ 8,237,945	\$ 6,570,167
(Reversal of) provision for impairment	(694,223)	1,622,496
Effect of foreign exchange	13,075	(86,950)
At June 30	<u>\$ 7,556,797</u>	<u>\$ 8,105,713</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed by each operating entity of the Group and aggregated by Group treasury. The Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable, external regulatory or legal requirements, for example, currency restrictions.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groups based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

June 30, 2021	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Bonds payable	\$ 42,516,000	\$ 31,632,882	\$ 92,316,850	\$ 78,268,000	\$ 244,733,732
Long-term loans	30,010,462	3,014,779	23,338,557	3,924,727	60,288,525
Lease liabilities	8,714,281	6,650,015	10,144,388	6,056,710	31,565,394
	\$ 81,240,743	\$ 41,297,676	\$ 125,799,795	\$ 88,249,437	\$ 336,587,651
December 31, 2020	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Bonds payable	\$ 42,288,000	\$ 36,785,978	\$ 92,510,640	\$ 72,774,000	\$ 244,358,618
Long-term loans	14,728,908	19,678,483	8,330,826	3,596,443	46,334,660
Lease liabilities	9,058,272	7,792,086	9,880,171	5,607,047	32,337,576
	\$ 66,075,180	\$ 64,256,547	\$ 110,721,637	\$ 81,977,490	\$ 323,030,854
June 30, 2020	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Bonds payable	\$ 34,935,699	\$ 43,578,000	\$ 91,679,251	\$ 43,791,000	\$ 213,983,950
Long-term loans	10,188,814	18,461,352	18,143,691	4,166,002	50,959,859
Lease liabilities	8,572,170	6,647,390	8,383,981	5,611,928	29,215,469
	\$ 53,696,683	\$ 68,686,742	\$ 118,206,923	\$ 53,568,930	\$ 294,159,278

Aside from those mentioned above, other non-derivative financial liabilities are to be settled within one year.

<u>Derivative financial liabilities:</u>					
June 30, 2021	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Forward exchange contracts	\$ 696,501	\$ -	\$ -	\$ -	\$ 696,501
Cross currency swap contracts	1,048,779	-	-	-	1,048,779
	\$ 1,745,280	\$ -	\$ -	\$ -	\$ 1,745,280
December 31, 2020	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Forward exchange contracts	\$ 170,003	\$ -	\$ -	\$ -	\$ 170,003
Cross currency swap contracts	2,121,218	-	-	-	2,121,218
	\$ 2,291,221	\$ -	\$ -	\$ -	\$ 2,291,221
June 30, 2020	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Forward exchange contracts	\$ 364,402	\$ -	\$ -	\$ -	\$ 364,402
Cross currency swap contracts	1,060,279	-	-	-	1,060,279
Convertible bonds payable	-	-	2,250	-	2,250
	\$ 1,424,681	\$ -	\$ 2,250	\$ -	\$ 1,426,931

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's equity investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(13).

C. Financial instruments not measured at fair value:

(a) Except for those listed in the table below, the carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, notes and accounts receivable, other receivables, financial assets at amortised cost (excluding bank debentures), short-term loans, notes and accounts payable, other payables and long-term loans approximate to their fair values:

June 30, 2021				
	Book Value	Fair Value		
		Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 244,733,732	\$ -	\$ 239,604,616	\$ -
December 31, 2020				
	Book Value	Fair Value		
		Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 244,358,618	\$ -	\$ 241,667,699	\$ -
June 30, 2020				
	Book Value	Fair Value		
		Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 213,983,950	\$ -	\$ 205,253,935	\$ -

(b) The methods and assumptions of fair value measurement are as follows:

Bonds payable: Regarding the bonds issued by the Group, the coupon rate approximates to the current market rate. Therefore, the fair value is estimated using the present value of the expected cash flows and market interest rate.

D. The related information on financial and non-financial instruments measured at fair value by

level on the basis of the nature, characteristics and risks of the assets and liabilities at June 30, 2021, December 31, 2020 and June 30, 2020 is as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

June 30, 2021	Level 1	Level 2	Level 3	Total
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 1,578,746	\$ -	\$ 1,367,302	\$ 2,946,048
Beneficiary certificates	551,880	18	87,201,122	87,753,020
Derivatives	-	4,855,482	-	4,855,482
Derivative financial assets for hedging				
	-	662,634	-	662,634
Financial assets at fair value through other comprehensive income				
Equity instruments	86,595,923	8,908,921	20,747,402	116,252,246
Accounts receivable expected factoring	-	90,629,764	-	90,629,764
Total	<u>\$ 88,726,549</u>	<u>\$ 105,056,819</u>	<u>\$ 109,315,826</u>	<u>\$ 303,099,194</u>
Liabilities:				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivatives	\$ -	(\$ 1,643,541)	\$ -	(\$ 1,643,541)
Derivative financial assets for hedging				
	-	(101,739)	-	(101,739)
Total	<u>\$ -</u>	<u>(\$ 1,745,280)</u>	<u>\$ -</u>	<u>(\$ 1,745,280)</u>

<u>December 31, 2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial assets at fair value				
through profit or loss				
Equity instruments	\$ 1,754,913	\$ -	\$ 1,433,017	\$ 3,187,930
Beneficiary certificates	535,149	15	79,443,386	79,978,550
Derivatives	-	6,800,300	-	6,800,300
Financial assets at fair value				
through other comprehensive				
income				
Equity instruments	65,599,401	-	21,474,688	87,074,089
Accounts receivable				
expected factoring	-	109,052,508	-	109,052,508
Total	<u>\$ 67,889,463</u>	<u>\$ 115,852,823</u>	<u>\$ 102,351,091</u>	<u>\$ 286,093,377</u>
Liabilities:				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial liabilities at fair				
value through profit or loss				
Derivatives	<u>\$ -</u>	<u>(\$ 2,291,221)</u>	<u>\$ -</u>	<u>(\$ 2,291,221)</u>

June 30, 2020	Level 1	Level 2	Level 3	Total
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 11,602,754	\$ -	\$ 1,796,615	\$ 13,399,369
Beneficiary certificates	589,740	15	72,954,289	73,544,044
Derivatives	-	4,567,524	-	4,567,524
Financial assets at fair value through other comprehensive income				
Equity instruments	49,413,042	-	16,072,632	65,485,674
Accounts receivable expected factoring	-	134,710,340	-	134,710,340
Total	<u>\$ 61,605,536</u>	<u>\$ 139,277,879</u>	<u>\$ 90,823,536</u>	<u>\$ 291,706,951</u>
Liabilities:				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivatives	<u>\$ -</u>	<u>(\$ 1,426,931)</u>	<u>\$ -</u>	<u>(\$ 1,426,931)</u>

(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares	Open-end fund
Market quoted price	Closing price	Net asset value

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques method can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.
- iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

- iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate(Black-Scholes model).
 - v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
 - vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.
- E. For the six-month periods ended June 30, 2021 and 2020, there was no transfer between Level 1 and Level 2.
- F. The following chart is the movement of Level 3 for the six-month periods ended June 30, 2021 and 2020:

	2021	2020
At January 1	\$ 102,351,091	\$ 87,127,295
Gains and losses recognised in profit	5,614,174	5,409,680
Gains and losses recognised in other comprehensive income	2,090,114 (	8,447,561)
Acquired in the period	8,610,263	5,574,005
Sold in the period	(79,904) (	465,467)
Investment cost refund	(3,405,896)	-
Transfer (out) in to Level 3	(3,689,273)	1,705,267
Effect of exchange rate changes	(2,174,743) (	79,683)
At June 30	<u>\$ 109,315,826</u>	<u>\$ 90,823,536</u>

- G. Investment segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

Investment segment sets up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensures compliance with the related requirements in IFRS.

H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at June 30, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	<u>\$ 1,240,948</u>	Market comparable companies	Revenue multiple	0.24~24.31 (6.62)	The higher the revenue multiple, net value multiple and value to EBIT multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.
			Net value multiple	0.77~8.14 (3.06)	
			Discount for lack of marketability Value to EBIT multiple	17%~35% (27.04%) 1.89 (1.89)	
	<u>\$ 4,524,618</u>	Stock value in complex capital structure	Weighted average cost of capital	13.25%~ 16.38% (13.78%)	The higher the long-term revenue growth rate, long-term pre-tax operating margin, value to EBIT multiple, revenue multiple and expected equity value volatility, the higher the fair value; the higher the discount for lack of marketability, discount for lack of control and weighted average cost of capital, the lower the fair value.
			Long-term revenue growth rate	8.4%	
			Long-term pre-tax operating margin	30%~35% (34.16%)	
			Discount for lack of marketability	10%~33% (23.48%)	
			Discount for lack of control	10.84%~ 19.22% (17.81%)	
			Expected equity value volatility	23.63%~ 116.77% (46.79%)	
			Revenue multiple	0.86~31.81 (3.98)	
	<u>\$ 8,371,885</u>	Net assets value	Discount for lack of marketability	7%~25% (15.14%)	The higher the discount for lack of marketability and discount for lack of control, the lower the fair value.
			Discount for lack of control	5%	
	<u>\$ 7,977,253</u>	Recent non-active market price	Not applicable	Not applicable	Not applicable

	Fair value at June 30, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Venture capital shares and private equity fund investment	<u>\$ 37,211,565</u>	Net assets value	Discount for lack of marketability	10%~30% (15.51%)	The higher the discount for lack of marketability, the lower the fair value.
	<u>\$ 49,342,150</u>	Stock value in complex capital structure	Discount for lack of marketability	5%	The higher the discount for lack of marketability, the lower the fair value.
			Expected equity value volatility	18.56%	The higher the expected equity value volatility, the higher the fair value.
	<u>\$ 647,407</u>	Recent non-active market price	Not applicable	Not applicable	Not applicable
	Fair value at December 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	<u>\$ 874,328</u>	Market comparable companies	Revenue multiple	0.24~20.86 (12.88)	The higher the revenue multiple, profit after tax, net value multiple and value to EBIT multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.
			Profit after tax multiple	18.07	
			Net value multiple	1.43~1.88 (1.88)	
			Discount for lack of marketability	20%~35% (26.09%)	
			Value to EBIT multiple	1.89~14.32 (14.32)	

	Fair value at December 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	<u>\$ 8,021,999</u>	Stock value in complex capital structure	Weighted average cost of capital	14.18%~ 27.28% (18.06%)	The higher the long-term revenue growth rate, long-term pre-tax operating margin, value to EBIT multiple and revenue multiple, expected equity value volatility, the higher the fair value; the higher the discount for lack of marketability, discount for lack of control and weighted average cost of capital, the lower the fair value.
			Long-term revenue growth rate	2%	
			Long-term pre-tax operating margin	25.04%~ 65.96% (33.76%)	
			Discount for lack of marketability	10%~20% (15.10%)	
			Discount for lack of control	10%~15% (10.39%)	
			Expected equity value volatility	39.11%~ 115.07% (51.76%)	
			Revenue multiple	0.24~31.81 (4.00)	
			Value to EBIT multiple	7.08	
			Discount for lack of marketability	9.46%~25% (9.52%)	
			Discount for lack of control	5%~15% (9.26%)	
	<u>\$ 6,047,203</u>	Net assets value			The higher the discount for lack of marketability and discount for lack of control, the lower the fair value.
	<u>\$ 7,964,175</u>	Recent non-active market price	Not applicable	Not applicable	Not applicable
Venture capital shares and private equity fund investment	<u>\$ 26,107,499</u>	Net assets value	Discount for lack of marketability Discount for lack of control	9.46%~14.74% (11.79%) 6.57%~19.95% (9.26%)	The higher the discount for lack of marketability, discount for lack of control, the lower the fair value.

	Fair value at December 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Venture capital shares and private equity fund investment	<u>\$ 47,528,449</u>	Stock value in complex capital structure	Discount for lack of marketability	5%	The higher the discount for lack of marketability, the lower the fair value.
			Expected equity value volatility	21.88%	The higher the expected equity value volatility, the higher the fair value.
	<u>\$ 5,807,438</u>	Recent non-active market price	Not applicable	Not applicable	Not applicable
	Fair value at June 30, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	<u>\$ 396,718</u>	Market comparable companies	Revenue multiple	0.47~9.28 (2.16)	The higher the revenue multiple, profit after tax and net value multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value.
			Profit after tax multiple	12.53~19.42 (23.28)	
			Net value multiple	1.8	
			Discount for lack of marketability	15%~35% (23.28%)	
	<u>\$ 8,067,712</u>	Stock value in complex capital structure	Weighted average cost of capital	14.60%~ 15.52% (14.77%)	The higher the long-term revenue growth rate, long-term pre-tax operating margin, value to EBIT multiple and revenue multiple, expected equity value volatility, the higher the fair value; the higher the discount for lack of marketability, discount for lack of control and weighted average cost of capital, the lower the fair value.
			Long-term revenue growth rate	2%	
			Long-term pre-tax operating margin	23.53%~ 26.80% (26.21%)	
			Discount for lack of marketability	5%~35% (6.23%)	
			Discount for lack of control	10%~15% (11.62%)	
			Expected equity value volatility	31.45%~ 110.82% (50.32%)	
			Revenue multiple	0.29~12.75 (2.6)	
			Value to EBIT multiple	5.76	

	Fair value at June 30, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Unlisted shares	<u>\$ 9,404,817</u>	Recent non-active market price	Not applicable	Not applicable	Not applicable
Venture capital shares and private equity fund investment	<u>\$ 24,030,300</u>	Net assets value	Discount for lack of marketability Discount for lack of control	4.71%~10% (5.82%) 4.62%~15% (8.95%)	The higher the discount for lack of marketability, discount for lack of control, the lower the fair value.
	<u>\$ 48,923,989</u>	Stock value in complex capital structure	Discount for lack of marketability	5%	The higher the discount for lack of marketability, the lower the fair value.

- I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

		June 30, 2021				
		Recognised in profit or loss		Recognised in other comprehensive income		
		Favourable change	Unfavourable change	Favourable change	Unfavourable change	
Financial assets	Input	Change				
Equity instrument and beneficiary cereificates	Discount for lack of control and marketability	±1%	<u>\$ 957,503</u>	<u>(\$ 957,503)</u>	<u>\$ 257,069</u>	<u>(\$ 257,069)</u>

			December 31, 2020			
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
	Input	Change				
Financial assets						
Equity instrument and beneficiary cereificates	Discount for lack of control and marketability	±1%	<u>\$ 811,840</u>	<u>(\$ 811,869)</u>	<u>\$ 168,231</u>	<u>(\$ 164,527)</u>
			June 30, 2020			
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
	Input	Change				
Financial assets						
Equity instrument and beneficiary cereificates	Discount for lack of control and marketability	±1%	<u>\$ 736,764</u>	<u>(\$ 736,705)</u>	<u>\$ 69,601</u>	<u>(\$ 70,193)</u>

(4) Other matters

In response to the COVID-19 pandemic, the Company and subsidiaries have adopted relevant preventive measures imposed by the government. The pandemic had no significant impact on the Group's operations and business in the second quarter of 2021.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost reaching NT\$300 million or 20% of paid-in capital or more: Please refer to table 4.
- E. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: Please refer to table 5.
- F. Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: Please refer

to table 6.

G. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 7.

H. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 8.

I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(2) and (5).

J. Significant inter-company transactions during the reporting periods: Please refer to table 9.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 10.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 11.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: The Company appointed Foxconn (Far East) Limited's Mainland investee to render processing services and to trade. The transactions were eliminated in the consolidated financial statements. For significant transactions of processing services, trading, receivables and payables, endorsements and guarantees or collaterals provided, and financing, please refer to Note 13(1) A, B, G and H.

(4) Major shareholders

For the names, number and ratio of shares held by shareholders holding over 5% of the Company's shares: Please refer to Table 13.

14. SEGMENT INFORMATION

(1) General information

The Group has adopted eCMMS (E-enabled Components, Modules, Moves & Services) strategy, and provided a one-stop shop to its customers, which are primarily in the 3C industries, with a total solution for design, development, engineering, procurement, manufacturing, logistics and after-sales service. The Group segregates operating segments from both a customer service and product perspective.

In accordance with IFRS No. 8, "Operating Segments", the Group has determined the operating segments and reportable operating segments. Operating segments which have met certain quantitative threshold are disclosed individually or aggregately as reportable operating segments; other segments which have not met the quantitative threshold are included in the 'all other segments'. When deciding on a aggregate disclosure, the criteria for consideration include: (1) the nature of the products and services; (2) the nature of the production process; (3) the customer types or categories of the products or services; and (4) the methods used to distribute its products or provide its services.

The Group has identified the electronic manufacturing integrated services department, which provides global 3C production-related one-stop services, as a reportable operating segment.

(2) Measurement of segment information

The chief operating decision maker assesses performance and allocates resources of the operating segments based on each operating segment's revenue and operating income after adjusting the internal costs and allocated expenses. Except for the recognition of internal costs which shall be in accordance with the Group's related internal calculation basis, the operating segments' accounting policies are the same as disclosed in Note 4.

(3) Segment information

The financial information of reportable segments provided to chief operating decision maker is as follows:

	<u>For the three-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
	<u>Electronic Manufacturing Integration Service</u>	<u>Electronic Manufacturing Integration Service</u>
Net external revenue	\$ 1,398,148,081	\$ 1,211,008,560
Revenue from internal customers	95,587,609	69,316,378
Segment revenue	<u>\$ 1,493,735,690</u>	<u>\$ 1,280,324,938</u>
Segment profit	<u>\$ 36,728,638</u>	<u>\$ 27,513,522</u>
	<u>For the six-month periods ended June 30,</u>	
	<u>2021</u>	<u>2020</u>
	<u>Electronic Manufacturing Integration Service</u>	<u>Electronic Manufacturing Integration Service</u>
Net external revenue	\$ 2,814,050,704	\$ 2,127,538,077
Revenue from internal customers	187,687,875	132,783,268
Segment revenue	<u>\$ 3,001,738,579</u>	<u>\$ 2,260,321,345</u>
Segment profit	<u>\$ 68,572,279</u>	<u>\$ 33,568,857</u>

(4) Reconciliation for segment income (loss)

Sales between segments are carried out at arm's length. The revenue from external parties reported to the chief operating decision-maker is measured in a manner consistent with that in the income statement.

A reconciliation of reportable segment profit or loss to the profit before tax and discontinued operations for the three-month and six-month periods ended June 30, 2021 and 2020 is provided as follows:

		For the three-month periods ended June 30,	
Operating revenue		2021	2020
Total reported segment revenue	\$	1,493,735,690	\$ 1,280,324,938
Other operating segment revenue		43,014,917	19,819,075
Elimination of intersegment revenue	(	185,283,967)	(171,807,106)
Total corporate revenue	\$	<u>1,351,466,640</u>	<u>\$ 1,128,336,907</u>
		For the six-month periods ended June 30,	
Operating revenue		2021	2020
Total reported segment revenue	\$	3,001,738,579	\$ 2,260,321,345
Other operating segment revenue		89,305,812	33,506,820
Elimination of intersegment revenue	(	392,464,928)	(236,358,136)
Total revenue	\$	<u>2,698,579,463</u>	<u>\$ 2,057,470,029</u>
		For the three-month periods ended June 30,	
Profit and loss		2021	2020
Profit of reported segment	\$	36,728,638	\$ 27,513,522
Loss of other operating segments	(	1,074,039)	(2,108,005)
Elimination of intersegment transactions and internal costs and allocated expenses adjustments	(	2,790,475)	(2,444,429)
Profit of operating segments		32,864,124	22,961,088
Non-operating income and expenses		11,364,421	11,906,811
Profit before tax from continuing operations	\$	<u>44,228,545</u>	<u>\$ 34,867,899</u>
		For the six-month periods ended June 30,	
Profit and loss		2021	2020
Profit of reported segment	\$	68,572,279	\$ 33,568,857
Profit of other operating segments	(	3,054,179)	(2,482,947)
Elimination of intersegment transactions and internal costs and allocated expenses adjustments	(	4,468,206)	(3,459,081)
Profit of operating segments		61,049,894	27,626,829
Non-operating income and expenses		22,367,724	13,139,490
Profit before tax from continuing operations	\$	<u>83,417,618</u>	<u>\$ 40,766,319</u>

Hon Hai Precision Industry Co., Ltd. and Subsidiaries

Loans to others

June 30, 2021

Table 1

Expressed in thousands of TWD
(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during		Balance at June 30, 2021	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					June 30, 2021	June 30, 2021								Item	Value			
					\$	\$												
1	Hyield Venture Capital Co., Ltd.	Jusda International Logistics (Taiwan) Co., Ltd	Other Receivables	Y	\$ 60,000	\$ -	-	N/A	Short term financing	\$ -	-	Business operation	\$ -	None	\$ -	2,824,391	\$ 11,297,563	Note 1
1	Hyield Venture Capital Co., Ltd.	Linkooh Technology Inc.	Other Receivables	Y	10,000	-	-	N/A	Short term financing	-	-	Business operation	-	None	-	2,824,391	11,297,563	Note 1
1	Hyield Venture Capital Co., Ltd.	Foxnum Technology Co., Ltd.	Other Receivables	Y	267,000	267,000	267,000	0.90	Short term financing	-	-	Business operation	-	None	-	2,824,391	11,297,563	Note 1
2	Bon Shin International Investment Co., Ltd.	Altus Technology Inc.	Other Receivables	Y	220,000	220,000	220,000	2.00	Short term financing	-	-	Business operation	-	None	-	2,066,143	8,264,572	Note 1
2	Bon Shin International Investment Co., Ltd.	Big Innovation Company Ltd.	Other Receivables	Y	25,000	-	-	N/A	Short term financing	-	-	Business operation	-	None	-	2,066,143	8,264,572	Note 1
2	Bon Shin International Investment Co., Ltd.	Breaktime Inc.	Other Receivables	Y	49,000	49,000	49,000	0.90	Short term financing	-	-	Business operation	-	None	-	2,066,143	8,264,572	Note 1
2	Bon Shin International Investment Co., Ltd.	Jusda International Logistics (Taiwan) Co., Ltd	Other Receivables	Y	60,000	60,000	60,000	2.00	Short term financing	-	-	Business operation	-	None	-	2,066,143	8,264,572	Note 1
3	Premier Image Technology (China) Ltd.	Shenzhen Xunfeng Business Co., Ltd.	Other Receivables	N	976,995	970,358	970,358	3.465	Short term financing	-	-	Business operation	-	None	-	2,353,314	2,353,314	Note 2
4	Foxconn Precision Components (Shenzhen) Co., Ltd.	Shenzhen Xunfeng Business Co., Ltd.	Other Receivables	N	140,906	-	-	N/A	Short term financing	-	-	Business operation	-	None	-	216,553	866,210	Note 2

Table 1 Page 1

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2021		Balance at June 30, 2021	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote	
					Item	Value								\$	-				\$
4	Foxconn Precision Components (Shenzhen) Co., Ltd.	Fujian Precision Industry (Shenzhen) Co., Ltd.	Other Receivables	Y	\$	836,627	\$	819,413	3.465	Short term financing	-	Business operation	\$	-	None	\$	4,331,051	8,662,101	Note 2
5	Ur Materials (Shenzhen) Co., Ltd.	Ur Materials Technology (Guangzhou) Co., Ltd.	Other Receivables	Y		162,922		129,381	3.915	Short term financing	-	Business operation	-	-	None	-	2,387,557	4,775,114	Note 2
6	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Nanjing Futeng New Energy Automobile Technology Co., Ltd.	Other Receivables	Y		171,517		170,352	3.465	Short term financing	-	Business operation	-	-	None	-	252,258,664	504,517,329	Note 2
6	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Fu Rong Inclusive Finance Co., Ltd.	Other Receivables	Y		564,486		560,651	4.235	Short term financing	-	Business operation	-	-	None	-	252,258,664	504,517,329	Note 2
6	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Other Receivables	Y		2,613,120	-	-	N/A	Short term financing	-	Business operation	-	-	None	-	252,258,664	504,517,329	Note 2
6	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Other Receivables	Y		6,604,950	4,312,700	4,312,700	3.50	Short term financing	-	Business operation	-	-	None	-	252,258,664	504,517,329	Note 2
7	Fuhongyuan (Shenzhen) Environmental Technology Limited	Changchun Chentai Technology Co., Ltd.	Other Receivables	Y		30,823	30,189	30,189	3.465	Short term financing	-	Business operation	-	-	None	-	104,374	104,374	Note 2
7	Fuhongyuan (Shenzhen) Environmental Technology Limited	Changchun Leiguan Environmental Plastic Products Co., Ltd.	Other Receivables	Y		110,083	107,818	107,818	3.465	Short term financing	-	Business operation	-	-	None	-	521,872	1,043,743	Note 2
8	Jusda Supply Chain Management International Co., Ltd.	Shenzhen Fertile Plan International Logistics Co., Ltd.	Other Receivables	Y		3,082,310	-	-	N/A	Short term financing	-	Business operation	-	-	None	-	4,845,346	9,690,692	Note 6

Table 1 Page 2

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2021		Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					\$	\$							Item	Value			
8	Jusda Supply Chain Management International Co., Ltd.	Shandong Anjie Supply Chain Management Co., Ltd.	Other Receivables	N	79,259	-	-	N/A	Short term financing	-	Business operation	-	None	-	\$ 4,845,346	\$ 9,690,692	Note 6
8	Jusda Supply Chain Management International Co., Ltd.	Shanxi Kaopu Logistics Co., Ltd.	Other Receivables	Y	74,856	73,316	-	N/A	Short term financing	-	Business operation	-	None	-	4,845,346	9,690,692	Note 6
8	Jusda Supply Chain Management International Co., Ltd.	Xinjiang Kaopu Supply Chain Management Co., Ltd.	Other Receivables	Y	83,663	81,941	-	N/A	Short term financing	-	Business operation	-	None	-	4,845,346	9,690,692	Note 6
8	Jusda Supply Chain Management International Co., Ltd.	Inner Mongolia Kaopu Supply Chain Management Co., Ltd.	Other Receivables	Y	132,099	81,510	27,601	6.00	Short term financing	-	Business operation	-	The equity of Shanghai Topone Logistics Co., Ltd. held by a third party is pledged.	27,601	4,845,346	9,690,692	Note 6
8	Jusda Supply Chain Management International Co., Ltd.	Tianjin Kaopu Information Technology Co., Ltd.	Other Receivables	Y	158,519	96,389	96,389	6.00	Short term financing	-	Business operation	-	The equity of Shanghai Topone Logistics Co., Ltd. held by a third party is pledged.	96,389	4,845,346	9,690,692	Note 6
9	Zhengzhou Jusda Industrial Park Development Co., Ltd.	Shenzhen Fertile Plan International Logistics Co., Ltd.	Other Receivables	Y	290,618	284,638	284,638	3.465	Short term financing	-	Business operation	-	None	-	642,556	1,285,112	Note 2
10	Jusda International Limited	Jusda Supply China Management Corporation	Other Receivables	Y	34,068	-	-	N/A	Short term financing	-	Business operation	-	None	-	4,273,413	8,546,827	Note 2
10	Jusda International Limited	Jusda Europe S.R.O.	Other Receivables	Y	99,365	69,650	69,650	0.90	Short term financing	-	Business operation	-	None	-	4,273,413	8,546,827	Note 2
10	Jusda International Limited	Jusda Supply China Management Mexico, S. De R.L De C.V	Other Receivables	Y	105,868	105,868	78,008	0.9-1.09	Short term financing	-	Business operation	-	None	-	4,273,413	8,546,827	Note 2

Table 1 Page 3

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2021		Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Ceiling on total loans granted	Footnote
					Y	\$							Item	Value		
11	Jusda Europe S.R.O.	Jusda NL, B.V.	Other Receivables	Y	30,933	\$	29,835	0.60	Short term financing	-	Business operation	-	None	\$	141,000	Note 2
12	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Hongging Precision Machinery Co., Ltd.	Other Receivables	Y	440,330		431,270	3.85	Short term financing	-	Business operation	-	None	-	17,368,803	Note 2
13	Fu Ding Electronic Technology (Jiashan) Co., Ltd.	Beijing Hengyu New Energy Auto Rental Co., Ltd.	Other Receivables	Y	154,996		151,807	4.00	Short term financing	-	Business operation	-	None	-	1,629,199	Note 2
13	Fu Ding Electronic Technology (Jiashan) Co., Ltd.	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Other Receivables	Y	2,201,650		2,156,350	3.00	Short term financing	-	Business operation	-	None	-	32,583,975	Note 2
13	Fu Ding Electronic Technology (Jiashan) Co., Ltd.	Shanghai Foxconn Co., Ltd.	Other Receivables	Y	4,623,465		4,528,335	2,500-3,000	Short term financing	-	Business operation	-	None	-	32,583,975	Note 2
14	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Foxconn Precision Electronics (Yantai) Co., Ltd.	Other Receivables	Y	2,811,190		2,516,028	0.3-3.0	Short term financing	-	Business operation	-	None	-	82,641,501	Note 2
14	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Other Receivables	Y	2,201,650		-	N/A	Short term financing	-	Business operation	-	None	-	82,641,501	Note 2
14	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Other Receivables	Y	4,702,193		-	N/A	Short term financing	-	Business operation	-	None	-	82,641,501	Note 2
14	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Shandong Chengshang Energy Co., Ltd.	Other Receivables	Y	260,532		258,762	3.00	Short term financing	-	Business operation	-	None	-	82,641,501	Note 2

Table 1 Page 4

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2021		Balance at June 30, 2021	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Ceiling on total loans granted	Footnote
					Y	\$	\$	\$						Item	Value		
14	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Dongyi PV Technology Co., Ltd.	Other Receivables	Y	434,220	\$	431,270	\$	431,270	3.00	Short term financing	-	\$	None	-	\$	165,283,003
												Business operation				\$	Note 2
15	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Fuyang Soleros Technology (Nanyang) Co., Ltd.	Other Receivables	Y	2,069,551		1,962,279		3.465	Short term financing	-	Business operation	-	None	-	255,248,684	Note 2
15	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Shandong Chengshang Energy Co., Ltd.	Other Receivables	Y	396,297		-		N/A	Short term financing	-	Business operation	-	None	-	255,248,684	Note 2
15	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Dongyi PV Technology Co., Ltd.	Other Receivables	Y	440,330		-		N/A	Short term financing	-	Business operation	-	None	-	255,248,684	Note 2
15	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Inner Mongolia Xin Jin Photovoltaic Technology Co., Ltd.	Other Receivables	Y	656,092		-		N/A	Short term financing	-	Business operation	-	None	-	255,248,684	Note 2
15	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	First Special Material (Henan) Limited	Other Receivables	Y	132,099		129,381		3.915	Short term financing	-	Business operation	-	None	-	255,248,684	Note 2
15	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Lankao Yufu Precision Technology Co., Ltd.	Other Receivables	Y	2,201,650		2,156,350		3.465	Short term financing	-	Business operation	-	None	-	255,248,684	Note 2
16	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	WWW (Jincheng) Co., Ltd.	Other Receivables	Y	998,900		975,100		1.40	Short term financing	-	Business operation	-	None	-	89,501,555	Note 2
17	Fujin Precision Industrial (Jincheng) Co., Ltd.	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Other Receivables	Y	4,403,300		4,312,700		3.00	Short term financing	-	Business operation	-	None	-	68,491,153	Note 2

Table 1 Page 5

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2021		Balance at June 30, 2021	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower		Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					Y	\$	\$	\$			\$	\$		\$	Item	Value	\$		Note 2
17	Fujian Precision Industrial (Jincheng) Co., Ltd.	Inner Mongolia Xin Jin Photovoltaic Technology Co., Ltd.	Other Receivables	Y	629,619		625,342	625,342	3.00	Short term financing	-	-	Business operation	-	None	-	68,491,153	136,982,306	Note 2
17	Fujian Precision Industrial (Jincheng) Co., Ltd.	WWW (Jincheng) Co., Ltd.	Other Receivables	Y	1,805,353		1,768,207	1,768,207	3.00	Short term financing	-	-	Business operation	-	None	-	68,491,153	136,982,306	Note 2
17	Fujian Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Other Receivables	Y	4,355,200		4,312,700	4,312,700	2.80	Short term financing	-	-	Business operation	-	None	-	68,491,153	136,982,306	Note 2
18	Guizhou Funayuanhuang Technology Co., Ltd.	Tianjin Funayuanhuang Technology Co., Ltd.	Other Receivables	Y	57,243		-	-	N/A	Short term financing	-	-	Debt repayment	-	None	-	1,392,659	2,785,318	Note 2
19	Foxconn (Far East) Limited	Foxconn Singapore Pte. Ltd.	Other Receivables	Y	2,507,400		2,507,400	2,507,400	0.00	Short term financing	-	-	Business operation	-	None	-	2,599,114,274	5,198,228,548	Note 2
19	Foxconn (Far East) Limited	PCE Paragon Solutions KFT.	Other Receivables	Y	2,014,924		-	-	N/A	Short term financing	-	-	Business operation	-	None	-	2,599,114,274	5,198,228,548	Note 2
19	Foxconn (Far East) Limited	Big Innovation Holdings Limited	Other Receivables	Y	278,932		6,269	6,269	0.00	Short term financing	-	-	Business operation	-	None	-	2,599,114,274	5,198,228,548	Note 2
19	Foxconn (Far East) Limited	Fukang Technology Company Limited	Other Receivables	Y	9,775,500		9,751,000	9,751,000	0.00	Short term financing	-	-	Business operation	-	None	-	2,599,114,274	5,198,228,548	Note 2
20	Smart Technologies Inc.	Smart Technologies ULC	Other Receivables	Y	5,596,999		5,499,198	5,499,198	0-5,000	Short term financing	-	-	Business operation	-	None	-	260,661,914	521,323,828	Note 2

Table 1 Page 6

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2021		Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Ceiling on total loans granted	Footnote
					Y	\$	Balance at June 30, 2021						Item	Value		
21	Smart Technologies Corp.	Smart Technologies ULC	Other Receivables	Y	577,935	\$	564,165	0.18	Short term financing	-	Business operation	\$	None	-	\$ 521,323,828	Note 2
22	Smart Technologies ULC	Smart Technologies (China) Co., Ltd.	Other Receivables	Y	56,362		55,203	1.00	Short term financing	-	Business operation	-	None	-	521,323,828	Note 2
23	PCE Paragon Solutions KFT.	Foxconn Europe Digital Solutions S.R.O.	Other Receivables	Y	39,956		39,004	0.9505	Short term financing	-	Business operation	-	None	-	130,184,923	Note 2
24	Fuyu Electronical Technology (Huian) Co., Ltd.	Fumeng Electronical Technology (Heze) Co., Ltd.	Other Receivables	Y	176,132		172,508	3.915	Short term financing	-	Business operation	-	None	-	4,611,394	Note 3
25	Shunsin Technology (Samoa) Corporation Limited	Shunsin Technology Holdings Limited	Other Receivables	Y	704,528		411,216	0.00	Short term financing	-	Business operation	-	None	-	4,873,174	Note 4
26	FIH Precision Component (Beijing) Co., Ltd.	TNS Mobile (Beijing) Co., Ltd.	Other Receivables	Y	1,409,056		1,380,064	3.465	Short term financing	-	Business operation	-	None	-	47,267,454	Note 5
26	FIH Precision Component (Beijing) Co., Ltd.	FIH (Tianjin) Precision Industry Co., Ltd.	Other Receivables	Y	3,752,049		3,752,049	3.465-3.85	Short term financing	-	Business operation	-	None	-	47,267,454	Note 5
27	FIH Precision Electronics (Lang Fang) Co., Ltd.	Shenzhen Mobile Drive Technology Co., Ltd.	Other Receivables	Y	13,210		12,938	3.465	Short term financing	-	Business operation	-	None	-	62,818,908	Note 5
27	FIH Precision Electronics (Lang Fang) Co., Ltd.	Hengyang Futaihong Precision Industry Co., Ltd.	Other Receivables	Y	440,330		431,270	3.465	Short term financing	-	Business operation	-	None	-	62,818,908	Note 5

Table 1 Page 7

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2021		Balance at June 30, 2021	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					Y	\$	\$	\$						Item	Value	\$	\$	
28	FTH Mobile Limited	Fushan Technology (Vietnam) Limited Liability Company	Other Receivables	Y	856,200		557,200	557,200	0.00	Short term financing	-	Business operation	-	None	-	5,695,368	22,781,472	Note 5
28	FTH Mobile Limited	TNS Limited	Other Receivables	Y	2,927,276		2,857,530	2,857,530	0.00	Short term financing	-	Business operation	-	None	-	5,695,368	22,781,472	Note 5
28	FTH Mobile Limited	Chief Expertise Limited	Other Receivables	Y	3,132,539		3,057,903	3,057,903	0.00	Short term financing	-	Business operation	-	None	-	5,695,368	22,781,472	Note 5
29	Hongtujian Precision Industry (Wuhan) Co., Ltd.	Fugukang Precision Electronics (Guizhou) Co., Ltd.	Other Receivables	Y	1,100,825		948,794	948,794	3.465	Short term financing	-	Business operation	-	None	-	42,160,314	84,320,627	Note 2
30	Shenzhen Shihui Precision Technology Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Other Receivables	Y	1,761,320		-	-	N/A	Short term financing	-	Business operation	-	None	-	91,570,114	183,140,227	Note 7
30	Shenzhen Shihui Precision Technology Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Other Receivables	Y	3,962,970		3,881,430	3,881,430	3.465	Short term financing	-	Business operation	-	None	-	91,570,114	183,140,227	Note 7
31	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Hebi Yuzhan Precision Technology Co., Ltd.	Other Receivables	Y	1,761,320		1,725,080	1,725,080	3.465	Short term financing	-	Business operation	-	None	-	91,570,114	183,140,227	Note 7
31	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Hongtujian Precision Electronics (Tianjin) Co., Ltd.	Other Receivables	Y	3,082,310		3,018,890	3,018,890	3.915	Short term financing	-	Business operation	-	None	-	91,570,114	183,140,227	Note 7
31	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Other Receivables	Y	11,008,250		6,037,780	6,037,780	3.465	Short term financing	-	Business operation	-	None	-	91,570,114	183,140,227	Note 7

Table 1 Page 8

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2021		Balance at June 30, 2021	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Ceiling on total loans granted	Footnote
					Y	\$	\$	\$						Item	Value		
32	Henan Yuzhan Technology Limited	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Other Receivables	Y	2,201,650	\$	1,293,810	\$	-	N/A	Short term financing	- Business operation	-	None	\$	183,140,227	Note 7
33	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Other Receivables	Y	1,320,990	-	-	-	N/A	Short term financing	- Business operation	-	-	None	-	183,140,227	Note 7
33	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Other Receivables	Y	5,724,290	5,606,510	5,606,510	5,606,510	3.465	Short term financing	- Business operation	-	-	None	-	183,140,227	Note 7
34	IPL International Limited	Foxconn Technology CZ	Other Receivables	Y	1,855,100	1,810,900	1,810,900	1,810,900	0.00	Short term financing	- Business operation	-	-	None	-	183,140,227	Note 7
34	IPL International Limited	Foxconn CZ S.R.O.	Other Receivables	Y	4,138,300	4,039,700	4,039,700	4,039,700	0.00	Short term financing	- Business operation	-	-	None	-	183,140,227	Note 7
34	IPL International Limited	Focus PC Enterprises Limited	Other Receivables	Y	11,701,400	11,422,600	11,422,600	11,422,600	0.00	Short term financing	- Business operation	-	-	None	-	183,140,227	Note 7
34	IPL International Limited	Cloud Network Technology Kft.	Other Receivables	Y	16,437,400	16,437,400	16,437,400	16,437,400	0.75-0.98	Short term financing	- Business operation	-	-	None	-	183,140,227	Note 7
34	IPL International Limited	Cloud Network Technology Singapore Pte. Ltd.	Other Receivables	Y	29,525,600	27,581,400	27,581,400	27,581,400	0.00	Short term financing	- Business operation	-	-	None	-	183,140,227	Note 7
35	Foxconn CZ S.R.O.	SafedX S.R.O.	Other Receivables	Y	38,250	37,625	37,625	37,625	0.60	Short term financing	- Business operation	-	-	None	-	183,140,227	Note 7

Table 1 Page 9

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2021			Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Ceiling on total loans granted	Footnote
					Y	\$	1,141,600	\$	1,114,400	0.942	Short term financing	-	\$	Item	Value	\$	
35	Foxconn S.R.O.	Foxconn Technology CZ	Other Receivables	Y								Business operation	-	None	-	91,570,114	Note 7
36	Cloud Network Technology Kft.	FII USA Inc.	Other Receivables	Y		7,438,620		7,438,620	0.75-0.91	Short term financing	-	Business operation	-	None	-	91,570,114	Note 7
37	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Langfang Yuzhan Technology Limited	Other Receivables	Y		66,050		-	N/A	Short term financing	-	Business operation	-	None	-	91,570,114	Note 7
38	Jinchen Hongren Technology Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Other Receivables	Y		440,330		-	N/A	Short term financing	-	Business operation	-	None	-	91,570,114	Note 7
39	Sharp Jusda Logistics Corporation	Sharp Jusda Logistics Operation (Thailand) Co., Ltd.	Other Receivables	Y		5,921		2,345	1.20	Short term financing	-	Business operation	-	None	-	76,940	Note 2
40	Fenix Industria de Electronicos Ltda.	Foxconn Moebg Industria De Electronicos Ltda.	Other Receivables	Y		280,130		280,130	0.00	Short term financing	-	Business operation	-	None	-	1,617,037	Note 2
41	FII Co., Ltd.	Mobile Drive Technology Co., Ltd.	Other Receivables	Y		80,000		80,000	2.366	Short term financing	-	Business operation	-	None	-	170,092	Note 5
42	Foxconn Singapore Pte Ltd.	Fukang Technology Company Limited	Other Receivables	Y		2,283,200		2,228,800	0.00	Short term financing	-	Purchase of land	-	None	-	44,336,556	Note 2
42	Foxconn Singapore Pte Ltd.	Competition Team Technology (Vietnam) Company Limited	Other Receivables	Y		2,507,400		2,507,400	0.00	Short term financing	-	Business operation	-	None	-	44,336,556	Note 2

Table 1 Page 10

No.	Creditor	Borrower	General ledger	Is a related party	Maximum outstanding balance during the six months ended		Balance at June 30, 2021	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					June 30, 2021	June 30, 2021								Item	Value			

43	Foxconn Brazil Industria e Comercio Ltda	Foxconn MOEBG Industria De Eletronicos Ltda.	Other Receivables	Y	\$	1,232,572	\$	1,232,572	0.00	Short term financing	\$	-	\$	None	\$	17,303,801	\$	34,607,601	Note 2
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Note 1: The ceiling on total loans granted by a domestic subsidiary to all parties is 40% of the net assets value of lender; the ceiling on single loan granted by a domestic subsidiary to all parties is 10% of the net assets value of lender.

Note 2: The policy for loans granted mutually between overseas subsidiaries of which the Company directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by an overseas subsidiary to all overseas subsidiaries is 400% of the net assets value of lender; limit on loans granted by an overseas subsidiary to a single overseas subsidiary is 200% of the net assets value of lender.

The policy for loans granted by subsidiaries to the company is as follows: ceiling on total loans granted by a subsidiary is 40% of the net assets value of lender; limit on loans granted by a subsidiary to a single party is 10% of the net assets value of lender.

The policy for loans granted by Smart Technologies Inc., Smart Technologies Corp., and Smart Technologies Utc. are as follows: ceiling on total loans to all parties is 40% of the Company's net assets; limit on loans to a single party is 20% of the Company's net assets. The policy for loans granted by Premier Image Technology (China) Ltd. and Fuhongyuan (Shenzhen) Environmental Technology Limited are as follows: ceiling on total loans to all parties is 40% of the net assets value of lender; limit on loans to a single party is 40% of the net assets value of lender.

Note 3: The policy for loans granted by Foxconn Interconnect Technology Limited is as follows: ceiling on total loans to all parties is 40% of the net assets value of Foxconn Interconnect Technology Limited; limit on loans to a single party is 10% of the net assets value of Foxconn Interconnect Technology Limited.

The policy for loans granted by overseas subsidiaries of which Foxconn Interconnect Technology Limited directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by overseas subsidiaries is 40% of the net assets value of Foxconn Interconnect Technology Limited; limit on loans granted by an overseas subsidiary to a single party is 20% of the net assets value of Foxconn Interconnect Technology Limited.

Note 4: The policy for loans granted by Shunsin Technology Holdings Limited is as follows: ceiling on total loans to all parties is 40% of the net assets value of Shunsin Technology Holdings Limited; limit on loans to a single party is 10% of the net assets value of Shunsin Technology Holdings Limited.

The policy for loans granted by overseas subsidiaries of which Shunsin Technology Holdings Limited directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by overseas subsidiaries is 400% of the net assets value of lender; limit on loans granted by an subsidiary to a single party is 200% of the net assets value of lender. The policy for loans granted by overseas subsidiaries of which Shunsin Technology Holdings Limited directly or indirectly holds 100% of their voting shares to Shunsin Technology Holdings Limited is as follows: ceiling on total loans granted by overseas subsidiaries is 400% of the net assets value of lender.

Note 5: The policy for loans granted by FIH Mobile Limited is as follows: ceiling on total loans to all parties is 40% of the net assets value of FIH Mobile Limited; limit on loans to a single party is 10% of the net assets value of FIH Mobile Limited.

The policy for loans granted by overseas subsidiaries of which FIH Mobile Limited directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by overseas subsidiaries is 400% of the net assets value of lender; limit on loans granted by an subsidiary to a single party is 200% of the net assets value of lender.

Note 6: The policy for loans granted by Jusda Supply Chain Management International Co., Ltd. is as follows: ceiling on total loans to all parties is 60% of the net assets value of lender; limit on loans to a single party is 30% of the net assets value of lender.

Note 7: The policy for loans granted by overseas subsidiaries (outside Taiwan) of which Foxconn Industrial Internet Co., Ltd. (FIIT) directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by overseas subsidiaries is 40% of the net assets value of FIIT; limit on loans granted by a subsidiary to a single party is 20% of the net assets value of FIIT.

The policy for loans granted by subsidiaries of FIIT loan to FIIT is as follows: ceiling on total loans granted by overseas subsidiaries is 40% of the net assets value of lender; limit on loans granted by an overseas subsidiary to a single party is 40% of the net assets value of lender.

The policy for loans granted by the subsidiaries of FIIT to subsidiaries of which FIIT directly or indirectly holds more than 50% of their voting shares or subsidiaries of which lender directly or indirectly holds more than 50% of their voting shares is as follows: ceiling on total loans granted by overseas subsidiaries is 40% of the net assets value of lender; limit on loans granted by an overseas subsidiary to a single party is 10% of the net assets value of lender.

Note 8: The net assets referred to above are based on the latest reviewed financial statements.

Table 1 Page 11

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Provision of endorsements and guarantees to others
June 30, 2021

Table 2

Expressed in thousands of TWD
(Except as otherwise indicated)

No.	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of June 30, 2021	Outstanding endorsement/ guarantee amount at June 30, 2021	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Relationship with the endorser/ guarantor	Company name											
0	Hon Hai Precision Industry Co., Ltd.	Note 2	Falcon Precision Trading Limited	\$	8,366,270	\$	1,725,080	\$	-	\$	Y	N	N	Note 4 ~ 9
0	Hon Hai Precision Industry Co., Ltd.	Note 2	Foxconn Slovakia, spol. s r.o.		5,155,500	4,972,500	2,751,450	-	0.38	1,303,309,571	Y	N	N	Note 4 ~ 9
0	Hon Hai Precision Industry Co., Ltd.	Note 2	Competition Team Technologies Limited		37,250,400	27,860,000	27,860,000	-	2.14	1,303,309,571	Y	N	N	Note 4 ~ 9
0	Hon Hai Precision Industry Co., Ltd.	Note 2	AFE Inc.		31,358,325	30,611,175	30,611,175	-	2.35	1,303,309,571	Y	N	N	Note 4 ~ 9
0	Hon Hai Precision Industry Co., Ltd.	Note 2	Fuyu Real Estate (Shanghai) Co., Ltd.		499,450	487,550	487,550	-	0.04	1,303,309,571	Y	N	Y	Note 4 ~ 9
0	Hon Hai Precision Industry Co., Ltd.	Note 2	Foxconn (Far East) Limited		114,160,000	111,440,000	69,199,800	-	8.55	1,303,309,571	Y	N	N	Note 4 ~ 9
1	Hongtijn Precision Electronics (Zhengzhou) Co., Ltd.	Note 2	Lankao Yufu Precision Technology Co., Ltd.		6,622,381	6,035,948	6,035,948	-	0.46	127,624,342	N	N	Y	Note 5 ~ 9
2	Justa International Limited	Note 2	Justa Europe S.R.O.		358,318	345,599	345,599	-	0.03	2,136,707	N	N	N	Note 6 ~ 9
3	Smart Technologies Inc.	Note 2	Smart Technologies ULC		1,284,300	1,253,700	835,800	-	0.10	651,654,786	N	N	N	Note 6 ~ 9
4	Shanghai Topone Logistics Co., Ltd.	Note 2	Chengdu Yipu Logistics Co., Ltd.		2,876	1,878	1,878	-	0.00	721,556	N	N	Y	Note 6 ~ 9
4	Shanghai Topone Logistics Co., Ltd.	Note 2	Shandong Wangliu Logistics Co., Ltd.		3,193	1,878	1,878	-	0.00	721,556	N	N	Y	Note 6 ~ 9

Table 2 Page 1

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Provision of endorsements and guarantees to others
June 30, 2021

Table 2

Expressed in thousands of TWD
(Except as otherwise indicated)

No.	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of June 30, 2021	Outstanding endorsement/ guarantee amount at June 30, 2021	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/ guarantor											
4	Shanghai Topone Logistics Co., Ltd.	Wuhan Topone Logistics Co., Ltd.	Note 2	\$ 721,556	\$ 7,707	\$ 5,032	\$ 5,032	\$ -	0.00	\$ 721,556	N	N	Y	Note 6 - 9
4	Shanghai Topone Logistics Co., Ltd.	Guangzhou Wangliu Logistics Co., Ltd.	Note 2	721,556	14,725	9,802	9,802	-	0.00	721,556	N	N	Y	Note 6 - 9
4	Shanghai Topone Logistics Co., Ltd.	Xi'An Topone Logistics Co., Ltd.	Note 2	721,556	17,747	11,106	11,106	-	0.00	721,556	N	N	Y	Note 6 - 9
5	PCE Paragon Solutions KFT.	Cloud Network Technology Kft.	Note 2	32,546,231	71,121	1,023	1,023	-	0.00	32,546,231	N	N	N	Note 9
6	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Note 2	65,711,703	55,041	-	-	-	0.00	65,711,703	N	N	Y	Note 5 - 9
7	ShunSin Technology (Zhongshan) Limited	ShunYun Technology (Zhongshan) Limited	Note 2	9,403,338	52,840	51,752	51,752	51,752	0.00	9,403,338	N	N	Y	Note 9
8	Foxconn Industrial Internet Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Note 2	228,925,284	30,723,000	30,646,000	16,716,000	-	2.35	457,850,568	N	N	N	Note 6 - 9
9	FIH Mobile Limited	FIH (Hong Kong) Limited	Note 2	57,023,723	8,517,000	4,875,500	-	-	0.37	57,023,723	N	N	N	Note 7 - 9
10	FIH Mexico Industry S.A. de C.V.	FIH (Hong Kong) Limited	Note 3	3,410,682	2,197,580	2,145,220	-	2,145,220	0.16	6,821,365	N	N	N	Note 7 - 9
11	S&B Industry, Inc.	FIH (Hong Kong) Limited	Note 3	2,340,247	698,250	696,500	-	696,500	0.05	4,680,495	N	N	N	Note 7 - 9
12	Great Promote Limited	FIH (Hong Kong) Limited	Note 3	1,393,836	279,300	278,600	-	278,600	0.02	2,787,671	N	N	N	Note 7 - 9
13	Extra High Enterprises Limited	FIH (Hong Kong) Limited	Note 3	823,268	363,090	362,180	-	362,180	0.03	1,646,536	N	N	N	Note 7 - 9

Table 2 Page 2

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Provision of endorsements and guarantees to others
June 30, 2021

Table 2 Expressed in thousands of TWD
(Except as otherwise indicated)

No.	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of June 30, 2021	Outstanding endorsement/ guarantee amount at June 30, 2021	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary		Provision of endorsements/ guarantees to the party in Mainland China		Footnote
		Company name	Note 3								N	N	N	N	
14	Foxconn (Far East) Limited	Foxconn Slovakia, Spol. S.R.O.	Note 3	\$ 1,299,557,137	\$ 8,379,000	\$ 8,358,000	\$ -	\$ -	0.64	\$ 1,299,557,137	N	N	N	N	Note 8 - 9

Note 1: Having business relationship.

Note 2: The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed company.

Note 3: The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.

Note 4: The total endorsements and guarantees of the Company to others should not be in excess of the Company's net assets, and for a single party should not be in excess of 50% of the Company's net assets.

Note 5: The total endorsements and guarantees of overseas subsidiaries of which the Company directly or indirectly holds 100% of their voting shares to others should not be in excess of the endorser/guarantor's net assets, and for a single party should not be in excess of 100% of the endorser/guarantor's net assets.

Note 6: The total endorsements and guarantees of Smart Technologies Inc. to others should not be in excess 50% of the Company's net assets, and for a single party should not be in excess of 20% of the Company's net assets.

The total endorsements and guarantees of Foxconn Industrial Internet Co., Ltd. (FIH) and its subsidiaries to others should not be in excess of the endorser/guarantor's net assets, and for a single party should not be in excess of 50% of the endorser/guarantor's net assets.

The total endorsements and guarantees of Jusda Supply Chain Management International Co., Ltd. and its subsidiary to others should not be in excess of the endorser/guarantor's net assets, and for a single party should not be in excess of the endorser/guarantor's net assets.

Note 7: FIH Mobile Limited and its 100% subsidiaries, FIH (Hong Kong) Limited, FIH Mexico Industry S.A. de C.V., S&B Industry, Inc., Great Promote Limited, Eliteday Enterprises Limited, and FIH Co., Ltd. mutually endorse their bank debts and share the limit.

Among them, the ceiling on the total amount of endorsements/ guarantees provided by FIH Mobile Limited is 100% of its own net asset value, and the ceiling of a single party is 100% of its own net asset value.

The ceiling on the total amount of endorsements/ guarantees provided by FIH Mexico Industry S.A. de C.V., FIH (Hong Kong) Limited, S&B Industry, Inc., Great Promote Limited, Eliteday Enterprises Limited, Extra High Enterprises Limited, and FIH Co., Ltd. is 200% of its own net asset value, and the ceiling of a single party is 100% of its own net asset value.

The limit on endorsements/guarantees is calculated as follows:

Company name	Limit on endorsements/guarantees provided for a single party	Ceiling on total amount of endorsements/guarantees provided
FIH Mobile Limited	57,023,723	57,023,723
FIH Mexico Industry S.A. de C.V.	3,410,682	6,821,364
S&B Industry, Inc.	2,340,247	4,680,494
Great Promote Limited	1,393,836	2,787,672
Eliteday Enterprises Limited	15,976	31,952
Extra High Enterprises Limited	823,268	1,646,536
FIH Co., Ltd.	1,610,106	3,220,212
FIH (Hong Kong) Limited	-	-

The above table separately discloses the portion of the endorsement/guarantees provided by FIH Mobile Limited and its subsidiaries in respect of bank debts that have drawn down and are attributable to the respective subsidiaries as a result of the shared limit. The remaining shared limit is included in FIH Mobile Limited's. The net asset value of the endorser/guarantor is used to calculate the limit. Since no company has incurred bank debts, FIH (Hong Kong) Limited acts as the representative of the guarantor. When a company actually incurs bank debts, the actual amount of debts will be disclosed.

Note 8: Foxconn (Far East) Limited endorse the bank debts for Foxconn Singapore Pte. Ltd., Foxconn Slovakia, Spol. S.R.O., Competition Team Ireland Ltd., and eCMMS Precision Singapore Pte.Ltd. The ceiling on the total amount of endorsements/ guarantees is USD 3 billion. Since there is no company has incurred bank debts, Foxconn Slovakia, Spol. S.R.O. acts as the representative of the guarantor to disclose.

When the company actually incurs bank debts, the actual amount of debts will be disclosed.

Note 9: The net assets referred to above are based on the latest reviewed financial statements.

Table 2 Page 3

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Holding of marketable securities (not including subsidiaries, associates and joint ventures)

June 30, 2021

Table 3

Expressed in thousands of TWD
(Except as otherwise indicated)

As of June 30, 2021					Number of shares		Ownership		Fair value		Footnote
Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	(in thousand shares or thousand units)	Book value	(%)	Book value	(%)	Fair value		
Hon Hai Precision Industry Co., Ltd.	Common Stock of Innolux Co., Ltd.	Other related party	(1)	147,965	\$ 3,070,281	1	\$ 3,070,281	1	\$ 3,070,281		
"	Common Stock of Usun Technology Co., Ltd.	None	(1)	5,180	192,178	8	192,178	8	192,178		
"	Common Stock of Shieh Yong Investment Co., Ltd.	None	(1)	11,562	263,194	2	263,194	2	263,194		
"	Others (Note 3)	None	(1)	-	74,392	-	74,392	-	74,392		
Bon Shin International Investment Co., Ltd. and subsidiaries	Common Stock of Simplo Technology Co., Ltd.	None	(1)	7,730	2,775,231	4	2,775,231	4	2,775,231		
"	Common Stock of UVAT Technology Co., Ltd.	None	(1)	4,064	231,221	10	231,221	10	231,221		
"	Common Stock of AES Holding Co., Ltd.	None	(1)	266	242,187	4	242,187	4	242,187		
"	Common Stock of Mitac International Corporation	None	(1)	4,221	114,031	1	114,031	1	114,031		
"	Others (Note 3)	None	(1)	-	79,967	-	79,967	-	79,967		
Hon Yuan International Investment Co., Ltd.	Common Stock of Usun Technology Co., Ltd.	None	(1)	784	29,086	1	29,086	1	29,086		
"	Others (Note 3)	None	(1)	-	256	-	256	-	256		
Lin Yih International Investment Co., Ltd. and subsidiaries	Common Stock of Waltop International Corporation	None	(1)	22	256	-	256	-	256		
"	Others (Note 3)	None	(1)	-	872	-	872	-	872		
Hyield Venture Capital Co., Ltd. and subsidiaries	Common Stock of Innolux Co., Ltd.	Other related party	(1)	176,311	3,658,458	2	3,658,458	2	3,658,458		
"	Common Stock of Microelectronics Technology Inc.	None	(1)	7,616	380,776	3	380,776	3	380,776		
"	Common Stock of Simplo Technology Co., Ltd.	None	(1)	8,215	2,949,064	4	2,949,064	4	2,949,064		
"	Common Stock of Taiwan Mobile Co., Ltd.	None	(1)	31,974	3,261,373	1	3,261,373	1	3,261,373		
"	Common Stock of Usun Technology Co., Ltd.	None	(1)	3,836	142,316	6	142,316	6	142,316		
"	Common Stock of Tai Tung Communication Co., Ltd.	None	(1)	4,304	76,173	3	76,173	3	76,173		
"	Common Stock of AES Holding Co., Ltd.	None	(1)	283	257,357	4	257,357	4	257,357		
"	Gigasolar Material Corporation	None	(1)	8,000	1,269,440	12	1,269,440	12	1,269,440		
"	Yonglin Life Technology Fund I, L. P.	None	(2)	-	179,210	-	179,210	-	179,210		

Table 3, Page 1

As of June 30, 2021

Securities held by and subsidiaries	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	Number of shares (in thousand shares or thousand units)				Ownership (%)	Fair value	Footnote
				(1)(2)	Book value	-\$	214,498			
Hyield Venture Capital Co., Ltd.	Others (Note 3)	None	(1)(2)	-	214,498	-\$	214,498	-	214,498	
Hongqi Venture Capital Co., Ltd.	Walton International Corporation	None	(1)	22	256	-	256	-	256	
Foxconn (Far East) Limited and subsidiaries	Digital Currency Group, Inc.	None	(1)	9	896,166	1	896,166	1	896,166	
"	Common Stock of Cloudminds Technologies Co., Ltd.	None	(1)	-	339,892	1	339,892	1	339,892	
"	Galaxy Digital Holdings Ltd.	None	(1)	4,537	2,542,096	7	2,542,096	7	2,542,096	
"	Berkeley Lights, LLC	None	(1)	270	337,110	-	337,110	-	337,110	
"	Nano-X Imaging Ltd.	None	(1)	313	279,035	-	279,035	-	279,035	
"	Common Stock of HMD Global Oy	None	(1)	313	4,374,020	-	4,374,020	-	4,374,020	
"	Hopu-Arm Innovation Fund, L.P.	None	(2)	-	423,850	-	423,850	-	423,850	
"	IDG China Capital Fund III L.P.	None	(2)	-	3,258,623	-	3,258,623	-	3,258,623	
"	Dongguan U-Bond Material Technology Co., Ltd.	None	(1)	2,750	129,140	4	129,140	4	129,140	
"	ZAP Medical System, Ltd.	None	(1)	18	155,810	1	155,810	1	155,810	
"	Megvii AI Technology	None	(1)	2,276	1,345,479	-	1,345,479	-	1,345,479	
"	Keyssa, Inc.	None	(1)	-	73,272	-	73,272	-	73,272	
"	Molekule Inc.	None	(1)	-	136,514	-	136,514	-	136,514	
"	Moran Cognitive Technology (Cayman) Limited	None	(1)	16,993	273,314	-	273,314	-	273,314	
"	Nanoplus Technology Ltd.	None	(1)	12,383	208,654	9	208,654	9	208,654	
"	Viu International Limited	None	(1)	3,000	733,162	-	733,162	-	733,162	
"	Common Stock of SK Holding Co., Ltd.	None	(1)	120,000	17,354,342	-	17,354,342	-	17,354,342	
"	Skyeus China Fund, L.P.	None	(2)	-	2,069,575	5	2,069,575	5	2,069,575	
"	Softbank Vision Fund L.P.	None	(2)	-	24,671,075	1	24,671,075	1	24,671,075	
"	Best Educational Organization	None	(2)	-	107,095	-	107,095	-	107,095	
"	Common Stock of Vizio Holding Corporation	None	(1)	-	3,069,022	9	3,069,022	9	3,069,022	
"	Visionnaire Ventures Fund II, L.P.	None	(2)	-	465,601	-	465,601	-	465,601	
"	Xiaoju Kuaizhi Inc.	None	(1)	3,136	4,570,459	-	4,570,459	-	4,570,459	
"	Beijing-based Pensees Technology Co., Ltd.	None	(1)	-	45,662	4	45,662	4	45,662	
"	Common Stock of Henan Ancai Hi-Tech Co., Ltd.	None	(1)	147,013	4,964,386	17	4,964,386	17	4,964,386	
"	Shenzhen Yuto Packaging Technology Co., Ltd.	None	(1)	30,650	3,924,489	-	3,924,489	-	3,924,489	
"	Contemporary Ampetex Technology Co., Limited	None	(1)	16,100	37,132,574	1	37,132,574	1	37,132,574	
"	Asia-IO Holdings Limited	None	(1)	-	348,250	-	348,250	-	348,250	

Table 3, Page 2

As of June 30, 2021

Securities held by Foxconn (Far East) Limited and subsidiaries	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	Number of shares (in thousand shares or thousand units)		Ownership (%)	Fair value	Footnote
				(1)	(2)			
	China Unicom Smart Connection Technology Co., Ltd.	None	(1)	-	\$	193,982	3	\$ 193,982
"	Artificial Intelligent Speech Co., Ltd.	None	(1)	-	-	215,635	1	215,635
"	Figure Technologies Inc.	None	(1)	2,403	-	170,062	2	170,062
"	Ningbo Radi-Cool Advanced Energy Technologies Co., Ltd.	None	(1)	-	-	52,121	3	52,121
"	Jinan Fujie industrial investment fund partnership (limited partnership)	None	(2)	-	-	339,852	-	339,852
"	Plume Design, Inc.	None	(1)	-	-	542,959	-	542,959
"	Nuwa Robotics Corporation	None	(1)	-	-	111,438	-	111,438
"	Airspan Network Inc.	None	(1)	-	-	195,005	-	195,005
"	AutoCore Intelligence Technology (Nanjing) Co., Ltd.	None	(1)	-	-	172,508	-	172,508
"	Livingstone Fund L.P.	None	(2)	-	-	180,352	-	180,352
"	China Harmony New Energy Auto Holding Ltd.	None	(2)	128,734	-	1,575,232	8	1,575,232
"	Suzhou Xindalu Precision Technology Co. Ltd.	None	(1)	-	-	117,341	-	117,341
"	Luster LightTech Group Co., Ltd.	None	(1)	3,931	-	1,078,175	-	1,078,175
"	Pegasus Holdings Limited	None	(2)	-	-	119,102	-	119,102
"	IDG Breyer Capital Fund L.P.	None	(2)	-	-	7,925,329	-	7,925,329
"	Wise Road Industry Investment Fund I, L.P.	None	(2)	-	-	218,423	-	218,423
"	Others (Note 3)	None	(1)(2)	-	-	9,065,268	-	9,065,268
"	Finance Trust Peng Yun Tian Hua Collection Fund Trust	None	(3)	-	-	9,056,670	-	9,056,670
"	500 Startups III, L.P.	None	(2)	-	-	258,495	6	258,495
Foxconn Holding Limited and subsidiaries	S.A.S. Dragon Holdings Ltd.	None	(1)	124,000	-	1,446,112	-	1,446,112
"	Airspan Networks Inc.	None	(1)	99	-	18,730	-	18,730
"	Prefer Stock of Cloudminds Technologies Co., Ltd.	None	(1)	6,206	-	654,970	-	654,970
"	Globant S.A. (GLOB)	None	(1)	45	-	275,757	-	275,757
"	GVFX1 L.P.	None	(2)	-	-	308,049	-	308,049
"	Sinovation Fund III, L.P.	None	(2)	-	-	1,567,786	-	1,567,786
"	Innovation Works Development Fund. L.P.	None	(2)	-	-	900,632	9	900,632
"	Innovation Works Limited	None	(1)	2,600	-	125,503	-	125,503
"	Inuitive Ltd.	None	(1)	1,233	-	176,490	-	176,490
"	Kinova, Inc.	None	(1)	3,000	-	168,650	-	168,650
"	Keyssa, Inc.	None	(1)	1,826	-	-	-	-

Table 3, Page 3

As of June 30, 2021

Securities held by Foxcomm Holding Limited and subsidiaries	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	Number of shares (in thousand shares or thousand units)			Ownership (%)	Fair value	Footnote
				(2)	Book value	Fair value			
	Nautilus Venture Partners Fund I, L.P.	None	(2)	-	\$ 706,561	\$ 706,561	-		
"	Playground Global, LLC	None	(2)	-	154,097	154,097	-		
"	Playground Ventures II, L.P.	None	(2)	-	3,898,090	3,898,090	-		
"	Playground Ventures, L.P.	None	(2)	-	3,365,753	3,365,753	-		
"	Riverwood Capital Partners L.P.	None	(2)	-	213,218	213,218	-		
"	Silverlink Capital, L.P.	None	(2)	-	4,598,879	4,598,879	-		
"	Sinovation Fund IV, L.P.	None	(2)	-	959,472	959,472	-		
"	Softbank Vision Fund L.P.	None	(2)	-	24,671,075	24,671,075	-		
"	TJ 2015 Fund L.P.	None	(2)	-	860,640	860,640	-		
"	Translink Capital Partners II, L.P.	None	(2)	-	113,489	113,489	-		
"	Translink Capital Partners III, L.P.	None	(2)	-	494,760	494,760	-		
"	Translink Capital Partners IV, L.P.	None	(2)	-	249,592	249,592	-		
"	WRV II-A, L.P.	None	(2)	-	2,064,232	2,064,232	-		
"	WRVI Capital III, L.P.	None	(2)	-	1,070,992	1,070,992	-		
"	Devialer SA	None	(1)	41	264,983	264,983	-		
"	Others (Note 3)	None	(1)(2)	-	715,746	715,746	-		
Margmi Holdings Limited-B.V.I. and subsidiaries	IDG Breyer Capital Fund L.P.	None	(2)	-	151,237	151,237	-		
Foxcomm Singapore Pte. Ltd.	Others (Note 3)	None	(2)	-	68,343	68,343	-		

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS 9 'Financial instruments'.

Note 2: Code of general ledger accounts: (1) Financial asset measured at fair value through other comprehensive income (2) Financial assets at fair value through profit or loss (3) Financial asset measured at amortised cost

Note 3: Due to the amount is insignificant, combined disclosure is adopted.

Table 3, Page 4

Hon Hai Precision Industry Co., Ltd. and Subsidiaries

Acquisition or sale of the same security with the accumulated cost reaching NT \$300 million or 20% of paid-in capital or more
For the six-month period ended June 30, 2021

Table 4

Investor	Marketable securities	General ledger account	Counterparty (Note 6)	Relationship with the investor (Note 6)	Balance as at January 1, 2021			Addition			Disposal			Balance as at June 30, 2021		
					Transaction currency	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Selling price	Book value	Gain (loss) on disposal	Number of shares (in thousand shares)	Amount	Expressed in thousands (Except as otherwise indicated)
Hon Hai Precision Industry Co., Ltd.	Foxconn Holding Limited	Note 1	Foxconn Holding Ltd.	Note 7	USD	1,521,952	\$ 1,521,952	39,116	\$ 39,116	-	\$ -	\$ -	-	1,561,068	\$ 1,561,068	
Hyield Venture Capital Co., Ltd.	Giga Solar Material Corporation	Note 2, 5	-	-	TWD	-	-	8,000	1,269,440	-	-	-	-	8,000	1,269,440	
Foxconn (Far East) Limited and Subsidiaries	Cybertan Technology Corporation	Note 1	Szitic (H.K.) Commercial Property Company Limited	Note 7	RMB	226,553	1,611,185	-	-	34,312	-	339,178	113,000	192,241	1,518,741	
"	IDG Breyer Capital Fund L.P.	Note 3, 5	-	-	USD	-	187,109	-	112,140	-	-	-	-	-	284,470	
"	Softbank Vision Fund L.P.	Note 3, 5	-	-	USD	-	834,418	-	39,115	-	-	-	-	-	885,538	
"	Tianjin Aiqi Honghai Haihe Smart Travel Equity Investment Fund Partnership	Note 2, 5	-	-	RMB	-	1,174,845	-	235,000	-	-	-	-	-	1,409,845	
"	Finance Trust Peng Yun Tian Hua Collection Fund Trust	Note 4	-	-	RMB	-	1,100,000	-	-	-	235,400	200,000	35,400	-	900,000	
"	Finance Trust Peng Yun Tian Hua Collection Fund Trust	Note 4	-	-	RMB	-	1,500,000	-	-	-	388,500	300,000	88,500	-	1,200,000	
Foxconn Holding Limited	Sinovation Fund IV L.P.	Note 3, 5	-	-	USD	-	25,022	-	10,750	-	-	-	-	-	34,439	
"	Softbank Vision Fund L.P.	Note 3, 5	-	-	USD	-	834,418	-	39,115	-	-	-	-	-	885,538	
"	Berkeley Lights, LLC (BLI)	Note 2, 5	-	-	USD	-	-	270	12,100	-	-	-	-	270	12,100	
"	Playground Ventures II, L.P.	Note 3, 5	-	-	USD	-	101,312	-	13,400	-	-	-	-	-	78,803	

Table 4, Page 1

Investor	Marketable securities	General ledger account	Counterparty (Note 6)	Relationship with the investor (Note 6)	Transaction currency	Balance as at January 1, 2021		Addition		Disposal			Balance as at June 30, 2021		
						Number of shares (in thousand shares)	Amount	Number of shares (in thousand shares)	Amount	Selling price	Book value	Gain (loss) on disposal	Number of shares (in thousand shares)	Amount	
Foxconn Singapore Pte. Ltd.	Digang Nexchange Berhad	Note 2, 5	-	-	MYR	-	\$ -	-	120,000 \$	20,372	-	\$ -	-	120,000 \$	20,372

Note 1: Code of general ledger account is "investments accounted for under equity method".

Note 2: Code of general ledger account is "financial assets at fair value through other comprehensive income".

Note 3: Code of general ledger account is "financial assets at fair value through profit or loss".

Note 4: Code of general ledger account is "financial assets at amortized cost". The disposal gain and loss is from interest income.

Note 5: The total amount of the Group's acquisition or sale of the same security is reaching NT\$300 million or more.

Note 6: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leaves the columns blank.

Note 7: The counterparty is a subsidiary of the Company.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more
For the six-month period ended June 30, 2021

Table 5

Real estate acquired by	Date of the event	Transaction currency	Transaction amount	Status of payment	Information on prior transaction if the counterparty is a related party				Basis or reference used in setting the price	Purpose of acquisition and utilization	Other commitments		
					Real estate data centers	Counterparty	Relationship with the issuer	Date of transfer				Owner	Amount
FII USA Inc.	March 18, 2021	USD	\$ 77,629,030	Paid in full	AFE, Inc.	Sister company	Not applicable	Not applicable	Book Value	Utilization of the Group's assets	None		

Expressed in thousands of TWD
(Except as otherwise indicated)

Hon Hai Precision Industry Co., Ltd. and Subsidiaries

Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more

For the six-month period ended June 30, 2021

Disposed of by AFE, Inc.	Real estate Plants and data centers	Date of the event March 18, 2021	Date of acquisition Not applicable (Note)	Book value USD \$77,307,060	Transaction amount USD \$77,629,030	Status of collection Received in full	Gain (loss) on disposal USD \$321,970	Counterparty FII USA Inc.	Relationship Sister company	Purpose of disposal March 18, 2021	Basis or reference used in setting the price		Other commitments
											Book Value	None	

Note: The plants and data centers were constructed by AFE, Inc. in 2019.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
For the six-month period ended June 30, 2021

Expressed in thousands of TWD
(Except as otherwise indicated)

Table 7

Transaction			Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)				
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Percentage of total purchases (sales)		Unit price	Credit term	Balance	Percentage of notes/accounts receivable (payable) total	Footnote
				Amount	(sales)					
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	Sales	\$ 6,152,173	-	Note 1	Payment term 45-90 days	\$ 83,716,435	15	Note 2
Hon Hai Precision Industry Co., Ltd.	Foxconn European Manufacturing Services S.R.O.	Subsidiary	Sales	307,026	-	Note 1	Payment term 45 days	-	-	Note 2
Hon Hai Precision Industry Co., Ltd.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	Sales	7,616,400	-	Note 1	Payment term 90 days	7,741,259	1	Note 2
Hon Hai Precision Industry Co., Ltd.	Foxconn Japan Co., Ltd.	Subsidiary	Sales	555,096	-	Note 1	Payment term 90 days	330,725	-	
Hon Hai Precision Industry Co., Ltd.	Interface Optoelectronics (Wuxi) Co., Ltd.	Affiliate	Sales	272,525	-	Note 1	Payment term 90 days	159,122	-	
Hon Hai Precision Industry Co., Ltd.	Innolux Corporation	Other related party	Sales	776,484	-	Note 1	Payment term 90 days	366,136	-	
Hon Hai Precision Industry Co., Ltd.	Ningbo Innolux Optoelectronics Ltd.	Other related party	Sales	1,034,994	-	Note 1	Payment term 60 days	619,026	-	
Hon Hai Precision Industry Co., Ltd.	Ningbo Innolux Display Ltd.	Other related party	Sales	968,264	-	Note 1	Net 90 days	565,041	-	
Hon Hai Precision Industry Co., Ltd.	Goldtek Technology Co., Ltd.	Affiliate	Sales	411,958	-	Note 1	Payment term 90 days	273,982	-	
Hon Hai Precision Industry Co., Ltd.	Sharp Corporation	Affiliate	Sales	3,921,577	-	Note 1	Payment term 60 days	494,631	-	
Hon Hai Precision Industry Co., Ltd.	Sharp Hong Kong Limited	Affiliate	Sales	690,578	-	Note 1	Payment term 45-90 days	222,724	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Sales	200,616	-	Note 1	Payment term 90 days	183,703	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Sharp Manufacturing Corporation (Malaysia) Sdn. Bhd.	Affiliate	Sales	1,132,301	-	Note 1	Payment term 90 days	438,514	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other related party	Sales	355,262	-	Note 1	Payment term 30-90 days	97,006	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	Purchases	866,058,138	53	Note 1	Payment term 30-90 days	(381,113,502)	(48)	Note 2
Hon Hai Precision Industry Co., Ltd.	Foxconn Global Services Division S.R.O.	Subsidiary	Purchases	24,649,765	1	Note 1	Payment term 90 days	(12,158,691)	(2)	Note 2
Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Purchases	7,326,758	-	Note 1	Payment term 30-90 days	(3,264,242)	-	Note 2

Table 7, Page 1

		Transaction		Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Percentage of total notes/accounts receivable (payable)		Footnote	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance		
Hon Hai Precision Industry Co., Ltd.	Fast Victor Limited	Subsidiary	Purchases	\$ 184,767,499	11	Payment term 90 days	Note 1	Note 1	(\$ 109,199,185)	(14)	Note 2
Hon Hai Precision Industry Co., Ltd.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	Purchases	708,967	-	Net 30 days	Note 1	Note 1	(363,194)	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Innolux Corporation	Other related party	Purchases	1,214,219	-	Payment term 90 days	Note 1	Note 1	(687,314)	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliate	Purchases	137,162	-	Payment term 90 days	Note 1	Note 1	(136,023)	-	
Hon Hai Precision Industry Co., Ltd.	Pan-International Industrial Co.	Affiliate	Purchases	326,352	-	Payment term 90 days	Note 1	Note 1	(148,295)	-	
Hon Hai Precision Industry Co., Ltd.	Sharp Corporation	Affiliate	Purchases	1,447,655	-	Net 30 days	Note 1	Note 1	(704,454)	-	
Hon Hai Precision Industry Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Purchases	414,707	-	Net 30 days	Note 1	Note 1	(270,806)	-	
Hon Hai Precision Industry Co., Ltd.	Sharp Manufacturing Corporation (Malaysia) Sdn. Bhd.	Affiliate	Purchases	497,426	-	Net 30 days	Note 1	Note 1	(196,612)	-	Note 2
Hon Hai Precision Industry Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other related party	Purchases	404,908	-	Payment term 60 days	Note 1	Note 1	(320,057)	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	Processing and molding costs	438,560	83	-	Note 1	Note 1	(2,900,496)	(38)	
Shunsin Technology (Zhong Shan) Co., Ltd.	Shunsin Technology Holdings Limited	Subsidiary	Sales	494,743	31	Payment term 45 days	Note 1	Note 1	(Shown as other payables)	53	
Shunsin Technology (Zhong Shan) Co., Ltd.	Triple Win Technology (Shenzhen) Co., Ltd.	Subsidiary	Sales	798,042	50	Payment term 45 days	Note 1	Note 1	282,059	26	
Shunsin Technology (Zhong Shan) Co., Ltd.	Shunyun Technology (Zhongshan) Limited	Subsidiary	Sales	139,398	9	Payment term 60 days	Note 1	Note 1	174,507	16	
Shanghai Futaitong International Logistics Co., Ltd.	Sharp Office Equipments (Changshu) Co., Ltd.	Affiliate	Sales	102,778	20	Net 30 days	Note 1	Note 1	14,014	8	
Ambit Microsystem (Shanghai) Co., Ltd.	Funing Precision Component Co., Ltd.	Subsidiary	Sales	408,094	4	Net 60 days	Note 1	Note 1	37,878	1	
Ambit Microsystem (Shanghai) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	3,093,888	32	Net 60 days	Note 1	Note 1	1,501,179	24	
Ingrasys Technology Co., Ltd.	Ingrasys Technology USA Inc.	Subsidiary	Sales	7,107,909	15	Payment term 90 days	Note 1	Note 1	3,064,107	12	
Ingrasys Technology Co., Ltd.	Foxconn Global Services Division S.R.O.	Subsidiary	Sales	113,063	-	Payment term 90 days	Note 1	Note 1	51,611	-	
Ingrasys Technology Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	Sales	332,031	1	Payment term 60 days	Note 1	Note 1	100,098	-	
Ingrasys Technology Co., Ltd.	Foxconn Technology (India) Private Limited	Subsidiary	Sales	1,747,156	4	Payment term 90 days	Note 1	Note 1	1,778,578	7	
Ingrasys Technology Co., Ltd.	Foxconn Technology CZ S.R.O.	Subsidiary	Sales	1,195,086	3	Payment term 90 days	Note 1	Note 1	860,197	7	
Ingrasys Technology Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	2,476,879	5	Payment term 90 days	Note 1	Note 1	2,465,551	10	
Ingrasys Technology Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	292,355	1	Payment term 90 days	Note 1	Note 1	241,887	1	

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		Transaction		Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Percentage of total notes/accounts receivable (payable)		Footnote	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Unit price	Credit term	Balance			
FIH Precision Electronics (Lang Fang) Co., Ltd.	FuYu Precision Components (KunShan) Co., Ltd.	Affiliate	Purchases	\$ 141,659	13	Note 1	Payment term 90 days	(\$ 167,526)	(	7)	
FIH (Hong Kong) Limited	Emsky Technology Pte. Ltd.	Subsidiary	Sales	18,654,426	38	Note 1	Payment term 90 days	10,172,433		47	
FIH (Hong Kong) Limited	Pan-International Industrial Co.	Affiliate	Purchases	256,302	1	Note 1	Payment term 90 days	(182,179)	(	1)	
FIH (Hong Kong) Limited	Garuda International Limited	Affiliate	Purchases	121,382	-	Note 1	Payment term 90 days	(87,391)	(-	
FIH (Hong Kong) Limited	Sharp Corporation	Affiliate	Purchases	1,109,715	2	Note 1	Net 30 days	(4,882)	(-	
FIH (Hong Kong) Limited	Sharp Corporation	Affiliate	Sales	2,476,644	5	Note 1	Net 25 days	626,735		3	
FIH (Hong Kong) Limited	Yantai Xiaye Electronics Co., Ltd.	Affiliate	Sales	11,711,806	24	Note 1	Payment term 60 days	4,347,294		20	
Nanning Fuaiahong Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	Sales	377,786	20	Note 1	Payment term 30 days	290,421		60	
Futaijing Precision Electronics (Yantai) Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	12,474,188	100	Note 1	Payment term 30 days	4,033,052		100	
Futaijing Precision Electronics (Yantai) Co., Ltd.	Sharp Corporation	Affiliate	Purchases	1,213,890	10	Note 1	Payment term 60 days	(427,145)	(	8)	
Futaijing Precision Electronics (Yantai) Co., Ltd.	Sharp Hong Kong Limited	Affiliate	Purchases	2,553,206	21	Note 1	Net 60 days	(1,037,188)	(	20)	
Futaijing Precision Electronics (Yantai) Co., Ltd.	Sharp (Taiwan) Electronics Corporation	Affiliate	Purchases	1,277,509	10	Note 1	Payment term 75 days	(312,424)	(	6)	
Futaijing Precision Electronics (Yantai) Co., Ltd.	Yantai Xiaye Electronics Co., Ltd.	Affiliate	Purchases	1,812,046	15	Note 1	Net 60 days	(1,344,479)	(	25)	
Hengyang Fuaiahong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	13,727,626	99	Note 1	Payment term 120 days	5,892,380		99	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary	Sales	168,603	2	Note 1	Net 90 days	100,848		1	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	Sales	157,552	2	Note 1	Net 90 days	128,705		2	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	Sales	2,848,918	37	Note 1	Net 30 days	2,953,988		40	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	138,646	2	Note 1	Net 90 days	229,095		3	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	Sales	1,791,442	24	Note 1	Net 60 days	1,234,901		17	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Shihui Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	165,180	2	Note 1	Net 60 days	664,078		9	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	216,994	3	Note 1	Net 90 days	220,306		3	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Interface Optoelectronics (SZ) Co., Ltd.	Affiliate	Sales	195,035	3	Note 1	Net 30 days	58,567		1	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Keenest Electronic Corp.	Affiliate	Sales	100,092	1	Note 1	Net 90 days	50,083		1	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Pan-International Industrial Co.	Affiliate	Purchases	118,172	1	Note 1	Net 90 days	(79,435)	(2)	

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Transaction			Differences in transaction terms compared to third party transactions				Notes/accounts receivable (payable)				Footnote
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of notes/accounts receivable (payable)	
Hongfuitai Precision Electronics (YanTai) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	Sales	\$ 221,520	1	Net 60 days	Note 1	Note 1	\$ 273,442	3	
Hongfuitai Precision Electronics (YanTai) Co., Ltd.	Chang Tech Optical (FoShan) Corporation	Affiliate	Purchases	235,198	1	Payment term 30 days	Note 1	Note 1	(188,831)	3	
Hongfuitai Precision Electronics (YanTai) Co., Ltd.	Pan-International Industrial Co.	Affiliate	Purchases	765,823	4	Net 90 days	Note 1	Note 1	(523,738)	8	
Hongfuitai Precision Electronics (YanTai) Co., Ltd.	Sharp Corporation	Affiliate	Purchases	722,538	4	90 days after validation	Note 1	Note 1	(283,613)	4	
Hongfuitai Precision Electronics (YanTai) Co., Ltd.	Yantai Xiaye Electronics Co., Ltd.	Affiliate	Sales	1,356,405	6	Net 60 days	Note 1	Note 1	602,311	6	
Hongfuitai Precision Electronics (YanTai) Co., Ltd.	Yantai Xiaye Electronics Co., Ltd.	Affiliate	Purchases	224,718	1	Net 60 days	Note 1	Note 1	(181,385)	3	
eCMMS S.A. De C.V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	1,142,493	100	Payment term 60 days	Note 1	Note 1	739,615	100	
Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	169,396	11	Net 60 days	Note 1	Note 1	166,690	28	
Foxconn CZ S.R.O.	Foxconn Technology CZ S.R.O.	Subsidiary	Sales	142,872	-	Payment term 90 days	Note 1	Note 1	58,417	-	
Foxconn CZ S.R.O.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	923,796	2	Payment term 45 days	Note 1	Note 1	290,853	1	
Foxconn CZ S.R.O.	Cloud Network Technology USA Inc.	Subsidiary	Sales	144,086	-	Payment term 45 days	Note 1	Note 1	67,785	-	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Fast Victor Limited	Subsidiary	Sales	718,051	48	Payment term 90 days	Note 1	Note 1	142,280	27	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	Sales	103,543	7	Payment term 90 days	Note 1	Note 1	87,632	17	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Shenzhen Shitai Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	149,644	10	Payment term 90 days	Note 1	Note 1	48,678	9	
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuding Electromechanical Technology (Jiashan) Co., Ltd.	Subsidiary	Sales	1,309,255	54	Payment term 30 days	Note 1	Note 1	1,312,930	61	
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Subsidiary	Sales	691,842	28	Net 90 days	Note 1	Note 1	572,807	26	
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	FuYu Precision Components (Kunshan) Co., Ltd.	Affiliate	Sales	124,752	5	Net 70 days	Note 1	Note 1	50,795	2	
PCE Technology Inc.	Simply Smart Limited	Subsidiary	Sales	164,724	55	Payment term 30 days	Note 1	Note 1	130,205	74	
Foxconn Assembly LLC	Cloud Network Technology USA Inc.	Subsidiary	Sales	763,015	85	Net 30 days	Note 1	Note 1	737,165	100	
Shenzhen Fuhongjie Technology Service Co., Ltd.	FHH (Hong Kong) Limited	Subsidiary	Sales	201,322	53	Net 30 days	Note 1	Note 1	110,133	74	
PCE Paragon Solutions (Mexico) S.A. De C.V.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	742,507	70	Payment term 30 days	Note 1	Note 1	73,341	51	
PCE Paragon Solutions (Mexico) S.A. De C.V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	321,205	30	Payment term 30 days	Note 1	Note 1	69,653	49	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	Sales	119,814	3	Net 90 days	Note 1	Note 1	77,641	2	

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Differences in transaction terms compared to third party transactions											
Transaction						Notes/accounts receivable (payable)					
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Percentage of total purchases			Percentage of total notes/accounts receivable			Footnote	
				Amount	Credit term	Unit price	Credit term	Balance	Percentage of notes/accounts receivable		
Shenzhen Fertil Plan International Logistics Co., Ltd.	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales	\$ 139,947	4	Net 30 days	Note 1	Note 1	\$ 51,396	1	
Shenzhen Fertil Plan International Logistics Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	294,146	8	Net 90 days	Note 1	Note 1	203,915	6	
Shenzhen Fertil Plan International Logistics Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	212,616	6	Net 60 days	Note 1	Note 1	141,593	4	
Shenzhen Fertil Plan International Logistics Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales	151,534	4	Net 90 days	Note 1	Note 1	82,011	2	
Shenzhen Fertil Plan International Logistics Co., Ltd.	Jusda International Limited	Subsidiary	Sales	512,177	13	Net 90 days	Note 1	Note 1	649,642	18	
Fuzhun Precision Tooling (Huaian) Co., Ltd.	Fuyu Electronical Technology (Huaian) Co., Ltd.	Subsidiary	Sales	113,464	35	Payment term 30 days	Note 1	Note 1	43,136	29	
Fuyu Electronical Technology (Huaian) Co., Ltd.	New Beyond Maximum Industrial Limited	Subsidiary	Sales	6,370,145	100	Payment term 60 days	Note 1	Note 1	3,543,481	91	
PCE Paragon Solutions (USA) Inc.	Profit New Limited	Subsidiary	Sales	299,709	75	Payment term 30 days	Note 1	Note 1	178,282	86	
Funing Precision Component Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	110,463	-	Net 60 days	Note 1	Note 1	50,363	1	
Funing Precision Component Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	22,661,384	99	Net 60 days	Note 1	Note 1	9,082,362	99	
Foxconn Baja California S.A. De C.V.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	Sales	1,414,751	100	Payment term 60 days	Note 1	Note 1	439,461	99	
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Top Step Enterprises Limited	Subsidiary	Sales	773,715	2	Payment term 90 days	Note 1	Note 1	714,798	5	
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	181,985	-	Net 90 days	Note 1	Note 1	159,830	1	
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliate	Purchases	478,666	1	Payment term 90 days	Note 1	Note 1	(373,908)	(2)	
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Pan-International Industrial Co.	Affiliate	Purchases	240,405	1	90 days after validation	Note 1	Note 1	(172,676)	(1)	
Hongfujin Precision Industry (Yantai) Co., Ltd.	General Interface Solution Limited	Affiliate	Purchases	590,514	1	Net 60 days	Note 1	Note 1	(150,231)	(1)	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Innolux Corporation	Other related party	Purchases	982,798	1	Net 90 days	Note 1	Note 1	(135,417)	(1)	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliate	Sales	23,473,405	23	Payment term 30 days	Note 1	Note 1	10,333,317	28	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliate	Purchases	495,288	-	Payment term 30 days	Note 1	Note 1	(235,894)	(1)	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Pan-International Industrial Co.	Affiliate	Purchases	199,803	-	90 days after validation	Note 1	Note 1	(170,545)	(1)	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Ganuda International Limited	Affiliate	Purchases	291,408	-	90 days after validation	Note 1	Note 1	(176,561)	(1)	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Sharp Corporation	Affiliate	Sales	643,488	1	Payment term 60 days	Note 1	Note 1	218,868	1	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Sharp Manufacturing Corporation (Malaysia) Sdn. Bhd.	Affiliate	Sales	119,907	-	Payment term 60 days	Note 1	Note 1	40,848	-	

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		Differences in transaction terms compared to third party		Notes/accounts receivable (payable)		Percentage of total notes/accounts receivable (payable)		Footnote	
Transaction		Relationship with the counterparty		Purchases (sales)		Amount		Percentage of total purchases (sales)	
		Counterparty				Unit price		Credit term	

		Transaction			Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)			Footnote
		Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)
	Futaihua Industrial (Shenzhen) Co., Ltd.	G-TECH Optoelectronics Corporation	Affiliate	Sales	\$	352,235	-	Net 45 days	Note 1	\$ 118,106	-
	Futaihua Industrial (Shenzhen) Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Sales		504,489	-	Payment term 60 days	Note 1	221,068	-
	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Hightech Electronics Components Inc.	Subsidiary	Sales		1,864,544	12	Payment term 60 days	Note 1	1,845,427	29
	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	Sales		104,726	1	Payment term 90 days	Note 1	75,130	1
	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	Sales		2,024,381	13	Payment term 60 days	Note 1	363,827	6
	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Fujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales		2,314,704	15	Payment term 90 days	Note 1	1,481,390	24
	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Fusing International Inc.	Subsidiary	Sales		2,002,376	13	Net 60 days	Note 1	656,869	10
	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Competition Team Ireland Limited	Subsidiary	Sales		6,127,631	39	Net 60 days	Note 1	1,181,919	19
	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Simply Smart Limited	Subsidiary	Sales		213,278	1	Net 60 days	Note 1	59,273	1
	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Foxconn Japan Co., Limited	Subsidiary	Sales		195,963	1	Payment term 60 days	Note 1	157,341	3
	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Interface Technology (ChengDu) Co., Ltd.	Affiliate	Sales		131,134	1	Payment term 60 days	Note 1	82,950	1
	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Innolux Corporation	Other related party	Purchases		668,051	4	Net 90 days	Note 1 (	415,550) (	7)
	Foxconn Precision Electronics (Yantai) Co., Ltd.	Futaijing Precision Electronics (Yantai) Co., Ltd.	Subsidiary	Sales		1,189,553	52	Payment term 90 days	Note 1	488,805	50
	Foxconn Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Industry (Yantai) Co., Ltd.	Subsidiary	Sales		389,632	17	Net 90 days	Note 1	145,398	15
	Foxconn Precision Electronics (Yantai) Co., Ltd.	Yantai Fuzhun Precision Electronics Co., Ltd.	Affiliate	Sales		103,701	5	Net 90 days	Note 1	70,168	7
	Foxconn Precision Electronics (Yantai) Co., Ltd.	Yantai Fuzhun Precision Electronics Co., Ltd.	Affiliate	Purchases		240,313	12	Net 90 days	Note 1 (	101,488) (	11)
	Foxconn Precision Electronics (Yantai) Co., Ltd.	Sharp Hong Kong Limited	Affiliate	Purchases		241,139	12	Net 60 days	Note 1 (	71,091) (	8)
	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	Sales		403,157	-	Net 90 days	Note 1	188,951	-
	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Ingrasys Technology USA Inc.	Subsidiary	Sales		487,999	1	Payment term 30 days	Note 1	65,746	-
	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Profit New Limited	Subsidiary	Sales		41,429,284	50	Payment term 60 days	Note 1	23,338,216	54
	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales		8,846,550	11	Payment term 90 days	Note 1	6,970,831	16
	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales		249,208	-	Net 75 days	Note 1	164,819	-
	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Fuhong Cloud Computing (Tianjin) Co., Ltd.	Subsidiary	Sales		5,891,690	7	Payment term 60 days	Note 1	6,623,694	15
	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Ganda International Limited	Affiliate	Purchases		116,694	-	Payment term 90 days	Note 1	-	-

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		Transaction			Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)			
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Percentage of total purchases (sales)			Unit price	Credit term	Balance	Percentage of	
				Amount						total notes/accounts receivable (payable)	Footnote
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	\$	275,495	-	Payment term 90 days	Note 1	\$	170,765	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	Sales		297,500,841	97	Net 90 days	Note 1		140,449,037	96
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	General Interface Solution Limited	Affiliate	Purchases		858,702	-	60 days after validation	Note 1	(	469,176)	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Garuda International Limited	Affiliate	Purchases		288,240	-	Net 90 days	Note 1	(	155,276)	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other related party	Purchases		167,203	-	Payment term 90 days	Note 1	(	123,934)	-
Futaihua Precision Electronics (Chengdu) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales		384,127	75	Net 90 days	Note 1		166,537	51
FuDing (ZhengZhou) Precision Industry Co., Ltd.	Foxconn Interconnect Technology Limited	Subsidiary	Sales		1,414,608	69	Payment term 60 days	Note 1		878,943	75
FuDing (ZhengZhou) Precision Industry Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales		435,392	21	Payment term 90 days	Note 1		179,388	15
Yantai Fuhuada Precision Electronics Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Purchases		160,862	34	Net 60 days	Note 1	(	85,411)	(31)
Yantai Fuhuada Precision Electronics Co., Ltd.	Sharp Universal Technology (SZ) Co., Ltd.	Affiliate	Sales		285,648	55	Net 45 days	Note 1		100,952	18
AnPinDa Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales		384,526	34	Payment term 90 days	Note 1		121,439	20
Jusda Supply Chain Management International Co., Ltd.	Foshan Innolux Optoelectronics Ltd.	Other related party	Sales		511,196	37	Net 90 days	Note 1		130,825	12
(Hangzhou) Co., Ltd.	System Integration(Hai ning) Electronics Co., Ltd.	Subsidiary	Sales		4,180,103	16	Net 30 days	Note 1		1,669,065	27
Nanning Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	Sales		40,256,350	61	Net 90 days	Note 1		27,519,800	77
Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales		198,209	1	Net 1 days	Note 1		92,157	1
Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	IPL International Limited	Subsidiary	Sales		30,088,899	99	Payment term 30 days	Note 1		8,742,478	96
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales		3,144,710	-	Payment term 90 days	Note 1		1,519,073	1
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Hongfusheng Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	Sales		193,528	-	Payment term 90 days	Note 1		100,628	-
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	HeNan FuChi Technology Co., Ltd.	Subsidiary	Sales		44,814,423	6	Payment term 90 days	Note 1		1,504,609	1
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Foxconn Singapore Pte. Ltd.	Subsidiary	Sales		719,146,037	93	Payment term 90 days	Note 1		229,096,030	98
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Foxconn Brasil Industria e Comercio Ltda.	Subsidiary	Sales		953,132	-	Payment term 90 days	Note 1		778,164	-
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Foxconn Hon Hai Technology India Mega Development	Subsidiary	Sales		1,251,509	-	Payment term 90 days	Note 1		1,350,654	-
Profit New Limited	Ingrasys Technology Co., Ltd.	Subsidiary	Sales		18,433,534	37	Payment term 30 days	Note 1		21,929,091	51

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Transaction			Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)			Footnote
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Unit price	Credit term	Balance	
Profit New Limited	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	\$ 2,539,568	5	Payment term 90 days	Note 1	\$ 2,698,380	6
Profit New Limited	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	138,594	-	Payment term 90 days	Note 1	111,094	-
Profit New Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	28,200,398	56	Payment term 30 days	Note 1	13,321,147	34
Profit New Limited	Cloud Network Technology USA Inc.	Subsidiary	Sales	359,587	1	Payment term 30 days	Note 1	19,707	-
Mega Well Limited	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	229,723	-	Payment term 30 days	Note 1	38,583	-
Mega Well Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	90,829,171	98	Net 30 days	Note 1	70,667,698	100
Mega Well Limited	Yuzhang Precision Technology Japan Co., Ltd.	Subsidiary	Sales	516,606	1	Payment term 30 days	Note 1	98,419	-
Mega Well Limited	Cloud Network Technology USA Inc.	Subsidiary	Sales	531,203	1	Net 30 days	Note 1	-	-
Fast Victor Limited	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales	1,102,793	1	Net 90 days	Note 1	729,190	1
Fast Victor Limited	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	9,707,317	5	Net 90 days	Note 1	4,426,756	4
Fast Victor Limited	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	1,102,793	1	Net 90 days	Note 1	(497,383)	-
Competition Team Ireland Limited	Foxconn Global Services Division S.R.O.	Subsidiary	Sales	755,467	6	Net 45 days	Note 1	464,102	8
Competition Team Ireland Limited	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales	4,131,907	31	Payment term 60 days	Note 1	564,925	10
Competition Team Ireland Limited	Chongqing Jingmei Precision Electronic Co., Ltd.	Subsidiary	Sales	1,437,643	11	Net 60 days	Note 1	1,223,336	22
Competition Team Ireland Limited	Imolux Corporation	Other related party	Purchases	163,870	1	Payment term 60 days	Note 1	(73,602)	(2)
Zhengzhou Jusda Logistics Co., Ltd.	Jusda International Limited	Subsidiary	Sales	114,454	33	Net 30 days	Note 1	23,586	13
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	108,724	-	Payment term 30 days	Note 1	24,273	-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Subsidiary	Sales	209,987,008	97	Net 30 days	Note 1	108,230,414	97
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Foxconn Brasil Industria e Comercio Ltda.	Subsidiary	Sales	4,736,157	2	Net 90 days	Note 1	3,081,339	3
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	9,522,970	4	Payment term 30 days	Note 1	(3,362)	-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Garuda International Limited	Affiliate	Purchases	242,111	-	Net 90 days	Note 1	(103,213)	-
(Taiyuan) Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	Sales	187,567	1	Net 90 days	Note 1	61,097	-
Simply Smart Limited	Foxconn (Far East) Limited	Subsidiary	Sales	506,646	4	Net 60 days	Note 1	101,512	1
Simply Smart Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Sales	13,411,213	93	Net 60 days	Note 1	12,913,540	91

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		Differences in transaction terms compared to third party		Notes/accounts receivable (payable)		Percentage of total notes/accounts receivable (payable)		Footnote	
Transaction		transactions		Balance		Percentage of total notes/accounts receivable (payable)		Footnote	
		Unit price		Credit term		Percentage of total purchases (sales)		Footnote	
		Amount		Credit term		Percentage of total purchases (sales)		Footnote	
		\$		Unit price		Amount		Footnote	
		Purchases (sales)		Relationship with the counterparty		Counterparty		Footnote	
		Sales		Subsidiary		Honfujin Precision Electronics (Chongqing) Co., Ltd.		Footnote	
		Sales		Subsidiary		Cloud Network Technology		Footnote	
		Sales		Subsidiary		Singapore Pte. Ltd.		Footnote	
		Sales		Subsidiary		Jincheng Futaihua Precision Electronic Co., Ltd.		Footnote	
		Sales		Subsidiary		ShanXi Yuding Precision Technology Co., Ltd.		Footnote	
		Sales		Subsidiary		IPL International Limited		Footnote	
		Sales		Subsidiary		Wuhan Yuzhan Precision Technology Co., Ltd.		Footnote	
		Sales		Subsidiary		Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.		Footnote	
		Sales		Subsidiary		FIH (Hong Kong) Limited		Footnote	
		Sales		Subsidiary		Ingrasys Technology Co., Ltd.		Footnote	
		Sales		Subsidiary		Fu Ding Precision Component (Shenzhen) Co., Ltd.		Footnote	
		Sales		Subsidiary		Foxconn (Kunshan) Computer Connector Co., Ltd.		Footnote	
		Sales		Subsidiary		Fuyu Electronical Technology (Huaian) Co., Ltd.		Footnote	
		Sales		Subsidiary		Hongfujin Precision Industry (Wuhan) Co., Ltd.		Footnote	
		Sales		Subsidiary		Hongfujin Precision Industry (Yantai) Co., Ltd.		Footnote	
		Sales		Subsidiary		Huaian Fultong Trading Co., Ltd.		Footnote	
		Sales		Subsidiary		Hongfujin Precision Electronics (Tianjin) Co., Ltd.		Footnote	
		Sales		Subsidiary		Nanning Fugui Precision Industrial Co., Ltd.		Footnote	
		Sales		Subsidiary		Foxconn Interconnect Technology Singapore Pte. Ltd.		Footnote	
		Sales		Subsidiary		FIT Electronics, Inc.		Footnote	
		Sales		Subsidiary		New Wing Interconnect Technology (Bac Giang) Limited		Footnote	
		Sales		Subsidiary		Shenzhen Fugui Precision Industrial Co., Ltd.		Footnote	
		Sales		Subsidiary		Cloud Network Technology Singapore Pte. Ltd.		Footnote	
		Sales		Subsidiary		Belkin International, Inc.		Footnote	
		Sales		Subsidiary		Fuhong Precision Component (Bac Giang) Limited		Footnote	

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Transaction				Differences in transaction terms compared to third party transactions				Notes/accounts receivable (payable)			
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of notes/accounts receivable (payable)	Footnote
Foxconn Interconnect Technology Limited	Foxconn Brasil Industria e Comercio Ltda.	Subsidiary	Sales	\$ 147,152	-	Payment term 60 days	Note 1	Note 1	\$ 88,716	-	
Foxconn Interconnect Technology Limited	Pan-International Industrial Co.	Affiliate	Sales	577,798	1	Payment term 90 days	Note 1	Note 1	345,459	1	
Foxconn Interconnect Technology Limited	Tekcon Electronics Corp.	Affiliate	Sales	269,387	1	Payment term 60 days	Note 1	Note 1	273,081	1	
Foxconn Interconnect Technology Limited	New Ocean Precision Component (Jiangxi) Co., Ltd.	Affiliate	Sales	156,883	-	Payment term 90 days	Note 1	Note 1	77,640	-	
Foxconn Interconnect Technology Limited	New Ocean Precision Component (Jiangxi) Co., Ltd.	Affiliate	Purchases	1,090,202	3	Payment term 90 days	Note 1	Note 1	(350,548)	(1)	
Foxconn Interconnect Technology Limited	Avary Holding (Shenzhen) Co., Ltd.	Affiliate	Sales	458,996	1	Payment term 90 days	Note 1	Note 1	256,019	1	
Foxconn Interconnect Technology Limited	Hong Qi Sheng Precision Electronics (Qinhuangdao) Co., Ltd.	Affiliate	Sales	208,271	1	Payment term 90 days	Note 1	Note 1	103,266	-	
Foxconn Interconnect Technology Limited	Cheng Uei Precision Industry Co., Ltd.	Other related party	Sales	687,088	2	Payment term 90 days	Note 1	Note 1	182,597	1	
FIT Electronics, Inc.	New Beyond Maximum Industrial Limited	Subsidiary	Sales	337,197	21	Payment term 30 days	Note 1	Note 1	52,110	9	
Jusda International Limited	Ingrasys Technology Co., Ltd.	Subsidiary	Sales	298,426	4	Net 60 days	Note 1	Note 1	76,747	2	
Jusda International Limited	Jusda Supply Cham Management International Co.,Ltd	Subsidiary	Sales	255,620	4	Net 180 days	Note 1	Note 1	136,162	4	
Jusda International Limited	Competition Team Ireland Limited	Subsidiary	Sales	226,351	3	Net 60 days	Note 1	Note 1	238,962	7	
Jusda International Limited	Sharp Jusda Logistics Corporation	Subsidiary	Sales	1,592,295	22	Net 180 days	Note 1	Note 1	576,568	16	
Jusda International Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	755,614	10	Net 60 days	Note 1	Note 1	318,118	9	
Jusda International Limited	Cloud Network Technology USA Inc.	Subsidiary	Sales	121,293	2	Net 60 days	Note 1	Note 1	120,610	3	
Jusda International Limited	Inmolux Corporation	Other related party	Sales	435,827	6	Net 90 days	Note 1	Note 1	220,851	6	
Chongqing Hongteng Technology Co., Ltd.	Foxconn Interconnect Technology Limited	Subsidiary	Sales	496,480	100	Net 60 days	Note 1	Note 1	42,606	97	
Chongqing Jingmei Precision Electronic Co., Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	Sales	1,022,211	100	Net 90 days	Note 1	Note 1	642,508	100	
Kunshan Fuchengke Precision Electronic Co.,Ltd.	Fuyu Electrontical Technology (Huaian) Co., Ltd.	Subsidiary	Sales	165,949	4	Net 90 days	Note 1	Note 1	114,778	5	
Kunshan Fuchengke Precision Electronic Co.,Ltd.	Wuxi Sharp Electronic Components Co., Ltd.	Affiliate	Sales	162,971	4	Payment term 90 days	Note 1	Note 1	96,847	4	
Fumeng Electronical Technology (Heze) Co. Ltd.	Foxconn Interconnect Technology Limited	Subsidiary	Sales	157,525	100	Payment term 60 days	Note 1	Note 1	33,426	100	
eCMMS Precision Singapore Pte. Ltd.	Competition Team Technologies USA Inc.	Subsidiary	Sales	17,178,717	38	Payment term 75 days	Note 1	Note 1	7,121,892	35	
eCMMS Precision Singapore Pte. Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	4,029,608	9	Net 120 days	Note 1	Note 1	2,827,123	14	
eCMMS Precision Singapore Pte. Ltd.	Eson Precision Industry (Singapore) Pte., Ltd.	Affiliate	Purchases	815,317	2	Payment term 30 days	Note 1	Note 1	(374,015)	(2)	

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		Differences in transaction terms compared to third party		Notes/accounts receivable (payable)		Percentage of total notes/accounts receivable (payable)		Footnote	
Transaction		transactions		Unit price		Credit term		Balance	
		Purchases (sales)		Amount		Percentage of total purchases (sales)			
		Relationship with the counterparty		\$		Credit term			
Purchaser/seller		Counterparty							
eCMMS Precision Singapore Pte. Ltd.	Sharp Corporation Mexico, S.A. De C.V.	Affiliate	Sales	231,612	1	Net 75 days	Note 1	\$ 63,853	-
Chengdu Zhunren Technology Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales	210,504	86	Payment term 90 days	Note 1	143,488	97
Jinchen Hongren Technology Co., Ltd.	Hebi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	119,601	13	Payment term 90 days	Note 1	70,888	15
Jinchen Hongren Technology Co., Ltd.	Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Subsidiary	Sales	264,772	28	Payment term 90 days	Note 1	176,087	37
New Wing Interconnect Technology (Bac Giang) Limited	Foxconn Interconnect Technology Limited	Subsidiary	Sales	9,654,558	99	Payment term 60 days	Note 1	1,927,792	96
New Wing Interconnect Technology (Bac Giang) Limited	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	Sales	115,822	1	Net 45 days	Note 1	67,288	3
Jin Ji Full Precision Machinery (Wuhan) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	175,167	46	Payment term 90 days	Note 1	195,346	63
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	Sales	3,496,211	6	Payment term 90 days	Note 1	1,853,372	6
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology USA Inc.	Subsidiary	Sales	30,956,076	53	Payment term 90 days	Note 1	15,282,207	51
Ingrasys (Singapore) Pte. Ltd.	Foxconn Technology CZ S.R.O.	Subsidiary	Sales	698,690	1	Payment term 45 days	Note 1	268,525	2
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology Korea, Inc.	Subsidiary	Sales	2,837,940	5	Net 90 days	Note 1	1,816,368	6
Ingrasys (Singapore) Pte. Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	485,999	1	Payment term 60 days	Note 1	272,276	1
Ingrasys (Singapore) Pte. Ltd.	Yuzhang Precision Technology Japan Co., Ltd.	Subsidiary	Sales	3,654,159	6	Payment term 60 days	Note 1	1,968,211	7
Ingrasys (Singapore) Pte. Ltd.	Cloud Network Technology Kft.	Subsidiary	Sales	1,676,153	3	Net 45 days	Note 1	717,031	2
Ingrasys (Singapore) Pte. Ltd.	Foxconn Brasil Industria e Comercio Ltda.	Subsidiary	Sales	348,596	1	Payment term 60 days	Note 1	252,886	1
Foxconn Optical Interconnect Technologies Singapore Pte.Ltd.	Foxconn CZ S.R.O.	Subsidiary	Sales	129,495	2	Net 30 days	Note 1	21,455	1
Foxconn Optical Interconnect Technologies Singapore Pte.Ltd.	Foxconn Optical Interconnect Technologies Inc.	Subsidiary	Sales	642,732	12	Net 60 days	Note 1	564,350	34
Hongfujing Precision Electronics (Guiyang) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	1,361,960	100	Net 60 days	Note 1	542,716	100
Henan Yuzhan Technology Limited	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	Sales	422,201	1	Payment term 90 days	Note 1	137,377	-
Henan Yuzhan Technology Limited	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	Sales	115,779	-	Net 90 days	Note 1	130,164	1
Henan Yuzhan Technology Limited	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	1,595,958	3	Payment term 90 days	Note 1	600,012	2
Henan Yuzhan Technology Limited	IPL International Limited	Subsidiary	Sales	49,341,968	95	Net 30 days	Note 1	28,032,215	96
Henan Yuzhan Technology Limited	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Subsidiary	Sales	130,906	-	Net 90 days	Note 1	127,734	-
Jincheng Futaihua Precision Electronic Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Subsidiary	Sales	206,039	1	Payment term 90 days	Note 1	557	-

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		Transaction		Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
		Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Unit price	Credit term	
Purchaser/seller	Counterparty			\$				Balance
Jincheng Futaihua Precision Electronic Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	223,944	2	Note 1	Payment term 90 days	\$ 443,424
Jincheng Futaihua Precision Electronic Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	199,453	1	Note 1	Payment term 90 days	175,153
Jincheng Futaihua Precision Electronic Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	333,066	2	Note 1	Payment term 90 days	361,232
Jincheng Futaihua Precision Electronic Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	155,317	1	Note 1	Payment term 90 days	169,663
Jincheng Futaihua Precision Electronic Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	Sales	231,872	2	Note 1	Payment term 90 days	231,734
Jincheng Futaihua Precision Electronic Co., Ltd.	ShanXi Yuding Precision Technology Co., Ltd.	Subsidiary	Sales	146,649	1	Note 1	Payment term 90 days	200,032
Jincheng Futaihua Precision Electronic Co., Ltd.	IPL International Limited	Subsidiary	Sales	12,785,691	86	Note 1	Payment term 90 days	9,554,121
Jincheng Futaihua Precision Electronic Co., Ltd.	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Subsidiary	Sales	375,830	3	Note 1	Payment term 90 days	437,744
Jincheng Futaihua Precision Electronic Co., Ltd.	Hon Fujian Precision Industry (Taiwan) Co., Ltd.	Affiliate	Purchases	264,495	-	Note 1	Payment term 90 days	-
Lankao Yufu Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	185,537	6	Note 1	Payment term 90 days	171,426
Lankao Yufu Precision Technology Co., Ltd.	ShanXi Yuding Precision Technology Co., Ltd.	Subsidiary	Sales	366,782	13	Note 1	Payment term 90 days	398,706
Lankao Yufu Precision Technology Co., Ltd.	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Subsidiary	Sales	798,435	28	Note 1	Payment term 60 days	935,088
Lankao Yufu Precision Technology Co., Ltd.	Foxconn Singapore Pte. Ltd.	Subsidiary	Sales	1,242,829	43	Note 1	Payment term 60 days	263,829
Shenzhen Yuzhan Precision Technology Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	Sales	307,552	-	Note 1	Payment term 90 days	140,439
Shenzhen Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	588,599	1	Note 1	Payment term 90 days	444,852
Shenzhen Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	425,828	-	Note 1	Payment term 30 days after validation	527,201
Shenzhen Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	306,326	-	Note 1	Payment term 90 days	604,022
Shenzhen Yuzhan Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	Sales	458,063	-	Note 1	Payment term 30 days	633,766
Shenzhen Yuzhan Precision Technology Co., Ltd.	ShanXi Yuding Precision Technology Co., Ltd.	Subsidiary	Sales	673,654	1	Note 1	Payment term 30 days	855,127
Shenzhen Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Sales	98,470,001	93	Note 1	Payment term 30 days	69,792,265
Shenzhen Yuzhan Precision Technology Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	215,317	-	Note 1	Payment term 90 days	250,905
Shenzhen Yuzhan Precision Technology Co., Ltd.	Hebi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	453,075	-	Note 1	Payment term 90 days	515,949
Shenzhen Yuzhan Precision Technology Co., Ltd.	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Subsidiary	Sales	455,258	-	Note 1	Payment term 90 days	626,746

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		Transaction			Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)		
		Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Purchaser/seller	Counterparty			\$				\$		
Shenzhen Yuzhan Precision Technology Co., Ltd.	Shenzhen Asiatek Inc.	Affiliate	Purchases	138,502	-	Note 1	Payment term 90 days	-	-	
Fuzhun Precision Tooling (Jiashan) Co., Ltd.	Fuding Electrical Technology (Jiashan) Co., Ltd.	Subsidiary	Sales	828,371	98	Note 1	Payment term 90 days	318,566	99	
Hunan Jusda Supply Chain Management Co., Ltd.	Jusda Supply Chain Management International Co., Ltd.	Subsidiary	Sales	166,838	48	Note 1	Payment term 30 days	112,554	54	
Sharp Jusda Logistics Corporation	Jusda Supply Chain Management Corporation	Subsidiary	Sales	196,609	2	Note 1	Payment term 30 days	75,840	2	
Sharp Jusda Logistics Corporation	Sharp Jusda Logistics (Germany) GmbH	Subsidiary	Sales	101,202	1	Note 1	Payment term 30 days	28,610	1	
Sharp Jusda Logistics Corporation	Sharp Corporation	Affiliate	Sales	2,958,360	27	Note 1	Payment term 30 days	730,008	22	
Sharp Jusda Logistics Corporation	Sharp Corporation	Affiliate	Purchases	5,824,414	56	Note 1	Payment term 30 days	(2,038,067)	(49)	
Sharp Jusda Logistics Corporation	Sharp Energy Solutions Corporation	Affiliate	Sales	153,443	1	Note 1	Payment term 30 days	30,323	1	
Sharp Jusda Logistics Corporation	Sharp Marketing Japan Corporation	Affiliate	Sales	954,103	9	Note 1	Payment term 30 days	179,555	5	
Sharp Jusda Logistics Corporation	Nanjing Sharp Electronics Co., Ltd.	Affiliate	Purchases	164,682	2	Note 1	Payment term 60 days	-	-	
Sharp Jusda Logistics Corporation	Dynabook, Inc.	Affiliate	Sales	233,140	2	Note 1	Payment term 30 days	31,790	1	
HeNan FuChi Technology Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	248,024,631	95	Note 1	Payment term 90 days	54,985,747	87	
HeNan FuChi Technology Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales	11,967,842	5	Note 1	Payment term 90 days	7,817,303	12	
HeNan FuChi Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	859,402	-	Note 1	Payment term 90 days	629,164	1	
HeNan FuChi Technology Co., Ltd.	Garuda International Limited	Affiliate	Purchases	106,071	-	Note 1	Payment term 90 days	(70,874)	-	
Chongqing Fugui Electronics Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	436,476	17	Note 1	Payment term 60 days	286,359	52	
Chongqing Fugui Electronics Co., Ltd.	Mega Well Limited	Subsidiary	Sales	2,092,668	83	Note 1	Net 90 days	241,572	44	
Shenzhen Fugui Precision Industrial Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	143,510	-	Note 1	Net 90 days	86,835	-	
Shenzhen Fugui Precision Industrial Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	944,611	2	Note 1	Net 90 days	503,503	1	
Shenzhen Fugui Precision Industrial Co., Ltd.	Profit New Limited	Subsidiary	Sales	10,410,891	18	Note 1	Payment term 90 days	10,236,517	19	
Shenzhen Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	Sales	46,582,450	80	Note 1	Net 90 days	42,553,900	79	
Shenzhen Fugui Precision Industrial Co., Ltd.	Garuda International Limited	Affiliate	Purchases	184,722	-	Note 1	Net 90 days	-	-	
Shenzhen Fugui Precision Industrial Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Other related party	Purchases	141,570	-	Note 1	Net 90 days	-	-	
Cloud Network Technology Singapore Pte. Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Subsidiary	Sales	647,335	-	Note 1	Net 60 days	638,342	-	

Differences in transaction terms compared to third party transactions												
Transaction					Notes/accounts receivable (payable)							
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)			Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Cloud Network Technology Singapore Pte. Ltd.	Ingrasys Technology USA Inc.	Subsidiary	Sales	\$ 7,568,067	2	Net 60 days	Note 1	Note 1	\$ 3,113,296	1		
Cloud Network Technology Singapore Pte. Ltd.	Foxconn CZ S.R.O.	Subsidiary	Sales	4,376,620	1	Net 180 days	Note 1	Note 1	7,931,213	4		
Cloud Network Technology Singapore Pte. Ltd.	Funing Precision Component Co., Ltd.	Subsidiary	Sales	18,875,087	4	Net 90 days	Note 1	Note 1	4,885,808	2		
Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Industry (Yantai) Co., Ltd.	Subsidiary	Sales	703,807	-	Net 60 days	Note 1	Note 1	216,098	-		
Cloud Network Technology Singapore Pte. Ltd.	Foxconn Technology (India) Private Limited	Subsidiary	Sales	325,011	-	Net 60 days	Note 1	Note 1	322,936	-		
Cloud Network Technology Singapore Pte. Ltd.	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	Sales	20,617,853	5	Payment term 90 days	Note 1	Note 1	16,238,311	7		
Cloud Network Technology Singapore Pte. Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	5,957,068	1	Net 90 days	Note 1	Note 1	2,310,325	1		
Cloud Network Technology Singapore Pte. Ltd.	Mega Well Limited	Subsidiary	Sales	561,228	-	Payment term 30 days	Note 1	Note 1	581,567	-		
Cloud Network Technology Singapore Pte. Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	1,099,763	-	Net 90 days	Note 1	Note 1	1,121,656	1		
Cloud Network Technology Singapore Pte. Ltd.	Hongfujing Precision Electronics (Guiyang) Co., Ltd.	Subsidiary	Sales	527,920	-	Net 60 days	Note 1	Note 1	331,612	-		
Cloud Network Technology Singapore Pte. Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	3,245,927	1	Net 60 days	Note 1	Note 1	830,739	-		
Cloud Network Technology Singapore Pte. Ltd.	Cloud Network Technology USA Inc.	Subsidiary	Sales	20,121,996	2	Payment term 45 days	Note 1	Note 1	30,975,583	14		
Cloud Network Technology Singapore Pte. Ltd.	IPL International Limited	Subsidiary	Sales	228,855	-	Payment term 30 days	Note 1	Note 1	227,393	-		
Cloud Network Technology Singapore Pte. Ltd.	Fuyu Precision Component Co., Ltd.	Subsidiary	Sales	8,575,741	2	Payment term 90 days	Note 1	Note 1	4,012,516	2		
Cloud Network Technology Singapore Pte. Ltd.	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	Sales	17,243,793	4	Payment term 90 days	Note 1	Note 1	3,137,829	1		
Cloud Network Technology Singapore Pte. Ltd.	Fenix Industria De Electronicos Ltda.	Subsidiary	Sales	131,395	-	Net 90 days	Note 1	Note 1	29,057	-		
Cloud Network Technology Singapore Pte. Ltd.	Foxconn Moebg Industria De Electronicos Ltda.	Subsidiary	Sales	322,327	-	Net 120 days	Note 1	Note 1	168,718	-		
Cloud Network Technology Singapore Pte. Ltd.	Cybertan Technology Inc.	Affiliate	Purchases	346,128	-	Net 75 days	Note 1	Note 1	-	-		
Cloud Network Technology Singapore Pte. Ltd.	Garuda International Limited	Affiliate	Purchases	375,127	-	Net 90 days	Note 1	Note 1	-	-		
Cloud Network Technology Singapore Pte. Ltd.	Sharp Corporation	Affiliate	Sales	243,129	-	Payment term 60 days	Note 1	Note 1	113,423	-		
Cloud Network Technology Singapore Pte. Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	Sales	1,493,302	100	Payment term 60 days	Note 1	Note 1	288,601	4		
Cloud Network Technology Kft.	Foxconn Precision International Limited	Subsidiary	Sales	287,487	100	Net 30 days	Note 1	Note 1	144,207	100		
Shanxi Yuding Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	165,047	1	Payment term 30 days	Note 1	Note 1	191,559	4		
Shanxi Yuding Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	Sales	2,760,395	19	Net 90 days	Note 1	Note 1	1,726,984	35		

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		Differences in transaction terms compared to third party				Notes/accounts receivable (payable)				Footnote
		Transaction		transactions		Balance		Percentage of total notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	
Fortunebay Technology Pte. Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Sales	\$ 2,542,814	18	Net 45 days	Note 1	Note 1	\$ 704,933	19
Fortunebay Technology Pte. Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	464,843	3	Net 45 days	Note 1	Note 1	96,976	3
Fortunebay Technology Pte. Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	Sales	120,923	1	Net 45 days	Note 1	Note 1	-	-
Fortunebay Technology Pte. Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Sales	780,075	5	Net 45 days	Note 1	Note 1	181,571	5
Fortunebay Technology Pte. Ltd.	HeNan FuChi Technology Co., Ltd.	Subsidiary	Sales	3,258,778	23	Net 45 days	Note 1	Note 1	769,760	20
Fortunebay Technology Pte. Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	Sales	296,251	2	Net 45 days	Note 1	Note 1	110,582	3
Fortunebay Technology Pte. Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	853,093	6	Net 45 days	Note 1	Note 1	231,159	6
Fortunebay Technology Pte. Ltd.	Interface Technology (ChengDu) Co.,Ltd.	Affiliate	Sales	240,721	2	Net 45 days	Note 1	Note 1	147,934	4
Fortunebay Technology Pte. Ltd.	Interface Optoelectronics (SZ) Co., Ltd.	Affiliate	Sales	110,310	1	Net 45 days	Note 1	Note 1	29,920	1
Fortunebay Technology Pte. Ltd.	Ennocomm (Suzhou) Technology Co.,Ltd.	Affiliate	Sales	101,357	1	Net 45 days	Note 1	Note 1	40,236	1
Wuhan Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	3,952,994	98	Net 90 days	Note 1	Note 1	572,492	87
Wuhan Yuzhan Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Purchases	319,004	5	Net 90 days	Note 1	Note 1	-	-
Hebi Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	Sales	529,439	14	Payment term 90 days	Note 1	Note 1	131,241	9
Hebi Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	427,200	11	Payment term 90 days	Note 1	Note 1	197,971	14
Hebi Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	1,442,359	39	Payment term 90 days	Note 1	Note 1	408,714	28
Hebi Yuzhan Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	Sales	240,590	6	Payment term 90 days	Note 1	Note 1	199,142	14
Hebi Yuzhan Precision Technology Co., Ltd.	Shenzhenshi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	134,652	4	Payment term 90 days	Note 1	Note 1	65,507	5
Hebi Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Sales	213,233	6	Payment term 90 days	Note 1	Note 1	176,050	12
Hebi Yuzhan Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	Sales	200,717	5	Payment term 90 days	Note 1	Note 1	117,527	8
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	145,811	9	Payment term 90 days	Note 1	Note 1	56,863	7
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	113,593	7	Payment term 90 days	Note 1	Note 1	66,285	8
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Shenzhenshi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	223,443	13	Net 60 days	Note 1	Note 1	141,122	17
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	148,459	9	Payment term 30 days	Note 1	Note 1	66,906	8
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd	Subsidiary	Sales	126,417	8	Net 30 days	Note 1	Note 1	21,698	3

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		Transaction		Differences in transaction terms compared to third party transactions				Notes/accounts receivable (payable)			Footnote
		Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Purchaser/seller	Counterparty			\$					\$		
Sharp Jusda Logistics Malaysia Sdn. Bhd.	Sharp Electronics (Malaysia) Sdn. Bhd.	Affiliate	Sales	130,179	75	Payment term 30 days	Note 1	Note 1	41,263	79	
Sharp Jusda Logistics (Hong Kong) Co., Limited	Sharp Hong Kong Limited	Affiliate	Sales	159,886	98	Payment term 90 days	Note 1	Note 1	-	-	
Triple Win Technology (JinCheng) Co., Ltd.	Triple Win Technology (Shenzhen) Co., Ltd.	Subsidiary	Sales	3,172,897	76	Payment term 90 days	Note 1	Note 1	972,778	76	
Triple Win Technology (JinCheng) Co., Ltd.	Best Ever Industries Limited	Subsidiary	Sales	613,404	15	Payment term 90 days	Note 1	Note 1	220,160	17	
Likom De Mexico S A De C.V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	142,438	100	Payment term 90 days	Note 1	Note 1	23,500	100	
Linksys Holdings, Inc.	Belkin International, Inc.	Subsidiary	Sales	150,123	5	Net 90 days	Note 1	Note 1	172,906	54	
Bang Tai International Logistics Co., Ltd.	Jusda International Limited	Subsidiary	Sales	178,383	26	Net 45 days	Note 1	Note 1	255,618	66	
FII USA Inc.	Ingrasys Technology USA Inc.	Subsidiary	Sales	170,042	54	Payment term 90 days	Note 1	Note 1	304,244	97	
Polight Technologies Ltd.	Best Ever Industries Limited	Subsidiary	Sales	163,616	100	Payment term 30 days	Note 1	Note 1	50,576	100	
Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	Sales	234,092	11	Payment term 90 days	Note 1	Note 1	263,176	18	
Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	128,331	6	Payment term 90 days	Note 1	Note 1	28,543	2	
Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	IPL International Limited	Subsidiary	Sales	1,714,331	83	Payment term 90 days	Note 1	Note 1	1,177,992	80	
ICSA, Inc.	Ingrasys Technology USA Inc.	Subsidiary	Sales	102,157	54	Net 90 days	Note 1	Note 1	9,774	100	
Fuyu Precision Component Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	6,123,122	100	Payment term 60 days	Note 1	Note 1	1,579,981	100	
Sharp Jusda Logistics (Germany) GmbH	Sharp Devices (Europe) GmbH	Affiliate	Sales	176,089	68	Payment term 30 days	Note 1	Note 1	-	-	
Sharp Jusda Logistics Corporation (US)	Sharp Electronics Corporation	Affiliate	Sales	364,339	100	Payment term 30 days	Note 1	Note 1	15,931	100	
Hengyang Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	165,352	11	Payment term 90 days	Note 1	Note 1	164,510	17	
Hengyang Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	186,734	13	Payment term 90 days	Note 1	Note 1	209,934	31	
Hengyang Yuzhan Precision Technology Co., Ltd.	Shenzhen Shishi Yuzhan Precision Technology Co., Ltd.	Subsidiary	Sales	855,607	59	Net 60 days	Note 1	Note 1	430,679	44	
NSG Technology Inc.	Ingrasys Technology USA Inc.	Subsidiary	Sales	102,783	5	Payment term 30 days	Note 1	Note 1	16,249	3	
NSG Technology Inc.	Mega Well Limited	Subsidiary	Sales	109,947	5	Payment term 30 days	Note 1	Note 1	43,728	9	
NSG Technology Inc.	Cloud Network Technology USA Inc.	Subsidiary	Sales	1,795,302	79	Payment term 30 days	Note 1	Note 1	384,777	81	
Premier Image Technology (China) Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	Sales	151,491	14	Net 90 days	Note 1	Note 1	106,294	14	
Premier Image Technology (China) Ltd.	Champ Tech Optical (FoShan) Corporation	Affiliate	Sales	187,945	17	Payment term 90 days	Note 1	Note 1	136,402	18	

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Differences in transaction terms compared to third party		Transaction		Notes/accounts receivable (payable)		Percentage of total notes/accounts receivable (payable)		Footnote
		Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	
		Counterparty		\$				
Purchaser/seller								
Fuhong Precision Component (Bac Giang) Limited		Foxconn Interconnect Technology Limited	Sales	867,627	5	Payment term 90 days	Note 1	562,036
Fuhong Precision Component (Bac Giang) Limited		Cloud Network Technology Singapore Pte. Ltd.	Sales	18,131,609	95	Payment term 90 days	Note 1	5,402,111
Jusda International Supply Chain Management (Vietnam) Company Limited		Funing Precision Component Co., Ltd.	Sales	336,447	37	Payment term 30 days	Note 1	88,918
Jusda International Supply Chain Management (Vietnam) Company Limited		Fuhong Precision Component (Bac Giang) Limited	Sales	188,310	20	Payment term 30 days	Note 1	66,865
Foxconn Moebg Industria e Comercio Ltda.		Foxconn Brasil Industria e Comercio Ltda.	Sales	1,082,767	34	Payment term 30 days	Note 1	240,554
Foxconn Hon Hai Technology India Mega Development		Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Sales	177,156	1	Net 90 days	Note 1	136,268
Foxconn Hon Hai Technology India Mega Development		Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Sales	363,036	3	Payment term 90 days	Note 1	236,956

Note 1: The prices and terms to related parties were not significantly different from transaction with third parties, except for particular transactions with no similar transactions to compare with. For these transactions, the prices and terms were determined in accordance with mutual agreements.

Note 2: The Group sold materials to the above related parties for processing and repurchased the finished goods. The sales amount of materials and repurchase price of finished goods were offset against each other and shown at net amount in the financial statements.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
June 30, 2021

Table 8

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	\$ 83,716,435	1	\$ 13,587,707	Subsequent Collection	\$ 21,623,587	\$ -
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	42,198,153 (Shown as other receivables)(Note)		350,311	Subsequent Collection	1,839,091	-
Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	90,821,354 (Shown as other receivables)(Note)		13,287	Subsequent Collection	24,536,127	-
Hon Hai Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	141,060,303 (Shown as other receivables)(Note)		64,832,257	Subsequent Collection	34,962,027	-
Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	105,208,333 (Shown as other receivables)(Note)		6,816	Subsequent Collection	63,690,917	-
Hon Hai Precision Industry Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	106,771,018 (Shown as other receivables)(Note)		7,134,828	Subsequent Collection	13,620,185	-
Hon Hai Precision Industry Co., Ltd.	Funing Precision Component Co., Ltd.	Subsidiary	522,009	3	4,937	Subsequent Collection	220,986	-
Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	59,673,554	-	1,638,485	Subsequent Collection	16,121,297	-
Hon Hai Precision Industry Co., Ltd.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	7,741,259	1	1,248,245	Subsequent Collection	1,315,136	-
Hon Hai Precision Industry Co., Ltd.	Foxconn Japan Co., Ltd.	Subsidiary	330,725	2	85,586	Subsequent Collection	47,894	-
Hon Hai Precision Industry Co., Ltd.	Foxconn Hon Hai Technology India Mega Development Interface Optoelectronics (Wuxi) Co., Ltd.	Subsidiary	10,294,731	1	7,599,477	Subsequent Collection	232,472	3,861
Hon Hai Precision Industry Co., Ltd.	Ningbo Innolux Optoelectronics Ltd.	Affiliate	159,122	1	10,527	Subsequent Collection	53,439	60
Hon Hai Precision Industry Co., Ltd.	Ningbo Innolux Display Ltd.	Other related party	619,026	2	217	Subsequent Collection	158,697	232
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Pte. Ltd.	Other related party	565,041	2	-	-	150,730	212
Hon Hai Precision Industry Co., Ltd.	Goldtek Technology Co., Ltd.	Affiliate	172,396	1	-	-	39,849	65
Hon Hai Precision Industry Co., Ltd.	Pan International Electronics (Malaysia)	Affiliate	273,982	1	-	-	65,980	103
Hon Hai Precision Industry Co., Ltd.		Affiliate	120,813	-	17,270	Subsequent Collection	-	45

Table 8, Page 1

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
			\$		6	\$	Amount	Subsequent Collection	\$
Hon Hai Precision Industry Co., Ltd.	Sharp Corporation	Affiliate	494,631				58,855		494,631
Hon Hai Precision Industry Co., Ltd.	Sharp Hong Kong Limited	Affiliate	222,724	-			-	-	112,888
Hon Hai Precision Industry Co., Ltd.	Sharp Manufacturing Corporation (Malaysia) Sdn. Bhd.	Affiliate	438,514	2			-	-	191,001
Hon Hai Precision Industry Co., Ltd.	Yantai Xiaye Electronics Co., Ltd.	Affiliate	537,256	-			-	-	150,753
ShunSin Technology (Zhong Shan) Limited	ShunSin Technology Holdings Limited	Subsidiary	565,593	1			-	-	283,088
ShunSin Technology (Zhong Shan) Limited	Triple Win Technology (Shenzhen) Co., Ltd.	Subsidiary	282,059	1			-	-	159,625
ShunSin Technology (Zhong Shan) Limited	Shunyun Technology (Zhongshan) Limited	Subsidiary	174,507	1			-	-	-
Ambit Microsystem (Shanghai) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	1,501,179	4			344,627	Subsequent Collection	1,156,552
Ingrasys Technology Co., Ltd.	Ingrasys Technology USA Inc.	Subsidiary	3,064,107	-			-	-	-
Ingrasys Technology Co., Ltd.	Foxconn Technology (India) Private Limited	Subsidiary	1,778,578	2			-	-	-
Ingrasys Technology Co., Ltd.	Foxconn Technology CZ S.R.O.	Subsidiary	860,197	6			-	-	-
Ingrasys Technology Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	2,465,551	1			-	-	-
Ingrasys Technology Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	241,887	2			-	-	-
Ingrasys Technology Co., Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	8,963,982	2			-	-	-
Ingrasys Technology Co., Ltd.	Ingrasys Technology Korea, Inc.	Subsidiary	321,044	2			-	-	-
Ingrasys Technology Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	522,549	8			-	-	-
Ingrasys Technology Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	286,367	1			-	-	-
Ingrasys Technology Co., Ltd.	Yuzhang Precision Technology Japan Co., Ltd.	Subsidiary	488,243	6			-	-	-
Ingrasys Technology Co., Ltd.	Cloud Network Technology Kft.	Subsidiary	160,765	-			-	-	-
Ingrasys Technology Co., Ltd.	Cloud Network Technology USA Inc.	Subsidiary	475,873	3			-	-	-
Foxnum Technology Co., Ltd.	Hong-Qi Mechatronics (Anhui) Co., Ltd.	Subsidiary	161,114	-			161,114	Subsequent Collection	-
Ingrasys Technology USA Inc.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	158,420	8			-	-	-
Ingrasys Technology USA Inc.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	3,839,440	2			-	-	-
Socle Technology Corp.	Fitipower Integrated Technology Inc.	Affiliate	194,443	2			-	-	194,443
Hon-Ling Technology Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	666,769	1			-	-	238,021

Table 8, Page 2

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Non-Ling Technology Co., Ltd.	Mega Well Limited	Subsidiary	\$ 433,486	1	\$ -	-	\$ 238,769	\$ -
Foxconn Global Network Corporation	Asia Pacific Telecom Co., Ltd.	Subsidiary	238,623	1	-	-	-	3,556
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Chiun Mai Communication Systems, Inc.	Subsidiary	284,828	4	-	-	-	-
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	4,003,025	6	-	-	-	279,725
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	109,338	2	-	-	-	-
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	148,199	10	-	-	-	47,079
FIH Precision Component (Beijing) Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	106,228	5	-	-	-	45,145
FIH Precision Electronics (Lang Fang) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	126,029	1	-	-	-	70,828
FIH (Hong Kong) Limited	Ensky Technology Pte. Ltd.	Subsidiary	10,172,433	3	-	-	-	5,544,140
FIH (Hong Kong) Limited	Sharp Corporation	Affiliate	626,735	8	-	-	-	323,751
FIH (Hong Kong) Limited	Yantai Xiaye Electronics Co., Ltd.	Affiliate	4,347,294	8	-	-	-	-
Nanning Futaihong Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	290,421	5	-	-	-	114,978
Futaijing Precision Electronics (Yantai) Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	4,033,052	7	-	-	-	2,679,877
Hengyang Futaihong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	5,892,380	4	-	-	-	413,828
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	149,560	-	-	41,544	Subsequent Collection	52,252
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary	100,848	1	-	8,035	Subsequent Collection	44,438
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Triple Win Technology (Shenzhen) Co., Ltd.	Subsidiary	167,892	-	-	88,614	Subsequent Collection	42,860
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	128,705	1	-	38,895	Subsequent Collection	44,364
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	2,953,988	-	-	31,118	Subsequent Collection	880,881
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	229,095	-	-	12,345	Subsequent Collection	136,482
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	1,234,901	1	-	412,759	Subsequent Collection	541,167
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	148,384	-	-	891	Subsequent Collection	8,700
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	664,078	-	-	149,473	Subsequent Collection	131,135
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	220,306	1	-	1,865	Subsequent Collection	52,540

Table 8, Page 3

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken			
			\$		\$			\$	\$
ShunSin Technology Holdings Limited	Foxconn Interconnect Technology Limited	Subsidiary	114,243	1	-	-	-	37,198	-
ShunSin Technology Holdings Limited	Shunyun Technology Holdings Limited	Subsidiary	227,255	1	-	-	-	-	-
Fu Ding Precision Component (Shenzhen) Co., Ltd.	New Beyond Maximum Industrial Limited	Subsidiary	2,084,137	3	-	-	-	2,012,416	-
Fuding Electronic Technology (Jiashan) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	1,804,461	-	-	-	-	-	-
Triple Win Technology (Shenzhen) Co., Ltd.	Best Ever Industries Limited	Subsidiary	9,381,709	1	-	-	-	2,962,749	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Enmocom (Suzhou) Technology Co., Ltd.	Affiliate	173,113	1	-	-	-	43,049	65
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Subsidiary	405,172	-	-	-	-	148,485	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Subsidiary	180,138	1	-	-	-	71,905	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fusing International Inc. Pte. Ltd.	Subsidiary	139,815	1	-	-	-	-	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	1,966,265	-	-	-	-	-	-
Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Foxconn (KunShan) Computer Connector Co., Ltd.	Subsidiary	1,776,058	-	-	-	-	429,114	-
HighTech Electronics Components Inc.	Fusing International Inc.	Subsidiary	420,762	1	-	-	-	-	-
HighTech Electronics Components Inc.	Competition Team Ireland Limited	Subsidiary	1,205,583	1	-	-	-	1,095,936	-
HighTech Electronics Components Inc.	Hong Kong Ennopower Information Technology Co., Limited	Subsidiary	121,520	1	-	-	-	121,520	-
Hongfuai Precision Electronics (Yan Tai) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	7,478,192	1	-	-	-	694,084	-
Hongfuai Precision Electronics (Yan Tai) Co., Ltd.	Guizhou Fuhuada Precision Electronics Co., Ltd.	Subsidiary	200,305	-	200,305	Subsequent Collection	-	-	-
Hongfuai Precision Electronics (Yan Tai) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	273,442	1	-	-	-	-	-
Hongfuai Precision Electronics (Yan Tai) Co., Ltd.	Yantai Xiaye Electrons Co., Ltd.	Affiliate	602,311	1	442	Subsequent Collection	442	226	-
eCMMS S.A. De C.V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	739,615	1	-	-	-	152,871	-
Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	166,690	-	53,470	Subsequent Collection	54,879	-	-
Foxconn CZ S.R.O.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	290,853	-	-	-	-	-	-
Fujin Precision Industrial (Jincheng) Co., Ltd.	Fast Victor Limited	Subsidiary	142,280	3	-	-	-	142,280	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Subsidiary	1,312,930	1	-	-	-	354,728	-

Table 8, Page 4

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken			
			\$		1	\$		\$	\$
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Subsidiary	572,807	1	-	-	236,267	-	-
PCE Technology Inc.	Simply Smart Limited	Subsidiary	130,205	1	-	-	46,296	-	-
Foxconn Assembly LLC	Cloud Network Technology USA Inc.	Subsidiary	737,165	2	-	-	-	-	-
Shenzhen Fuhongjie Technology Service Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary	110,133	1	34,606	Subsequent Collection	-	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	203,915	1	-	-	69,357	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	141,593	1	-	-	38,005	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Jusda International Limited	Subsidiary	649,642	-	301,342	Subsequent Collection	7,398	-	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	115,243	-	8,593	Subsequent Collection	47,878	-	-
Fuyu Electronical Technology (Huaian) Co., Ltd.	New Beyond Maximum Industrial Limited	Subsidiary	3,543,481	3	278,844	Subsequent Collection	116,389	-	-
PCE Paragon Solutions (USA) Inc.	Profit New Limited	Subsidiary	178,282	-	-	-	-	-	-
Funing Precision Component Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	9,082,362	5	-	-	-	-	-
Foxconn Baja California S.A. De C.V.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	439,461	1	-	-	258,602	-	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Top Step Enterprises Limited	Subsidiary	714,798	1	125,391	Subsequent Collection	-	-	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	159,830	-	46,582	Subsequent Collection	47,278	-	-
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Foxconn Technology Co., Ltd.	Affiliate	10,333,317	1	-	-	5,530,349	3,875	-
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Sharp Corporation	Affiliate	218,868	1	-	-	110,119	82	-
Foxconn Technology CZ S.R.O.	Ingrasys Technology Co., Ltd.	Subsidiary	108,113	-	-	-	-	-	-
Foxconn Technology CZ S.R.O.	Foxconn CZ S.R.O.	Subsidiary	323,851	-	-	-	-	-	-
Huaian Fuliiong Trading Co., Ltd.	Tekeon Huizhou Electronics Co., Ltd.	Affiliate	181,308	1	92,711	Subsequent Collection	41,412	-	-
PCE Technology de Juarez S.A. De C.V.	eCMMS Precision Singapore Pte. Ltd.	Subsidiary	335,379	1	-	-	140,543	-	-
PCE Technology de Juarez S.A. De C.V.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	488,555	1	-	-	177,763	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hengyang Futaihong Precision Industry Co., Ltd.	Subsidiary	128,818	-	71,577	Subsequent Collection	-	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Carston Ltd.	Subsidiary	3,604,468	-	-	-	-	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary	238,406	1	693	Subsequent Collection	71,822	-	-

Table 8, Page 5

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken	\$		
Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	Subsidiary	\$ 14,329,072	-	-	-	\$ -	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Subsidiary	112,167	1	7	Subsequent Collection	6,754	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	155,777,524	1	86,434,462	Subsequent Collection	-	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	778,841	2	4,613	Subsequent Collection	1,397	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Simply Smart Limited	Subsidiary	13,082,220	1	501,673	Subsequent Collection	-	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Shi Yuzhan Precision Technology Co., Ltd.	Subsidiary	665,918	-	279,146	Subsequent Collection	233,507	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	G-TECH Optoelectronics Corporation	Affiliate	118,106	3	-	-	-	-	44
Futaihua Industrial (Shenzhen) Co., Ltd.	Nanjing Sharp Electronics Co., Ltd.	Affiliate	221,068	1	1,485	Subsequent Collection	-	-	83
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Hightech Electronics Components Inc.	Subsidiary	1,845,427	1	-	-	902,688	-	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	363,827	3	-	-	363,827	-	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Fujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	1,481,390	1	430,847	Subsequent Collection	-	-	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Fusing International Inc.	Subsidiary	656,869	1	-	-	225,648	-	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Competition Team Ireland Limited	Subsidiary	1,181,919	2	-	-	59,352	-	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Innocom Technology (Chongqing) Co., Ltd.	Subsidiary	100,959	-	100,959	Subsequent Collection	-	-	-
Honfujin Precision Electronics (Chongqing) Co., Ltd.	Foxconn Japan Co., Ltd.	Subsidiary	157,341	1	63,417	Subsequent Collection	-	-	-
Foxconn Precision Electronics (Yan Tai) Co., Ltd.	Futaijing Precision Electronics (Yantai) Co., Ltd.	Subsidiary	488,805	1	-	-	-	-	-
Foxconn Precision Electronics (Yan Tai) Co., Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	145,398	1	1,510	Subsequent Collection	21,746	-	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	188,951	4	-	-	-	-	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Profit New Limited	Subsidiary	23,338,216	4	-	-	-	-	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	6,970,831	3	-	-	-	-	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	164,819	2	-	-	-	-	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Fuhong Cloud Computing (Tianjin) Co., Ltd.	Subsidiary	6,623,694	2	-	-	-	-	-
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	170,765	1	17,687	Subsequent Collection	60,417	-	-

Table 8, Page 6

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
			\$		Amount	Action taken	\$		
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	140,449,037	1	-	-	60,095,394	-	-
Futaihua Precision Electronics (Chengdu) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	166,537	1	10,628	Subsequent Collection	-	-	-
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Foxconn Interconnect Technology Limited	Subsidiary	878,943	5	-	-	276,539	-	-
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	179,388	4	-	-	537	-	-
Yantai Fuhuada Precision Electronics Co., Ltd.	Chongqing Fuyusheng Electronics Technology Co., Ltd.	Subsidiary	265,284	-	265,284	Subsequent Collection	-	-	-
Yantai Fuhuada Precision Electronics Co., Ltd.	Sharp Universal Technology (Shenzhen) Co., Ltd.	Affiliate	100,952	1	-	-	13,581	38	-
AnPinDa Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	121,439	1	-	-	139	-	-
Jusda Supply Chain Management International Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	119,988	-	-	-	11,326	-	-
Jusda Supply Chain Management International Co., Ltd.	Jusda Energy Technology (Shanghai) Co., Ltd.	Subsidiary	156,294	-	-	-	-	-	-
Jusda Supply Chain Management International Co., Ltd.	Foshan Innolux Optoelectronics Ltd.	Other related party	130,825	3	-	-	83,422	49	-
System Integration Electronics (Hangzhou) Co., Ltd.	System Integration (Haining) Electronics Co., Ltd.	Subsidiary	1,669,065	3	-	-	-	-	-
Nanning Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	27,519,800	3	-	-	-	-	-
Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	IPL International Limited	Subsidiary	8,742,478	5	808,200	Subsequent Collection	-	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	1,519,073	-	18,838	Subsequent Collection	7,107	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	265,011	-	2,890	Subsequent Collection	115	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Hongfusheng Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	100,628	2	-	-	-	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Henan Fuchi Technology Co., Ltd.	Subsidiary	1,504,609	30	1,400,707	Subsequent Collection	1,281,833	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Singapore Pte. Ltd.	Subsidiary	229,096,030	1	-	-	34,125,875	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Brasil Industria e Comercio Ltda.	Subsidiary	778,164	-	-	-	144	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Hon Hai Technology India Mega Development	Subsidiary	1,350,654	1	237,638	Subsequent Collection	-	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	21,929,091	2	-	-	-	-	-
Profit New Limited	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	2,698,380	2	-	-	-	-	-
Profit New Limited	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	111,094	2	-	-	-	-	-

Table 8, Page 7

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
				Turnover rate	Amount	Action taken		
			\$		\$		\$	\$
Profit New Limited	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	4,359,468	-	-	-	-	-
Profit New Limited	Cloud Network Technology	Subsidiary	13,321,147	4	-	-	-	-
Mega Well Limited	Singapore Pte. Ltd.	Subsidiary	70,667,698	3	-	-	-	-
Fast Victor Limited	Cloud Network Technology	Subsidiary	2,368,100	-	2,368,100	Subsequent Collection	-	-
Fast Victor Limited	Best Behaviour Limited	Subsidiary	729,190	1	-	-	-	-
Fast Victor Limited	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	4,426,756	1	-	-	-	1,660
Fast Victor Limited	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	464,102	1	290,461	Subsequent Collection	287,161	-
Competition Team Ireland Limited	Foxconn European Manufacturing Services S.R.O.	Subsidiary	564,925	4	391,970	Subsequent Collection	493,758	-
Competition Team Ireland Limited	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	1,223,336	1	-	-	227,027	-
Competition Team Ireland Limited	Chongqing Jingmei Precision Electronic Co., Ltd.	Subsidiary	108,230,414	1	-	-	22,836,154	-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Subsidiary	3,081,339	1	-	-	-	-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Foxconn Brasil Industria e Comercio Ltda.	Subsidiary	101,512	1	-	-	-	-
Simply Smart Limited	Foxconn (Far East) Limited	Subsidiary	12,913,540	1	-	-	6,040,440	-
Simply Smart Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	112,761	1	28,358	Subsequent Collection	55,279	-
Scientific-Atlanta De Mexico S. De R. L. De C. V.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	220,620	10	-	-	220,620	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Cloud Network Technology	Subsidiary	135,340	2	62,007	Subsequent Collection	-	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Singapore Pte. Ltd.	Subsidiary	188,104	-	-	-	-	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	394,744	2	133,253	Subsequent Collection	-	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	11,638,923	3	-	-	-	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	187,348	8	183	Subsequent Collection	-	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	IPL International Limited	Subsidiary	113,988	9	97,145	Subsequent Collection	-	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	176,660	-	332	Subsequent Collection	52,517	-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Subsidiary	284,914	4	68,686	Subsequent Collection	107,127	-
Hongfujin Precision Electronics (Hengyang) Co., Ltd.	FIH (Hong Kong) Limited	Subsidiary						
Foxconn Interconnect Technology Limited	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Subsidiary						

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Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken			
Foxconn Interconnect Technology Limited	Foxconn (KunShan) Computer Connector Co., Ltd.	Subsidiary	\$ 253,568	7	\$ 22,366	Subsequent Collection	\$ 88,338	\$ -	
Foxconn Interconnect Technology Limited	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary	375,644	5	-	-	153,622	-	
Foxconn Interconnect Technology Limited	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	130,410	4	-	-	687	-	
Foxconn Interconnect Technology Limited	Huaian Fultong Trading Co., Ltd.	Subsidiary	351,092	-	184,100	Subsequent Collection	206,961	-	
Foxconn Interconnect Technology Limited	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	293,327	4	6,623	Subsequent Collection	96,078	-	
Foxconn Interconnect Technology Limited	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	117,304	5	-	-	43,486	-	
Foxconn Interconnect Technology Limited	Foxconn Interconnect Technology Singapore Pte. Ltd.	Subsidiary	335,914	5	26,069	Subsequent Collection	171,142	-	
Foxconn Interconnect Technology Limited	New Beyond Maximum Industrial Limited	Subsidiary	8,019,000	-	-	-	-	-	
Foxconn Interconnect Technology Limited	FIT Electronics, Inc.	Subsidiary	1,117,776	1	1,043,662	Subsequent Collection	217,308	-	
Foxconn Interconnect Technology Limited	New Wing Interconnect Technology (Bac Giang) Limited	Subsidiary	255,138	5	29,714	Subsequent Collection	230,054	-	
Foxconn Interconnect Technology Limited	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	108,678	4	39	Subsequent Collection	57,305	-	
Foxconn Interconnect Technology Limited	Belkin International, Inc.	Subsidiary	2,329,332	-	691,954	Subsequent Collection	154,264	-	
Foxconn Interconnect Technology Limited	Pan-International Industrial Corp.	Affiliate	345,459	3	-	-	89,111	-	
Foxconn Interconnect Technology Limited	Tekcon Electronics Corp.	Affiliate	273,081	2	93,852	Subsequent Collection	50,301	-	
Foxconn Interconnect Technology Limited	Avary Holding (Shenzhen) Co., Ltd.	Affiliate	256,019	3	-	-	67,717	-	
Foxconn Interconnect Technology Limited	Hong Qi Sheng Precision Electronics (Qinhuangdao) Co., Ltd.	Affiliate	103,266	8	-	-	31,381	-	
Foxconn Interconnect Technology Limited	Cheng Uei Precision Industry Co., Ltd.	Other related party	182,597	4	-	-	65,244	-	
Jusda International Limited	Jusda Supply Chain Management International Co., Ltd.	Subsidiary	136,162	1	-	-	2,591	-	
Jusda International Limited	Competition Team Ireland Limited	Subsidiary	238,962	1	-	-	1,751	-	
Jusda International Limited	Sharp Jusda Logistics Corp.	Subsidiary	576,568	1	-	-	196,210	-	
Jusda International Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	318,118	1	-	-	161,448	-	
Jusda International Limited	Cloud Network Technology USA Inc.	Subsidiary	120,610	1	-	-	120,610	-	
Jusda International Limited	Jusda Supply Chain Management Corporation	Subsidiary	174,468	-	-	-	-	-	

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Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken	\$		
Jusda International Limited	Fortunebay Technology Pte Ltd.	Subsidiary	\$ 131,280	-	-	-	\$ 6,712	-	-
Jusda International Limited	Innolux Corporation	Other related party	220,851	1	-	-	57,220	83	-
ChongQing Jingmei Precision Electronic Co., Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Subsidiary	642,508	1	-	-	194,029	-	-
Kunshan Fuchengke Precision Electronical Co., Ltd.	Fuyu Electronical Technology (Huai'an) Co., Ltd.	Subsidiary	114,778	1	-	-	29,954	-	-
Hongfuzhun Precision Shenzhen Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	228,302	-	80,338	Subsequent Collection	9,730	-	-
Hongfuzhun Precision Shenzhen Co., Ltd.	IPL International Limited	Subsidiary	154,829	-	8,505	Subsequent Collection	-	-	-
eCMMS Precision Singapore Pte. Ltd.	Competition Team Technologies USA Inc.	Subsidiary	7,121,892	1	440	Subsequent Collection	-	-	-
eCMMS Precision Singapore Pte. Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	2,827,123	1	90,759	Subsequent Collection	650,190	-	-
Chengdu Zhunren Technology Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	143,488	3	-	-	-	-	-
Jinchen Hongren Technology Co., Ltd.	Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Subsidiary	176,087	2	9,318	Subsequent Collection	-	-	-
HongQing Precision machine Co., Ltd.	Hong-Qi Mechatronics (Anhui) Co., Ltd.	Subsidiary	140,793	-	140,793	Subsequent Collection	-	-	-
New Wing Interconnect Technology (Bac Giang) Limited	Foxconn Interconnect Technology Limited	Subsidiary	1,927,792	5	-	-	667	-	-
Jin Ji Full Precision Machinery (Wuhan) Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	195,346	1	-	-	13,222	-	-
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	1,853,372	4	-	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology USA Inc.	Subsidiary	15,282,207	4	-	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Foxconn Technology CZ S.R.O.	Subsidiary	268,525	5	-	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology Korea, Inc.	Subsidiary	1,816,368	3	-	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	272,276	-	-	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Yuzhang Precision Technology Japan Co., Ltd.	Subsidiary	1,968,211	4	-	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Cloud Network Technology Kft.	Subsidiary	717,031	4	-	-	-	-	-
Ingrasys (Singapore) Pte. Ltd.	Foxconn Brasil Industria e Comercio Ltda.	Subsidiary	252,886	3	-	-	-	-	-
Foxconn OE Technologies Singapore Pte. Ltd.	Foxconn OE Technologies Inc.	Subsidiary	564,350	3	246,318	Subsequent Collection	153,333	-	-
Hongfujin Precision Electronics (Guiyang) Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	542,716	5	-	-	-	-	-
Henan Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	137,377	6	-	-	-	-	-

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Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
				Turnover rate	Amount	Action taken		
			\$	-	\$	-	\$	\$
Henan Yuzhan Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	130,164	-	-	-	-	-
Henan Yuzhan Precision Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	600,012	4	-	-	-	-
Henan Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	28,032,215	4	15,363,656	Subsequent Collection	-	-
Henan Yuzhan Precision Technology Co., Ltd.	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Subsidiary	127,734	2	174	Subsequent Collection	-	-
Jincheng Futaihua Precision Electronic Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	443,424	1	226,760	Subsequent Collection	-	-
Jincheng Futaihua Precision Electronic Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	175,153	1	85,991	Subsequent Collection	-	-
Jincheng Futaihua Precision Electronic Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	361,232	2	23,443	Subsequent Collection	-	-
Jincheng Futaihua Precision Electronic Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	169,663	1	34,880	Subsequent Collection	-	-
Jincheng Futaihua Precision Electronic Co., Ltd.	Cloud Network Technology (Samoa) Limited	Subsidiary	231,734	2	45,610	Subsequent Collection	-	-
Jincheng Futaihua Precision Electronic Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	200,032	1	35,559	Subsequent Collection	-	-
Jincheng Futaihua Precision Electronic Co., Ltd.	IPL International Limited	Subsidiary	9,554,121	3	5,248,827	Subsequent Collection	-	-
Jincheng Futaihua Precision Electronic Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	113,711	1	-	-	-	-
Jincheng Futaihua Precision Electronic Co., Ltd.	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Subsidiary	437,744	-	47,182	Subsequent Collection	-	-
Lankao Yufu Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	171,426	1	-	-	2,418	-
Lankao Yufu Precision Technology Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	398,706	1	-	-	-	-
Lankao Yufu Precision Technology Co., Ltd.	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Subsidiary	935,088	1	-	-	400	-
Lankao Yufu Precision Technology Co., Ltd.	Foxconn Singapore Pte. Ltd.	Subsidiary	263,829	1	-	-	-	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Subsidiary	140,439	4	120,625	Subsequent Collection	-	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	444,852	4	14,003	Subsequent Collection	-	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	527,201	2	140,037	Subsequent Collection	-	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	604,022	2	51,156	Subsequent Collection	-	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	633,766	2	97,516	Subsequent Collection	-	-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	855,127	2	38,584	Subsequent Collection	-	-

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Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
						Amount	Action taken		
			\$		3	\$	Subsequent Collection	\$	- \$
Shenzhen Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	69,792,265			40,070,195			-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Wuhan Yuzhan Precision Technology Co., Ltd.	Subsidiary	250,905	-		432	Subsequent Collection		-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Hebi Yuzhan Precision Technology Co., Ltd.	Subsidiary	515,949	-		6,550	Subsequent Collection		-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Subsidiary	626,746	2		6,653	Subsequent Collection		-
Shenzhen Yuzhan Precision Technology Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Subsidiary	318,566	1		318,566	Subsequent Collection	297,409	-
Hunan Jusda Supply Chain Management Co., Ltd.	Jusda Supply Chain Management International Co., Ltd.	Subsidiary	112,554	1		-	-	46,975	-
Sharp Jusda Logistics Corp.	Sharp Corporation	Affiliate	730,008	2		-	-	494,317	274
Sharp Jusda Logistics Corp.	Sharp Marketing Japan Corporation	Affiliate	179,555	2		-	-	-	67
HeNan FuChi Technology Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	54,985,747	5		2,057,695	Subsequent Collection	22,909,136	-
HeNan FuChi Technology Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	7,817,303	2		1,039,940	Subsequent Collection	-	-
HeNan FuChi Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	629,164	1		-	-	-	236
Chongqing Fugui Electronics Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	286,359	3		-	-	-	-
Chongqing Fugui Electronics Co., Ltd.	Mega Well Limited	Subsidiary	241,572	2		-	-	-	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	503,503	4		-	-	-	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Profit New Limited	Subsidiary	10,236,517	2		1,631,188	Subsequent Collection	-	-
Shenzhen Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	42,553,900	2		9,838,489	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Subsidiary	638,342	2		425	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Ingrasys Technology USA Inc.	Subsidiary	3,113,296	4		720,212	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Foxconn CZ S.R.O.	Subsidiary	7,931,213	2		151,045	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Funing Precision Component Co., Ltd.	Subsidiary	4,885,808	8		583,119	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Electronics (Yantai) Co., Ltd.	Subsidiary	216,098	6		21,836	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Foxconn Technology (India) Private Limited	Subsidiary	322,936	2		68,490	Subsequent Collection	-	-
Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	16,238,311	3		537,925	Subsequent Collection	-	-

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Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
			\$		5	\$	Amount	Action taken	
Cloud Network Technology Singapore Pte. Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	2,310,325				21,209	Subsequent Collection	\$ -
Cloud Network Technology Singapore Pte. Ltd.	Mega Well Limited	Subsidiary	581,567	2			-	-	-
Cloud Network Technology Singapore Pte. Ltd.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	1,121,656	1			357,761	Subsequent Collection	-
Cloud Network Technology Singapore Pte. Ltd.	Hongfujin Precision Electronics (Guiyang) Co., Ltd.	Subsidiary	331,612	3			139,422	Subsequent Collection	-
Cloud Network Technology Singapore Pte. Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	830,739	8			42,781	Subsequent Collection	-
Cloud Network Technology Singapore Pte. Ltd.	Cloud Network Technology USA Inc.	Subsidiary	30,975,583	1			9,405,751	Subsequent Collection	165,498
Cloud Network Technology Singapore Pte. Ltd.	IPL International Limited	Subsidiary	227,393	-			63,158	Subsequent Collection	-
Cloud Network Technology Singapore Pte. Ltd.	Fuyu Precision Component Co., Ltd.	Subsidiary	4,012,516	4			328,114	Subsequent Collection	-
Cloud Network Technology Singapore Pte. Ltd.	Fuhong Precision Component (Bac Giang) Limited	Subsidiary	3,137,829	10			1,173,197	Subsequent Collection	-
Cloud Network Technology Singapore Pte. Ltd.	Foxconn Moebg Industria De Eletronicos Ltda.	Subsidiary	168,718	4			1,136	Subsequent Collection	-
Cloud Network Technology Singapore Pte. Ltd.	Sharp Corporation	Affiliate	113,423	4			-	-	43
Cloud Network Technology Kft.	Ingrasys (Singapore) Pte. Ltd.	Subsidiary	288,601	10			-	-	-
Cloud Network Technology (Samoa) Limited	Foxconn Precision International Limited	Subsidiary	144,207	3			-	-	-
Shanxi Yuding Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	191,559	-			-	-	-
Shanxi Yuding Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	1,726,984	2			-	-	-
Shanxi Yuding Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	2,546,907	9			-	-	-
Shanxi Yuding Precision Technology Co., Ltd.	Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Subsidiary	108,047	-			-	-	-
Cloud Network Technology USA Inc.	Nanning Fugui Precision Industrial Co., Ltd.	Subsidiary	108,407	-			-	-	-
Cloud Network Technology USA Inc.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	438,185	3			6,484	Subsequent Collection	-
Cloud Network Technology USA Inc.	Nsg Technology Inc.	Subsidiary	123,572	2			123,572	Subsequent Collection	-
IPL International Limited	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	134,500	5			-	-	-
IPL International Limited	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	242,583	3			-	-	-
IPL International Limited	Foxconn Precision International Limited	Subsidiary	76,788,242	6			-	-	-

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Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
				Turnover rate	Amount	Action taken		
IPL International Limited	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	\$ 558,614	2	\$ -	-	\$ -	-
IPL International Limited	Shanxi Yuding Precision Technology Co., Ltd.	Subsidiary	229,402	1	-	-	-	-
Jusda Supply Chain Management Corporation	Jusda International Limited	Subsidiary	211,454	-	147,306	Subsequent Collection	-	-
Fu Sheng Optoelectronics Technology (Kunshan) Co., Ltd.	Foxconn Interconnect Technology Limited	Subsidiary	276,976	4	87,361	Subsequent Collection	-	-
Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	2,911,834	1	-	-	2,768,688	-
Fortunebay Technology Pte Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Subsidiary	117,900	2	-	-	82,588	-
Fortunebay Technology Pte Ltd.	Ingrasys Technology Co., Ltd.	Subsidiary	118,368	3	-	-	80,779	-
Fortunebay Technology Pte Ltd.	FIH (Hong Kong) Limited	Subsidiary	195,675	1	-	-	122,271	-
Fortunebay Technology Pte Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	160,613	2	-	-	115,543	-
Fortunebay Technology Pte Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Subsidiary	379,290	2	-	-	166,080	-
Fortunebay Technology Pte Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	704,933	2	-	-	309,320	-
Fortunebay Technology Pte Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	181,571	2	-	-	91,727	-
Fortunebay Technology Pte Ltd.	Henan Fuchi Technology Co., Ltd.	Subsidiary	769,760	4	-	-	535,665	-
Fortunebay Technology Pte Ltd.	Shenzhen Fugui Precision Industrial Co., Ltd.	Subsidiary	110,582	1	-	-	79,386	-
Fortunebay Technology Pte Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	231,159	2	-	-	96,105	-
Fortunebay Technology Pte Ltd.	Interface Technology (ChengDu) Co., Ltd.	Affiliate	147,934	1	-	-	83,919	55
Wuhan Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	572,492	10	-	-	-	-
Hebi Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	131,241	-	-	-	-	-
Hebi Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	197,971	4	154,478	Subsequent Collection	-	-
Hebi Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	408,714	10	52,210	Subsequent Collection	-	-
Hebi Yuzhan Precision Technology Co., Ltd.	Jincheng Futaihua Precision Electronic Co., Ltd.	Subsidiary	199,142	2	127,890	Subsequent Collection	-	-
Hebi Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	176,050	2	32,979	Subsequent Collection	-	-
Hebi Yuzhan Precision Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliate	117,527	3	-	-	-	44
Shenzhen Jingjiang Yunchuang Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	141,122	1	-	-	-	-

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Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2021	Turnover rate	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
			\$		Amount	Action taken	\$		
Triple Win Technology (JinCheng) Co., Ltd.	Triple Win Technology (Shenzhen) Co., Ltd.	Subsidiary	972,778	3	-	-	388,580	-	-
Triple Win Technology (JinCheng) Co., Ltd.	Best Ever Industries Limited	Subsidiary	220,160	1	-	-	156,697	-	-
Linksys Holdings, Inc.	Belkin International, Inc.	Subsidiary	172,906	2	-	-	3,272	-	-
Bang Tai International Logistics Co., Ltd.	Jusda International Limited	Subsidiary	255,618	-	17,363	Subsequent Collection	16,830	-	-
FII USA Inc.	Ingrasys Technology USA Inc.	Subsidiary	304,244	1	-	-	-	-	-
Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Subsidiary	263,176	2	263,176	Subsequent Collection	-	-	-
Lankao Yuzhan Intelligent Manufacturing Technology Co., Ltd.	IPL International Limited	Subsidiary	1,177,992	3	-	-	-	-	-
Fuyu Precision Component Co., Ltd.	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	1,579,981	-	-	-	-	-	-
Hengyang Yuzhan Precision Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	164,510	2	-	-	-	-	-
Hengyang Yuzhan Precision Technology Co., Ltd.	Henan Yuzhan Precision Technology Co., Ltd.	Subsidiary	209,934	3	6,184	Subsequent Collection	-	-	-
Hengyang Yuzhan Precision Technology Co., Ltd.	Shenzhen Yuzhan Precision Technology Co., Ltd.	Subsidiary	430,679	4	3,821	Subsequent Collection	-	-	-
Sunyun Technology Holdings Limited	ShunSin Technology (Ha Noi, Vietnam) Limited	Subsidiary	129,996	1	-	-	-	-	-
Sunyun Technology Holdings Limited	Shunyun Technology (Zhongshan) Limited	Subsidiary	183,858	-	183,858	Subsequent Collection	19,440	-	-
NSG Technology Inc.	Cloud Network Technology USA Inc.	Subsidiary	384,777	9	74,209	Subsequent Collection	-	-	-
Premier Image Technology (China) Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Subsidiary	106,294	1	-	-	-	-	-
Premier Image Technology (China) Ltd.	Champ Tech Optical (FoShan) Corporation	Affiliate	136,402	1	-	-	24,009	51	-
Fuhong Precision Component (Bac Giang) Limited	Foxconn Interconnect Technology Limited	Subsidiary	562,036	3	-	-	-	-	-
Fuhong Precision Component (Bac Giang) Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	5,402,111	7	-	-	-	-	-
Foxconn Moebg Industria De Eletronicos Ltda.	Singapore Pte. Ltd.	Subsidiary	240,554	3	-	-	172,940	-	-
Foxconn Hon Hai Technology India Mega Development	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	136,268	1	-	-	79,751	-	-
Foxconn Hon Hai Technology India Mega Development	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	236,956	1	-	-	53,437	-	-

Note : Receivables from purchases of materials on behalf of the counterparty.

Table 8, Page 15

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Significant inter-company transactions during the reporting period
June 30, 2021

Number (Note 1)		Company name	Counterparty	Relationship (Note 2)	Transaction			Expressed in thousands of TWD (Except as otherwise indicated)
					General ledger account	Amount	Transaction terms	
0		Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	Accounts receivable	\$ 83,716,435	Note 3	Percentage of consolidated total operating revenues or total assets (Note 4) 2
0		Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	Other receivables	42,198,153	Note 3	1
0		Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	Purchases	866,058,138	Note 3	32
0		Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Subsidiary	Accounts payable	381,113,502	Note 3	11
0		Hon Hai Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Subsidiary	Other receivables	141,060,303	Note 3	4
0		Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Subsidiary	Other receivables	105,208,333	Note 3	3
0		Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	Accounts receivable	59,673,554	Note 3	2
0		Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Subsidiary	Other receivables	90,821,354	Note 3	3
0		Hon Hai Precision Industry Co., Ltd.	Fast Victor Limited	Subsidiary	Purchases	184,767,499	Note 3	7
0		Hon Hai Precision Industry Co., Ltd.	Fast Victor Limited	Subsidiary	Accounts payable	109,199,185	Note 3	3
0		Hon Hai Precision Industry Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Subsidiary	Other receivables	106,771,018	Note 3	3
1		Triple Win Technology(ShenZhen) Co.Ltd.	Best Ever Industries Limited	Subsidiary	Sales	30,829,575	Note 3	1
2		Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	Accounts receivable	155,777,524	Note 3	5
2		Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Image & Printing Product Pte. Ltd.	Subsidiary	Sales	212,678,978	Note 3	8
3		Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Profit New Limited	Subsidiary	Sales	41,429,284	Note 3	2
4		Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	Accounts receivable	140,449,037	Note 3	4

Table 9, Page 1

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 4)
				General ledger account	Amount	Transaction terms	
				Sales	\$	Note 3	11
4	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	Sales	297,500,841	Note 3	1
5	Nanning Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	Sales	40,256,350	Note 3	1
6	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	IPL International Limited	Subsidiary	Sales	30,088,899	Note 3	1
7	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Henan Fuchi Technology Co., Ltd.	Subsidiary	Sales	44,814,423	Note 3	2
7	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Singapore Pte. Ltd.	Subsidiary	Accounts receivable	229,096,030	Note 3	7
7	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Singapore Pte. Ltd.	Subsidiary	Sales	719,146,037	Note 3	27
8	Profit New Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	28,200,398	Note 3	1
9	Mega Well Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Accounts receivable	70,667,698	Note 3	2
9	Mega Well Limited	Cloud Network Technology Singapore Pte. Ltd.	Subsidiary	Sales	90,829,171	Note 3	3
10	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Subsidiary	Accounts receivable	108,230,414	Note 3	3
10	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Subsidiary	Sales	209,987,008	Note 3	8
11	Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology USA Inc.	Subsidiary	Sales	30,956,076	Note 3	1
12	Henan Yuzhan Technology Limited	IPL International Limited	Subsidiary	Sales	49,341,968	Note 3	2
13	Shenzhenshi Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Accounts receivable	69,792,265	Note 3	2
13	Shenzhenshi Yuzhan Precision Technology Co., Ltd.	IPL International Limited	Subsidiary	Sales	98,470,001	Note 3	4
14	Henan Fuchi Technology Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Accounts receivable	54,985,747	Note 3	2
14	Henan Fuchi Technology Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Subsidiary	Sales	248,024,631	Note 3	9
15	Shenzhen Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	Accounts receivable	42,553,900	Note 3	1
15	Shenzhen Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Subsidiary	Sales	46,582,450	Note 3	2

Table 9, Page 2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 4)
16	IPL International Limited	Foxconn Precision International Limited	Subsidiary	Accounts receivable	\$ 76,788,242	Note 3	2
16	IPL International Limited	Foxconn Precision International Limited	Subsidiary	Sales	214,728,827	Note 3	8
17	Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Pte. Ltd.	Subsidiary	Sales	30,521,545	Note 3	1
Note 1:	The information of transactions between the Company and the consolidated subsidiaries should be noted in "Number" column. (1) Number 0 represents the Company.						
Note 2:	(2) The consolidated subsidiaries are numbered in order from number 1. The transaction relationships with the counterparties are as follows: (1) The Company to the consolidated subsidiary. (2) The consolidated subsidiary to the Company. (3) The consolidated subsidiary to another consolidated subsidiary.						
Note 3:	The prices and terms to related parties were not significantly different from transactions with third parties, except for particular transactions with no similar transactions to compare with. For these transactions, the prices and terms were determined in accordance with mutual agreements.						
Note 4:	In calculating the ratio, the transaction amount is divided by consolidated total assets for balance sheet accounts and is divided by consolidated total revenues for income statement accounts.						
Note 5:	For balance sheet accounts, transactions exceeding 1% of the consolidated total assets should be disclosed; for income statement accounts, transactions exceeding 1% of the consolidated total revenue should be disclosed.						
Note 6:	All the transactions had been eliminated when preparing consolidated financial statements. Above transactions with related parties were based on the financial statements of the company for the same period which was reviewed by independent accountants.						

Table 9, Page 3

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Information on investees
June 30, 2021

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2021			Net profit (loss) of the investee for the six-month period ended June 30, 2021	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Footnote
				Balance as at June 30, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited	Cayman Islands	Investment holding	\$ 230,694,843	\$ 230,694,843	8,061,628,748	100	\$ 1,289,060,800	\$ 40,486,903	\$ 40,883,831	Note 1
Hon Hai Precision Industry Co., Ltd.	Sharp Corporation	Japan	Manufacture and sale of digital intelligence appliances, communication systems, electronic equipment and display equipment and related parts	34,432,479	34,432,479	130,000,000	21	45,009,110	8,289,393	1,649,692	Note 6
Hon Hai Precision Industry Co., Ltd.	eCMMS Precision Singapore Pte. Ltd.	Singapore	Manufacture and sale of computer and data processing equipment	12,799,049	12,799,049	343,010,000	100	13,689,797	72,361	72,309	
Hon Hai Precision Industry Co., Ltd.	Hyield Venture Capital Co., Ltd.	Taiwan	Investment holding	7,399,903	7,399,903	1,174,960,419	98	27,655,289	672,579	658,819	Note 1
Hon Hai Precision Industry Co., Ltd.	Bao Shin International Investment Co., Ltd.	Taiwan	Investment holding	2,998,500	2,998,500	1,128,730,000	100	20,669,690	663,007	663,007	
Hon Hai Precision Industry Co., Ltd.	Margini Holdings Limited	British Virgin Islands	Investment holding	8,907,895	8,907,895	275,980,200	100	17,598,103	150,898	150,898	Note 1
Hon Hai Precision Industry Co., Ltd.	Ambit International Ltd.	British Virgin Islands	Investment holding	2,393,965	2,393,965	74,572,281	100	49,451,592	2,752,206	2,752,206	
Hon Hai Precision Industry Co., Ltd.	Foxconn Holdings B.V. -Netherlands	Netherlands	Investment holding	6,486,934	6,486,934	108,355,209	100	10,249,935	237,512	237,512	Note 1
Hon Hai Precision Industry Co., Ltd.	Fenix Industria De Eletronicos Ltda.	Brazil	Manufacture of computer wifi card and wifi module	539,450	539,450	53,333,780	99	804,224	51,344	51,071	
Hon Hai Precision Industry Co., Ltd.	Foxconn Moebgindustria De Eletronicos Ltda-Brazil	Brazil	Products including FTV/DVR/Bluetooth module/set-top box and optical network terminals	348,977	348,977	24,315,201	100	338,711	87,987	87,978	
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Co., Ltd.	Taiwan	Design sales, and manufacturing of Mag/AI casing and mechanic parts	481,782	481,782	139,725,803	10	11,867,715	2,488,899	266,240	Note 1 - 2
Hon Hai Precision Industry Co., Ltd.	Foxconn Holding Ltd.	British Virgin Islands	Investment holding	47,827,423	46,728,413	1,561,066,764	100	64,627,581	8,063,989	8,063,989	Note 1

Table 10, Page 1

Initial investment amount			Shares held as at June 30, 2021				Main business activities	Balance as at December 31,		Ownership (%)	Book value	Net profit (loss) of the investee for the six-month period ended June		Investment income (loss) recognised by the Company for the six-month period ended June	Footnote
Investor	Investee	Location	Balance as at June 30, 2021	Balance as at December 31, 2020	Number of shares			30, 2021	30, 2021						
Hon Hai Precision Industry Co., Ltd.	Hon Yuan International Investment Co., Ltd.	Taiwan	\$ 1,611,500	\$ 1,611,500	341,678,900	100	\$ 4,935,126	\$ 228,216	\$ 228,216						Note 1
Hon Hai Precision Industry Co., Ltd.	Hon Chi International Investment Co., Ltd.	Taiwan	1,500,500	1,500,500	300,280,000	100	4,486,483	225,735	225,735						Note 1
Hon Hai Precision Industry Co., Ltd.	Foxconn Singapore Pte. Ltd.	Singapore	12,346,394	12,416,394	403,837,543	54	11,636,209	36,100	(264,050)						Note 1、9
Hon Hai Precision Industry Co., Ltd.	Foxconn Sa B.V.	Netherlands	3,247,330	3,247,330	72,163,188	100	1,420,535	(1,821)	(1,821)						
Hon Hai Precision Industry Co., Ltd.	Pan-International Industrial Corporation	Taiwan	2,042,398	2,042,398	107,776,254	21	2,663,270	478,122	83,896						Note 1、3
Hon Hai Precision Industry Co., Ltd.	Lin Yih International Investment Co., Ltd.	Taiwan	904,411	904,411	96,900,000	100	808,884	4,850	4,850						
Hon Hai Precision Industry Co., Ltd.	Syntrend Creative Park Co., Ltd.	Taiwan	1,836,463	1,836,463	183,646,250	75	940,696	(4,901)	(3,666)						
Hon Hai Precision Industry Co., Ltd.	Premier Image Technology (H.K) Ltd.	Hong Kong	22,311	22,311	1,404,936	2	102,467	182,909	2,981						Note 4
Hon Hai Precision Industry Co., Ltd.	Altus Technology Inc.	Taiwan	1,444,555	1,444,555	65,810,751	65	449,021	(20,040)	(12,944)						Note 5
Hon Hai Precision Industry Co., Ltd.	Asia Pacific Telecom Co., Ltd.	Taiwan	16,821,609	16,821,609	1,253,026,812	33	10,430,319	(2,664,138)	(874,657)						Note 7
Hon Hai Precision Industry Co., Ltd.	Ennoconn Corporation	Taiwan	166,927	166,927	484,860	1	176,254	1,307,147	2,525						Note 8
Hon Hai Precision Industry Co., Ltd.	Foxtron Vehicle Technologies Co., Ltd.	Taiwan	7,850,321	7,850,321	785,032,075	51	7,667,947	(308,963)	(157,576)						

Table 10, Page 2

Initial investment amount				Shares held as at June 30, 2021			Net profit (loss) of the investee for the six-month period ended June 30, 2021		Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021		Footnote	
Investor	Investee	Location	Main business activities	Balance as at June 30, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	\$	\$		
Hon Hai Precision Industry Co., Ltd.	Socle Technology Corp	Taiwan	Design, manufacture and sale of electronic components and software	211,386	211,386	21,138,600	40	147,109	\$	31,849	\$ 12,578	Note 10
Hon Hai Precision Industry Co., Ltd.	Others	Others		168,011	163,843	-	-	94,761	(	8,534)	(6,224)	Note 11
Foxconn (Far East) Limited	Sharp Corporation	Japan	Manufacture and sale of digital intelligence appliances, communication systems, electronic equipment and display equipment and related parts	24,973,175	24,973,175	91,555,069	15	31,511,106		8,289,393	1,181,444	Note 6
Hyield, Hon Yuan, Bao Shin and Hon Chi	Foxconn Technology Co., Ltd.	Taiwan	Production, processing and sales of network terminals, computer monitors, computer peripheral devices, power supplies and components	1,992,567	1,992,567	277,194,573	20	23,763,665		2,488,899	530,901	Note 2、12
Hon Yuan, Bao Shin, Hon Chi and Hon Yiting	Pan-International Industrial Corporation	Taiwan	Manufacture and marketing of cables	560,639	560,639	29,620,041	6	763,673		478,122	23,283	Note 3、12
Hyield, Hon Yuan, Bao Shin, Lin Yih and Hon Chi	CyberTAN Technology, Inc.	Taiwan	Manufacture, design and marketing of wireless network equipment	357,397	357,397	35,122,013	11	571,505	(	5,039)	(1,575)	Note 12
Hyield, Hon Yuan, Bao Shin and Hon Chi	G-TECH Optoelectronics Corporation	Taiwan	Manufacture of glass, glass products and electronics components	1,669,704	1,669,704	46,270,023	22	276,410	(	2,276)	1,968	Note 12
Hyield, Hon Yuan, Bao Shin and Hon Chi	Foxsemicon Integrated Technology Inc.	Taiwan	Manufacture of semiconductor machinery and sales of computer components	915,164	915,164	14,557,088	17	1,084,411		716,065	115,390	Note 12
Hyield, Hon Yuan, Bao Shin and Hon Chi	Ennocom Corporation	Taiwan	Design and manufacture of single board computer, embedded board, industrial motherboard	1,017,326	1,017,326	34,889,116	36	3,531,959		1,307,147	199,805	Note 8、12
Hon Chi, Hon Yuan, Bao Shin, and Hyield	Foxnum Technology Co., Ltd.	Taiwan	Production, processing and sales of network terminals, computer monitors, computer peripheral devices, power supplies and components	819,762	819,762	40,528,316	100	7,748)	(	10,527)	(31,152)	Note 12
Hyield	Antec Electronic System Co., Ltd.	Taiwan	Manufacture of cable, electronic equipment and electron component of motor vehicles	970,000	970,000	60,010,000	100	179,658	(	5,185)	(2,211)	Note 12

Table 10, Page 3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2021				Net profit (loss) of the investee for the six-month period ended June 30, 2021	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Footnote		
				Balance as at June 30, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value						
									\$				\$	
Hyield	Burrage Capital Healthcare Offshore Fund II, Ltd.	Cayman Islands	Investment holding	441,300	441,300	15,000,000	100	\$	568,161	\$	189,921	\$	189,921	Note 12
Bao Shin, Hyield, Hon Yuan and Hon Chi	Fitipower Integrated Technology Inc.	Taiwan	Manufacture of integrated circuit/semi-conductor machinery and sales of computer components	585,000	585,000	45,450,167	27		2,025,029		2,809,951		684,249	Note 12
Hyield and Lin Yih	Taiwan Intelligent Fiber Optic Network Co., Ltd.	Taiwan	Leasing of FTTH wideband loop, FTTH wideband internet service, and ethernet leased circuit	808,158	808,158	56,601,286	21		562,662	(	66,892)	(	13,783)	Note 12
Bao Shin and FIH Mobile Limited	Advanced Optoelectronic Technology Inc.	Taiwan	Development, test, manufacture, sales of SMD LEDs, imports, exports and sales of these material and semi-manufactured goods	353,120	353,120	17,559,000	12		333,336		64,491		7,307	Note 12
Bao Shin, Hyield, and Lin Yih	Healthcomm Corporation	Taiwan	Consultancy of health checkup software, machine, and health care	276,170	276,170	24,637,025	55		513,474	(	24,594)	(	14,552)	Note 12
Bao Shin, Hon Chi and Hyield	Asia Pacific Telecom Co., Ltd.	Taiwan	Special approval enterprise of type I telecommunications, manufacturing of wired (wireless) communication equipment and apparatus, installation of computer equipment and satellite TV channel facilities and telecommunications engineering, and provision of voice and non-voice mobile phone and third-generation mobile telecom services	3,045,178	3,045,178	302,022,004	8		2,314,635	(	2,664,138)	(	210,822)	Note 7、12
Bao Shin	Aurora Telecom Corporation	Taiwan	Sales of mobile phones and its accessories and activate mobile number	273,444	273,444	12,777,765	30		222,596	(	62,387)	(	18,410)	Note 12
Bao Shin, Hyield, Hon Yuan and Hon Chi	Zhong Yang Technology Co., Ltd.	Taiwan	Research and development, manufacturing and sales of mold, digital lens assembly and lens coating	906,334	906,334	18,486,687	27		485,828	(	53,333)	(	13,802)	Note 12

Table 10, Page 4

Investor	Investee	Location	Initial investment amount		Shares held as at June 30, 2021		Net profit (loss) of the investee for the six-month period ended June 30, 2021	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Footnote	
			Balance as at June 30, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)				Book value
Hyield, Hon Yuan, Bao Shin, Lin Yih and Hon Chi	Others	Others	\$ 2,794,796	\$ 2,425,981	-	\$	\$ 2,823,203	\$ 356,809	Note 11	
								\$ 337,707		

Note 1: The investment income recognised for this year had eliminated unrealised gain or loss on the transactions between the Company and its investees.

Note 2: The Company and the direct and indirect investee companies own 29.48% of Foxconn Technology Co., Ltd.'s outstanding shares.

Note 3: The Company and the direct and indirect investee companies own 26.51% of Pan International Industrial Corporation's outstanding shares.

Note 4: The Company and the direct and indirect investee companies own 99.96% of Premier Image Technology (H.K.) Ltd.'s outstanding shares.

Note 5: The Company and the direct and indirect investee companies own 100% of Allus Technology Inc.'s outstanding shares.

Note 6: The Company and the direct and indirect investee companies own 36.3% of Sharp Corporation's outstanding shares.

Note 7: The Company and the direct and indirect investee companies own 40.74% of Asia Pacific Telecom Co., Ltd.'s outstanding shares.

Note 8: The Company and the direct and indirect investee companies own 36.79% of Ennocom Corporation's outstanding shares.

Note 9: The Company and the direct and indirect investee companies own 100% of Foxconn Singapore Pte. Ltd.'s outstanding shares.

Note 10: The Company and the direct and indirect investee companies own 100% of Soole Technology Corp.'s outstanding shares.

Note 11: Due to the amount is insignificant, combined disclosure is adopted.

Note 12: Hyield Venture Capital Co., Ltd. is referred to as Hyield, Hon Chi International Investment Co., Ltd. is referred to as Hon Chi, Hon Yuan International Investment Co., Ltd. is referred to as Hon Yuan, Bao Shin International Investment Co., Ltd. is referred to as Bao Shin, Lin Y'ih International Investment Co., Ltd. is referred to as Lin Y'ih and Hon Y'ing International Investment Co., Ltd. is referred to as Hon Y'ing.

Note 13: Because the foreign holding investee companies prepare consolidated financial statements only, the disclosure of the company's investments over which the Company has significant influence or control, directly or indirectly, is only disclosed to the level of the holding company.

Table 10, Page 5

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Information on investments in Mainland China
For the six-month period ended June 30, 2021

Table 11

Expressed in thousands of TWD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
					to Taiwan	to Taiwan							
		\$	2	\$	-	-	\$	(\$	62.85	(\$	\$	\$	Note 2
FIH Precision Component (Beijing) Co., Ltd.	Manufacturing of telecommunication cases	1,916,768								106,341	7,426,899	-	
Fujin Precision Industry (Shenzhen) Co., Ltd.	Manufacturing and processing of computer cases, computer peripherals, etc.	1,461,257	2	139,300	-	-	139,300	5,508	100	5,508	297,517	121,470	Note 2
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	4,973,567	2	-	-	-	-	1,197,501	62.85	752,629	11,909,887	-	Note 2
Foxconn Precision Component (Shenzhen) Co., Ltd.	Manufacturing of connectors, micro ribbon connectors for terminals, micro-computers, mouse cables, monitor cables, etc.	1,695,002	2	83,580	-	-	83,580	27,263	100	27,263	2,165,525	-	Note 2
Honxun Electrical Industry (Hangzhou) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	3,532,648	2	-	-	-	-	41,543	62.85	26,110	6,127,761	-	Note 2
Hongzhun Precision Tooling (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer cases and computer peripherals, etc.	417,900	2	-	-	-	-	11,642	100	11,642	704,951	-	Note 2

Table 11, Page 1

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from		Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance		Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
				Taiwan to Mainland China as of January 1, 2021	Mainland China to Taiwan	Amount remitted back to Taiwan for the six-month period ended June 30, 2021	Remitted to Mainland China to Taiwan	from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021					
Foxconn Computer Connectors (Kunshan) Co., Ltd.	Manufacturing of connectors, micro ribbon connectors for terminals, micro-computers, mouse cables, monitor cables, etc.	\$ 1,242,556	2	\$ 139,300	\$ -	\$ -	\$ -	\$ 139,300	\$ 1,246,457	75.15	\$ (952,854)	\$ 6,669,033	\$ 198,920	Note 2
Fu Ding Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of connectors, micro ribbon connectors for terminals, etc.	1,337,280	2	-	-	-	-	-	530,724	75.15	405,712	7,518,256	-	Note 2
Hong Fujin Precision Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer case and computer peripherals, etc.	4,708,340	2	-	-	-	-	-	1,722,873	100	1,722,873	126,129,332	975,657	Note 2
Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	3,454,640	2	1,560,160	-	-	-	1,560,160	59,946	75.15	45,826	3,626,549	-	Note 2
Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Manufacturing and design of computer components keyboards, etc.	334,320	2	-	-	-	-	-	31,401	100	31,401	807,583	-	Note 2
Fuhong Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of connectors, micro ribbon connectors for terminals, etc.	320,390	2	-	-	-	-	-	16,543	100	16,543	1,070,547	60,456	Note 2
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Manufacturing and marketing of computer cases and computer peripherals, etc.	2,395,960	2	-	-	-	-	-	457,119	100	457,119	8,684,401	75,779	Note 2

Table 11, Page 2

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from		Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance		Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June		Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote	
				Taiwan to Mainland China as of January 1, 2021	Mainland China to Taiwan	Amount remitted to Taiwan for the six-month period ended June 30, 2021	Remitted back to Taiwan	from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021		30, 2021	\$				\$
				\$	\$	\$	\$	\$	\$		\$	\$				\$
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Manufacturing and marketing of computer components, computer peripherals, etc.	\$ 4,067,560	2	\$ 807,940	-	-	-	\$ 807,940	-	100	\$ 96,230	\$ 6,543,589	-	Note 2		
Futaikang Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	160,195	2	-	-	-	-	-	21,055	100	21,055	362,978	-	Note 2		
Fujin Precision Industrial (Jincheng) Co., Ltd.	Manufacturing and marketing of computer frames and related metal compression components	18,582,620	2	9,778,860	-	-	-	9,778,860	(6,429)	100	(6,429)	34,245,576	-	Note 2		
Honyeh Precision Component (Kunshan) Co., Ltd.	Manufacturing and marketing of computer components	161,588	2	-	-	-	-	-	6,941	100	6,941	437,374	40,397	Note 2		
Triple Win Technology (Shenzhen) Co., Ltd.	Production and sale of optoelectronic devices, sensitive components, semiconductors, optoelectronic materials, new-type display devices, and spare parts of the above products	1,197,980	2	1,197,980	-	-	-	1,197,980	2,609,564	100	2,609,564	10,135,538	-	Note 2		
Foxway Precision Industry (Hangzhou) Co., Ltd.	Manufacturing and marketing of router components	348,250	2	-	-	-	-	-	6,060	100	6,060	1,110,383	-	Note 2		

Table 11, Page 3

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China		Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021		Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021		Footnote
				as of January 1, 2021	2021	Amount remitted back to Taiwan for the six-month period ended June 30, 2021	Remitted to Mainland China to Taiwan	as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021		June 30, 2021	June 30, 2021		June 30, 2021		
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Hongfuitai Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of auto digital signal process device and components, management of sales and marketing for robots, electronic whiteboards, game consoles, game controllers, CD players, projectors and joysticks	6,364,617	2	-	-	-	-	-	-	100	1,609,740	936,042	14,290,374	-	Note 2	
Fuxiang Precision Industry (Kunshan) Co., Ltd.	Manufacturing and marketing of computer frames and related metal compression components	10,168,900	2	696,500	-	-	696,500	936,042	100	936,042	17,096,697	-	Note 2			
Dong Guan Hong Song Precision Component Co., Ltd.	Manufacturing and marketing of keypad and computer components	278,600	2	-	-	-	-	4,897	100	4,897	442,663	-	Note 2			
FIH (Tian Jin) Precision Industry Co., Ltd.	Manufacturing and marketing of wireless phone and components	1,471,008	2	-	-	-	-	(113,170)	62.85	(71,127)	2,007,328	-	Note 2			
Fugion Material Technology (Shenzhen) Co., Ltd.	Manufacturing and marketing of potassium aurous cyanide	375,206	2	-	-	-	-	41,644	70	29,151	390,317	-	Note 2			
Antec Automotive Electric System (Kunshan) Co., Ltd.	Manufacturing and marketing of automobiles	264,809	2	139,300	-	-	139,300	(784)	100	(784)	10,360	-	Note 2			
Foxconn Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of telecommunication peripherals	4,569,040	2	913,468	-	-	913,468	71,431	100	71,431	2,749,276	-	Note 2			
Premier Image Technology (China) Co., Ltd.	Manufacturing and sale of cameras	4,228,146	2	18,109	-	-	18,109	187,060	100	187,060	5,883,285	-	Note 2			

Table 11, Page 4

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from		Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance		Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021		Book value of investments in Mainland China as of June 30, 2021		Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021		Footnote
				Taiwan to Mainland China as of January 1, 2021	Mainland China to Taiwan for the six-month period ended June 30, 2021	Mainland China to Taiwan	Remitted to Mainland China	Amount remitted back to Taiwan	from Taiwan to Mainland China as of June 30, 2021		Net income of investee for the six- month period ended June 30, 2021	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	2021	as of June 30, 2021			
															\$	\$	
Fu Zhun Precision Tooling (Huaian) Co., Ltd.	Designing, manufacturing and marketing of computer components	2,763,712	2	-	-	-	-	-	-	100	69,744	69,744	4,873,313	4,873,313	-	Note 2	
Fu Yu Electrical Technology (Huaian) Co., Ltd.	Designing and marketing of connectors and cables	7,416,332	2	4,736,200	-	-	-	4,736,200	218,186	75.15	166,792	166,792	8,663,656	8,663,656	-	Note 2	
CJ Electric System Co., Ltd.	Manufacturing and marketing of automobiles	78,383	2	-	-	-	-	-	23,361	50	11,681	11,681	100,537	100,537	-	Note 2	
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Manufacturing and marketing of plugs, PCB, and cell phone casings	13,191,710	2	2,002,983	-	-	-	2,002,983	1,461,219	100	1,461,219	1,461,219	44,750,777	44,750,777	-	Note 2	
Futaijing Precision Electronics (Beijing) Co., Ltd.	Manufacturing and marketing of plugs, PCB, and cell phone casings	2,089,500	2	-	-	-	-	-	(100,840)	62.85	(63,378)	63,378	1,859,372	1,859,372	-	Note 2	
FIH Precision Electronics (Lang Fang) Co., Ltd.	Manufacturing and marketing of cell phone and components	13,247,430	2	-	-	-	-	-	(1,499,007)	62.85	(942,126)	942,126	9,870,421	9,870,421	-	Note 2	
Foxconn Good Field Precision Industry (Dalian) Co., Ltd.	Manufacturing and marketing of electronics calculator and components	-	2	-	-	-	-	-	-	40	-	-	-	-	-	Note 2	
Fuyu Energy Technology (Kunshan) Co., Ltd.	Manufacturing and marketing of micro ribbon connectors for terminals	557,200	2	-	-	-	-	-	14,568	100	14,568	14,568	625,005	625,005	-	Note 2	

Table 11, Page 5

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021		Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the six-month period ended June 30, 2021		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
				\$	\$	\$	\$							
						\$	2	\$	\$	-	-	\$	\$	
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Main business activities Manufacturing and marketing of computer and digital camera components	8,157,408	2	5,374,194	-	-	-	5,374,194	-	100	1,261,538	21,080,157	-	Note 2
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of computer components	1,972,488	2	-	-	-	-	-	1,714,453	100	1,714,453	41,320,751	-	Note 2
FIH (Nanjing) Communications Co., Ltd.	Manufacturing and marketing of handset and components	487,550	2	-	-	-	-	-	34,372	62.85	21,603	250,267	-	Note 2
Foxconn (Nanjing) Software Co., Ltd.	Computer software, hardware and other digital product	891,520	2	-	-	-	-	-	23,152	100	23,152	1,644,517	-	Note 2
Fu Tai Kang Electronics Development (Yantai) Ltd.	Industrial design business	1,671,600	2	1,671,600	-	-	-	1,671,600	21,787	100	21,787	796,775	-	Note 2
Foxconn (Shenyang) Precision Industry Co., Ltd.	Manufacturing and sales of Computer Numeric Controlled (CNC) machinery and permanent magnet servomotors	1,616,546	2	-	-	-	-	-	2,253	69.23	1,560	1,137,291	-	Note 2
Fu Ding Electronic Technology (Jiashan) Co., Ltd.	Manufacturing and marketing of computer components and molds	11,004,700	2	7,382,900	-	-	-	7,382,900	702,078	100	702,078	16,291,988	-	Note 2
Fuhuajie Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of microcomputer and liquid crystal display	3,203,900	2	3,203,900	-	-	-	3,203,900	123,414	100	123,414	2,659,029	-	Note 2
GDS Software (Shenzhen) Co., Ltd.	OEM and sales of computer software not including IC design	320,390	2	278,600	-	-	-	278,600	10,469	100	10,469	355,939	-	Note 2

Table 11, Page 6

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
					Mainland China to Taiwan	Amount remitted back period ended June 30, 2021 Remitted to Mainland China							
					\$	\$							
Futaihua Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of microcomputer, cell phone and components	\$ 10,308,200	2	\$ 10,308,200	-	-	\$ 10,308,200	\$	100	\$ 9,519,359	\$ 270,334,842	\$	Note 2
Guangzhou OED Technologies Co., Ltd.	Manufacturing and marketing of flexible display and molding	381,279	2	55,720	-	-	55,720	(57,357)	5.76	-	55,720	-	Note 2
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Manufacturing and marketing of computer chassis and metal stamping parts	5,311,509	2	5,311,509	-	-	5,311,509	80,324	100	80,324	8,915,037	-	Note 2
Innovation (Beijing) Software Development Co., Ltd.	Design and publish of computer software	429,950	2	72,436	-	-	72,436	(16,136)	8.88	-	72,436	-	Note 2
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Manufacturing and marketing of cell phone and components	55,720,000	2	47,362,000	-	-	47,362,000	6,533,955	100	6,533,955	127,624,342	-	Note 2
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Manufacturing and marketing of tablet PC	26,467,000	2	13,930,000	-	-	13,930,000	754,249	100	754,249	65,711,703	-	Note 2
Fuding Precision Industry (Zhengzhou) Co., Ltd.	Manufacturing and marketing of new electronic components	1,114,400	2	278,600	-	-	278,600	67,729	75.15	51,775	1,625,389	-	Note 2
Yantai Fuhuada Precision Electronics Co., Ltd.	Manufacturing and marketing of new electronic components	5,070,520	2	473,620	-	-	473,620	57,225	100	57,225	1,924,738	-	Note 2
Fujun Precision Electronics (Chongqing) Co., Ltd.	Manufacturing and marketing of switches and routers	417,900	2	417,900	-	-	417,900	147,100	100	147,100	513,343	-	Note 2

Table 11, Page 7

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021		Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the six-month period ended June 30, 2021		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021		Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote	
				\$		\$		\$							
				2		2		2							
Futaihua Precision Electronics (Chengdu) Co., Ltd.	Manufacturing and marketing of compression molding plastic injection mold and metal	\$ 1,448,720	2	\$ 1,448,720	-	\$ -	-	\$ 1,448,720		100	\$ 42,667	\$ 2,497,340	\$ -	Note 2	
Anpinda Precision Industry (Huizhou) Co., Ltd.	Manufacturing and marketing of computer components and microcomputers	1,393,000	2	1,114,400	-	-	-	1,114,400	(	100	(	18,681)	1,330,015	-	Note 2
Nanning Futaihong Precision industry Co., Ltd.	Manufacturing and marketing of cell phone	1,393,000	2	-	-	-	-	-		62.85		15,163	891,463	-	Note 2
WWW (Jincheng) Co., Ltd.	Manufacturing and marketing of lens module	835,800	2	853,604	-	-	-	853,604	(	100	(	165,536)	(1,783,144)	-	Note 2
UER Technology (Shenzhen) Corporation	Manufacturing and marketing of lithium battery	163,218	2	-	-	-	-	-		43.79		43,687	10	-	Note 2
Tianjin Funayuanhuang Technology Co., Ltd.	Manufacturing and marketing of liquid crystal display components	752,220	2	473,620	-	-	-	473,620	(	99.38	(	250)	5,875	-	Note 2
Fuyu Energy Technology (Funing) Co., Ltd.	Engaged in the production and marketing of operating solar energy battery business	1,532,300	2	1,532,300	-	-	-	1,532,300	(	100	(	35,268)	1,095,599	-	Note 2
Futaijing Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of handset component product	557,200	2	-	-	-	-	-		62.85		67,648	1,045,043	-	Note 2

Table 11, Page 8

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
					Amount remitted back to Taiwan for the six-month period ended June 30, 2021	Remitted to Mainland China to Taiwan							
					\$	\$							
Hongfujin Precision Industry (Hengyang) Co., Ltd.	Manufacturing and marketing of holder, metal and plastic honing machines, hot melt machine, marking machine, laminating machine, laser or other light beams (assembly equipment), bolt machine and inspection devices	\$ 1,058,680	2	\$ 1,058,680	-	-	\$ 1,058,680	\$ 198,114	100	\$ 198,114	\$ 3,759,172	\$ -	Note 2
Innocom Technology (Chongqing) Co., Ltd.	Manufacturing of LCD related products, modules, components and systems	83,580	2	110,715	-	-	110,715	(17)	100	(17)	(89,012)	-	Note 2
Funeng New Energy Technology Service (Nanyang) Co., Ltd.	Electromechanical telecommunications and circuit equipment installation	167,160	2	-	-	-	-	6,429	100	6,429	219,364	-	Note 2
Interface Technology (Chengdu) Co., Ltd.	Manufacturing and marketing of TFT-LCD modules and related materials	8,879,798	2	710,430	-	-	710,430	1,649,747	22.54	371,853	7,258,713	-	Note 2
Changchun Leiguan Environmental Plastic Products Co., Ltd.	Manufacturing and marketing of articles for the conveyance or packing of goods, of plastics	153,787	2	153,787	-	-	153,787	(3,962)	100	(3,962)	86,131	-	Note 2
Changchun Chentai Technology Co., Ltd.	Manufacturer of degradable plastic resin	446,317	2	379,370	-	-	379,370	(4,227)	85	(3,593)	309,945	-	Note 2
Changchun Yongtai Technology Co., Ltd.	Manufacturer of degradable plastic resin	44,576	2	44,576	-	-	44,576	(544)	85	(462)	49,176	-	Note 2
Fu Hon Yuan (Shenzhen) Environmental Technology Ltd.	Environmental technology development and wholesale of pollution controlling equipments	5,572	2	-	-	-	-	(633)	87.98	(557)	229,571	-	Note 2

Table 11, Page 9

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China		Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China		Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote		
				as of January 1, 2021	2021	Amount remitted back to Taiwan for the six-month period ended June 30, 2021	Remitted to Mainland China to Taiwan	as of June 30, 2021	2021								
				\$	- \$	- \$	- \$	- \$	- (\$	June 30, 2021	51	(\$	49,628)	\$	378,431	\$	-	Note 2
Sciencibizip Consulting (Shenzhen) Co., Ltd.	Management and consulting services	122,584	2														
Guizhou Funayuan Chuang Technology Co., Ltd.	Manufacturing and marketing of liquid crystal display components	1,142,260	2	1,142,260	-	-	-	1,142,260	(	14,539)	99.38	(	14,449)	692,012	-	Note 2
Chongqing Hongteng Technology Co., Ltd.	Manufacturing and marketing of connectors for optical fibres, optical fibre bundles or cables	83,580	2	-	-	-	-	-	-	10,144	75.15		7,755	154,690	-	Note 2	
Fuguikang Precision Electronics (Guizhou) Co., Ltd.	Manufacturing and marketing of cellular or other wireless Internet phones (mobile phones), portable automatic data processors (tablets), other automatic data processors (desktops) and other input or output units (game console joysticks)	557,200	2	557,200	-	-	-	557,200	(36,209)	100	(36,209)	(730,685)	-	Note 2
Ur Materials (Shenzhen) Co., Ltd.	Manufacturing and marketing of acrylonitrile-butadiene-styrene (ABS) copolymers in primary forms, waste, parings and scrap of polymers of styrene, other polystyrene in primary forms	334,320	2	334,320	-	-	-	334,320		104,295	100		104,295	1,193,779	-	Note 2	
Foxconn Industrial Internet Co., Ltd.	Manufacture and sale of multi functional industrial robot	85,627,934	2	23,971,572	-	-	-	23,971,572		28,734,400	84.05		24,155,609	385,895,720	11,947,749	Note 2	
Shenzhen Hongzhi Yunchuang Technology Co., Ltd.	Manufacture and sale of injection or compression moulds for metal or metal carbides	417,900	2	417,900	-	-	-	417,900	(	3,029)	100	(	3,029)	360,625	-	Note 2

Table 11, Page 10

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021		Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the six-month period ended June 30, 2021		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021		Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
				\$	\$	\$	\$	\$	\$						
Fu Jin Ji Network Technology (Henan) Co., Ltd.	Wholesale, software design, machine leasing and maintenance services	431,270	2	76,519	-	-	76,519	(	100	(	13,475)	629,068	-	Note 2
Jusda Supply Chain Management International Co., Ltd.	Truck freight transportation, cargo transportation, ocean freight transportation forwarding services, civil aviation transportation; warehousing and storage, computer and appliance and telecommunication facilities repair and maintenance	9,755,804	2	1,422,810	-	-	1,422,810	985,800	65.53	(	645,993	10,583,819	-	Note 2
Chongqing Yuanchuang Technology & Research Industrial Development Co., Ltd.	Design, development, and manufacturing of automotive molds, fixtures, and gauges.	447,658	2	-	-	-	-	(87,981)	31.11	(	27,371)	173,879	-	Note 2
Charming International Leasing Co., Ltd.	Financial leasing	835,800	2	208,950	-	-	208,950	60,609	100	(	60,609	1,422,850	-	Note 2
Kunshan Nano New Material Technology Co., Ltd.	Other articles solely for industrial use, of plastics, sandpaper, cutting-oil, waxes, grease, lubricating	3,106	2	55,720	-	-	55,720	-	9.45	-	-	55,720	-	Note 2	
Shenzhen Jing Huang Technology Co., Ltd.	Communication products technology development, import and export and wholesale of electronic equipment and components	10,185	2	18,245	-	-	18,245	961	40	(384	7,717	-	Note 2 、 3	

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Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote	
					Amount remitted back to Taiwan for the six-month period ended June 30, 2021	Remitted to Mainland China to Taiwan								
					\$	-								\$
Fushirui Precision Industry (Jiyuan) Co., Ltd.	Machining centres, other automatic data processing machines, presented in the form of systems	19,502	2	\$	-	\$	-	\$	-	100	\$	-	-	Note 2
Kunshan Fuchengke Precision Electronic Co., Ltd.	Design and manufacture of Surface Mount Technology	696,500	2	696,500	-	-	696,500	93,076	100	93,076	1,112,696	-	-	Note 2
Fu Cheng Ke Precision Electronics (Yantai) Co., Ltd.	Design and manufacture of Surface Mount Technology	-	2	208,950	-	-	208,950	-	-	-	-	-	-	Note 2
Fuhua Precision Industry (Shenzhen) Co., Ltd.	Manufacture of audiovisual electric products, lighting equipment, wired communication equipment, electronic parts and components, computers and computing peripheral equipments, cars, optical instruments, bare printed circuit boards of recorded media	355,218	2	250,740	-	-	250,740	-	-	-	-	-	-	Note 2
Fushirui Chengdu Precision Industry Co., Ltd.	Manufacture and sale of automation equipment and other automatic data processing machines and customs	195,020	2	195,020	-	-	195,020	18,191	100	18,191	754,186	-	-	Note 2
Hongfuzhun Precision Shenzhen Co., Ltd.	Manufacture and sale of automation equipment and other automatic data processing machines and customs	334,320	2	334,320	-	-	334,320	94,624	100	94,624	450,482	-	-	Note 2

Table 11, Page 12

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
					Mainland China to Taiwan	Remitted to Mainland China							
					\$	\$							
Hongqing Precision Machine Co., Ltd.	Manufacture and sales of comprehensive processors (automation equipment)	\$ 385,439	2	\$ 385,439	-	-	\$ 385,439		100	(\$ 118,756)	\$ 300,626	\$ -	Note 2
Fushirui Precision Industry (Jincheng) Co., Ltd.	Machining centres, other automatic data processing machines, presented in the form of systems	114,226	2	114,226	-	-	114,226	689	100	689	117,240	-	Note 2
Fushirui Precision Industry (Zhengzhou) Co., Ltd.	Manufacture and sale of automation equipment and other automatic data processing machines and customs	211,053	2	222,880	-	-	222,880	(18,661)	100	(18,661)	278,257	-	Note 2
Fumeng Electronical Technology (Heze) Co., Ltd.	Manufacturer of Electric conductors for a voltage not exceeding 1000V	139,300	2	-	-	-	-	(45,942)	75.15	(35,120)	(58,723)	-	Note 2
Hesheng Qin Electronic Technology (Shenzhen) Co., Ltd.	Design of computer, computer peripherals and molds	70,138	2	3,899	-	-	3,899	(1,028)	5	-	3,899	-	Note 2
First Special Material (Shenzhen) Limited	General merchandise wholesale, wholesale chemical materials and products, technology development and sales of computer software, machinery and equipment rental and repair business	835,800	2	122,584	-	-	122,584	(13,741)	96.23	(13,223)	193,936	-	Note 2

Table 11, Page 13

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
					Amount remitted back to Taiwan for the six-month period ended June 30, 2021	Remitted back to Taiwan							
					\$	\$							
Beijing Jide Network Technology Limited	Main business activities Electronic shopping and mail order, computer software design, computer system integration services and other information providers services	556,078	2	\$ 83,580	-	-	\$ 83,580	\$ -	6.38	\$ -	\$ 83,580	\$ -	Note 2
Shenzhen fuhongji Trading Co., Ltd. (Formerly: Rich Dreams Network Technology (Shenzhen) Limited)	Electronic shopping and mail-order, commodity brokerage, information management and professional education services	44,576	2	44,576	-	-	44,576	-	100	-	-	-	Note 2
Interface Optoelectronics (SZ) Co., Ltd.	Production and sale of the touch monitor	2,680,132	2	-	-	-	-	1,376,544	22.54	310,273	2,869,620	-	Note 2
Shenzhen Nano Photoelectric Co., Ltd.	Research and development of optoelectronic products, technical services	591,904	2	9,850	-	-	9,850	-	9.45	-	9,850	-	Note 2
First Special Material (Henan) Limited	Chemical products, optical film, protection and development film, tape, glue, adhesives, inks, coatings, grinding fluid, cutting oil, plastic products, sandpaper, grinding wheel, design, manufacture, sale, leasing, warranty, service and abrasive of materials and its spare parts	292,530	2	292,530	-	-	292,530	(2,985)	96.23	(2,873)	293,151	-	Note 2

Table 11, Page 14

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021
					Mainland China	to Taiwan						
					\$	\$						
Fuzhun Precision Tooling (Jiashan) Co., Ltd.	Main business activities: Metal cutting tools, industrial automatic control system device, CNC machine tools, automatic test equipment and vertical multi-joint robot, automated overhead dimensional storage equipment, portable microcomputers, digital player, and production and marketing business of mold standard parts	975,100	2	975,100	-	-	975,100	\$ 126,952	100	\$ 126,952	\$ 2,487,997	Footnote 2
Jin Ji Full Precision Machinery (Wuhan) Co., Ltd.	Metal or metal carbides by injection molding, compression molding, rubber or plastic with mold	975,100	2	975,100	-	-	975,100	76,894	100	76,894	1,330,564	Note 2
Fuyu Properties (Shanghai) Co., Ltd.	Industrial design e-commerce business, other specialized design services, car rental, other general merchandise retail, computers and peripherals, software, retail communications equipment, audio-visual equipment retail, automobile spare parts and supplies retail	5,816,855	2	6,965,000	-	-	6,965,000	20,150	83.13	16,751	3,595,415	Note 2
Fuhuake Precision Industry (Guizhou) Co., Ltd.	Design, processing and manufacturing operations of surface-mount circuit board	835,800	2	835,800	-	-	835,800	9,302	100	9,302	920,639	Note 2
Lankao Yufu Precision Technology Co., Ltd.	Development, manufacturing and marketing of optical lenses, glass product and metal fitting	11,886,475	2	10,308,200	-	-	10,308,200	(281,537)	100	(281,537)	9,740,775	Note 2

Table 11, Page 15

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from		Amount remitted from Taiwan to		Accumulated amount of remittance from Taiwan to		Ownership held by the Company (direct or indirect)		Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021		Book value of investments in Mainland China as of June 30, 2021		Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021		Footnote
				Mainland China as of January 1, 2021	Mainland China as of June 30, 2021	Mainland China as of June 30, 2021	Mainland China as of June 30, 2021	Mainland China as of June 30, 2021	Mainland China as of June 30, 2021	100	17,765	30, 2021	17,765	2021	June 30, 2021	June 30, 2021	June 30, 2021	Footnote
Lankao Yude Environment Material Technology Inc.	Manufacturing and marketing of carton, color boxes and packaging boxes	\$ 1,253,700	2	\$ 1,253,700	-	\$ -	-	\$ 1,253,700	-	100	\$ 17,765	-	\$ 17,765	-	\$ -	-	-	Note 2
Jin Ji Full Precision Machinery (Huaian) Co., Ltd.	Manufacturing of metal moulds, metal processing, metal surface treatment and manufacturing of industrial plastic products	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Note 2
Interface Optoelectronics (Wuxi) Co., Ltd.	Production and sale of the touch monitor	362,180	2	-	-	-	-	-	-	22.54	(44,441)	(10,017)	(170,637	-	-	-	-	Note 2
Hongfusheng Precision Electronics (Zhengzhou) Co., Ltd.	Manufacturing of 3G or higher mobile communication cell phones as well as design and manufacturing of metal and non-metal moulds	418,384	2	104,475	-	-	-	104,475	-	100	82,008	82,008	1,066,170	-	-	-	-	Note 2
Nxera Information Technology (Shenzhen) Co., Ltd.	Computer software and hardware; technological development of communication products; internet platform; technological platform; service development and consultation of surveillance system; consultation of business management' market planning and marketing; domestic trade and business in imports and exports	25,715	2	-	-	-	-	-	-	37.88	(7,005)	(2,653)	(21,498)	-	-	-	-	Note 2

Table 11, Page 16

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
					Mainland China to Taiwan	Remitted back to Taiwan							
					\$	\$							
Fuyang Soleros Technology (Nanyang) Co., Ltd.	Investment, procurement, sales, management of new energy including PV, system integration and coordinative measures and equipment; application and consultation service of related technologies	3,877,678	2	\$ -	\$ -	\$ -	\$ -	\$ -	100	6,409	\$ 3,745,916	\$ -	Note 2
Efeihu (Yantai) Limited	Touring information service, ticket agent, warehousing, int'l trade and commission agent, retail of electronics, repair of electronic appliance and online retailing	86,254	2	56,790	-	-	56,790	13,665	70	9,566	118,949	-	Note 2
Kunshan Nano Environmental Protection Technology Co., Ltd.	Design and assembly of environment protection electronic devices and water processors; sale of self-produced products; wholesale of cosmetics	20,190	2	-	-	-	-	-	9.45	-	-	-	Note 2
G-TECH Optoelectronics (Shenzhen) Co., Ltd.	R&D, manufacturing of new panel displays, display materials; wholesale of displays, display materials, PV glasses, parts of mobile telecommunication products, production equipment of displays and PV glasses and wholesale of raw materials for production	1,393,000	2	-	-	-	-	5,687	100	5,687	198,641	-	Note 2

Table 11, Page 17

Investee in Mainland China	Investment method (Note 1)	Paid-in capital	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
				Mainland China to Taiwan for the six-month period ended June 30, 2021	Remitted back to Taiwan							
Nanjing Hongfusharp Precision Electronics Co., Ltd.	2	\$ 5,535,794	\$ 4,736,200	-	-	\$ 4,736,200	\$ 9,456	100	\$ 9,456	\$ 2,409,629	\$ -	Note 2
Main business activities												
R&D, manufacturing, sales, technology service, consultation and technology transfer of precise electronics, electro-optics technology and related equipment, medical equipment and devices and automated equipment; lease of self-owned buildings and equipment; int'l trade of own and distributed products and technologies												
Qukualian Information and Technology (Shenzhen) Ltd.	2	200,004	111,412	-	-	111,412	2,668	53.33	1,423	37,229	-	Note 2
Development of computers, IoT products and software; consultation service of computers and IoT technologies; strategy planning of business operation; business information service												
TNS Mobile (Beijing) Co., Ltd.	2	129,688	-	-	-	-	24,363	62.85	(15,312)	(586,209)	-	Note 2
Wholesale of mobile telecommunication equipment and terminals, computer hardware and software, internet devices, commission agent and international trade												

Table 11, Page 18

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from		Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance		Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June		Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
				Taiwan to Mainland China as of January 1, 2021	\$	to Taiwan for the six-month period ended June 30, 2021	\$	from Taiwan to Mainland China as of June 30, 2021	\$		30, 2021	\$			
						Remitted to Mainland China					June 30, 2021			June 30, 2021	
Megvii (Beijing) Technology Co., Ltd.	Technology development of computer software, technology service, computer system integration, data processing, computer graphic design, wholesale of self-developed products, machinery and equipment, electronics, electric appliances, computers, software and auxiliary equipment	\$ 13,406,458	2	\$ 36,744	\$	-	\$	36,744	\$	-	3.30	\$	36,744	\$	Note 2
Fu Sheng Optoelectronics Technology (Kunshan) Co., Ltd.	Optoelectronics technology development, technology transfer, technical consulting, technical services, development and manufacturing of optical communication modules, highspeed connectors and cables; development and testing of new energy vehicle charging systems, sales of self-produced products and photovoltaic products	318,289	2	-	-	-	-	-	-	37.58	(	920)	200,586	-	Note 2
FIH Electronics Technology (Nanjing) Co., Ltd.	Production and processing of mobile communication equipment (mobile phones) and their components and related modules, fixtures and inspection tools	-	2	-	-	-	-	-	-	-	-	-	-	-	Note 4

Table 11, Page 19

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from		Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance		Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June		Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of	
				Taiwan to Mainland China as of January 1, 2021	Mainland China as of June 30, 2021	to Taiwan for the six-month period ended June 30, 2021	Remitted back to Taiwan	from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021		30, 2021	25		June 30, 2021	Footnote
				\$	\$	\$	\$	\$	\$		\$	\$		\$	Note 2
FIH (Nanjing) Intelligent Technology Co., Ltd.	Main business activities Mobile phone-related software and hardware development testing, system integration, application services and related technical services	\$ 139,300	2	-	-	-	-	-	-	39	62.85	25	90,883	-	
Jin Ji Full Precision Machinery (Qinhuangdao) Co., Ltd.	Development and production of precision molds, metal and nonmetal mold components, machine components, electronic products spare parts; automation equipment and its key components, hardware products, sheet metal products, injection molding, plastic products development, design, production, heat treatment processing, metal material shear processing	41,790	2	-	-	-	-	-	(	7,961	100	7,961	30,496	-	Note 2
Ji Zhi Precision Technology (Shenzhen) Co., Ltd.	Development, design, production and sales of display materials, precision glass components, photovoltaic glass, spare parts for mobile communication products, display screens and photovoltaic glass production equipment and raw materials	-	2	417,900	-	-	-	417,900	-	100	-	-	-	-	Note 2

Table 11, Page 20

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated	Amount remitted from Taiwan to		Accumulated	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated	Footnote						
				amount of remittance from Taiwan to Mainland China as of January 1, 2021	Mainland China/ Amount remitted back to Taiwan for the six-month period ended June 30, 2021	Amount remitted back from Taiwan to Mainland China as of June 30, 2021	amount of investment income remitted back to Taiwan as of June 30, 2021											
				\$	\$	\$	\$											
Guangxi Hongzhiyi Investment Management Co., Ltd.	Management and consulting services, trust asset management, equity investment, financial consulting, corporate management consulting, investment information consulting services	9,682	2	\$	\$	-	\$	4,305	(\$	617)	50	(\$	309)	\$	540	\$	-	Note 2
Yuan Kang Agricultural Technology (Shenzhen) Co., Ltd.	Engaged in the development of pollution-free cultivation techniques and products for vegetables and fruits; agricultural cultivation technology equipment, craft gifts, health food, wholesale technical consultation, retail, import and export, and other relative business	23,869	2	-	-	-	-	-	(	32,471)	50	(	16,236)		15,466		-	Note 2
Hong-Qi Mechatronics (Anhui) Co., Ltd.	Engaged in business development, production, sales and trading of automated equipment and its key components, automation peripherals, automation fixtures, precision spindles, servo drive systems, bus control systems, injection molding machines, smart appliances; engaged in goods and technology import and export business	130,968	2	-	-	-	-	-	(	54,473)	100	(	54,473)		397,005		-	Note 2

Table 11, Page 21

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from		Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance		Net income of investee for the six- month period ended June 30, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2021	Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	
				Taiwan to Mainland China as of January 1, 2021	Mainland China to Taiwan	Amount remitted back to Taiwan for the six-month period ended June 30, 2021	Remitted back to Taiwan	from Taiwan to Mainland China as of June 30, 2021	(\$)						1,229)
Hongfei Precision Technology (Shenzhen) Co., Ltd.	Engaged in the development, production and sales of video cameras and their accessories, multimedia recording and player and accessories, digital audio and video systems; leasing of electronic equipment; domestic trade; operating export business	274,914	2												Note 2
Chengdu NUWA Robotics Corp.	Manufacturing and marketing of smart robot and auto digital signal process device and components	-	2												Note 5
Yihong Technology (Chengdu) Co., Ltd. (Formerly: Bisheng Technology (Chengdu) Co., Ltd.)	Manufacture and sale of biometrics technology, touch systems (touch screens, touch components), flat panel display modules, and display materials	473,620	2							(91,084)	22.54	(20,530)	68,711		Note 2
Zettimage Solutions, Inc.	Design of Integrated circuit, development of software, wholesale and retail of electronic product and service of intellectual property	176,190	2							(175,550)	26.07	(45,769)	19,791		Note 2
Pollux Technologies, Inc.	Design of Integrated circuit, development of software, wholesale and retail of electronic product and service of intellectual property	105,714	2							(18,650)	26.07	(4,862)	54,632		Note 2

Table 11, Page 22

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from		Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance		Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June		Book value of investments in Mainland China as of June 30, 2021	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2021	Footnote
				Taiwan to Mainland China as of January 1, 2021	Mainland China as of January 1, 2021	to Taiwan for the six-month period ended June 30, 2021	Remitted back to Taiwan	from Taiwan to Mainland China as of June 30, 2021	Net income of investee for the six- month period ended June 30, 2021		30, 2021	2021			
				\$	\$	\$	\$	(\$)	(\$)		(\$)	\$		\$	
Langyage Semiconductor, Inc.	Design of integrated circuit, development of software, wholesale, retail and repair of electronic product and service of intellectual property	70,476	2												Note 2
Foshan Pulida Technology Co., Ltd	Design and sale of camera, electronic laser manufacturing machine, projector, monitor, digital video system, multidimension anaglyph spectacles, electronic and optoelectronic control unit, LCD display unit, precision lens and stamping die	346,045	2							100	446	446	323,636		Note 2
Kore Semiconductor Co., Ltd.	Design of IC packaging and testing; sale of IC, support plate, equipment and related technical service and consulting; design of packaging equipment, testing equipment, software and hardware; wholesale, import and export of semiconductor materials; other related supporting services	1,285,185	2							20.13	(	21,934)	238,656		Note 2
Other		21,705,670	2	692,420				692,420	3,633,935			1,138,790	33,523,871		Note 6

Table 11, Page 23

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2021	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Hon Hai Precision Industry Co., Ltd.	\$ 184,858,797	\$ 332,280,502	\$ -

Note 1: Investment methods are classified into the following three categories:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in Foxconn (Far East) Limited in the third area, which then invested in the investee in Mainland China.
- (3) Others.

Note 2: Part of the investment income (loss) recognition is based on financial statements from the investee company, which had not been reviewed by independent accountants.

Note 3: The Company has remitted US\$654,890 from own funds in 2014 to Foxtec Holdings Inc. in the British Virgin Islands to acquire 40% of the shares from Chinadragon Telecom Holding Co., Ltd., allowing the Company to indirectly hold 40% of its reinvestment in Shenzhen Jing Huang Technology Co., Ltd.

Note 4: The Company was approved by Investment Commission, MOEA of an investment of US\$156,950,000 in FIH Electronics Technology (Nanjing) Co., Ltd., which has not yet been established as of June 30, 2021.

Note 5: The Company was approved by Investment Commission, MOEA of an investment of US\$13,441 in Chengdu NUWA Robotics Corp., which has not yet been established as of June 30, 2021.

Note 6: Since the list company including Zhen Ding Technology Holding Limited, ShunSin Technology Holdings Limited and Eson Precision Ind. Co., Ltd. hasn't announced the second quarter financial information, so the Mainland China investment information is consolidated disclosed.

1. The following is a list of investments in Mainland China that have been liquidated, divested, or annulled, but the registered investment amounts have not yet been filed to the Investment Commission, MOEA:

1. The Company was approved by Investment Commission, MOEA of an investment of US\$3,000,000 in Guangxuhui Technology (Shenzhen) Co., Ltd., which had been liquidated in 2005.
2. The Company was approved by Investment Commission, MOEA of an investment of US\$625,000 in Shanghai Premier Image Trade Co., Ltd., which had been liquidated in April 2009.
3. The Company was approved by Investment Commission, MOEA of an investment of US\$684,091 in Dongfeng Antec (Wuhan) Automobile Electric System Co., Ltd. All of the shares had been transferred in 2009.
4. The Company was approved by Investment Commission, MOEA of an investment of US\$814,000 in Liuzhou Antec Electric System Co., Ltd. All of the shares have been sold out in 2012.
5. The Company was approved by Investment Commission, MOEA of a total investment of US\$391,085 in Alibaba (China) Technology Co., Ltd., Alibaba (China) Software Co., Ltd., Alibaba (Shanghai) Technology Co., Ltd., and Beijing Sinyu Online Information Technology Co., Ltd., which have been sold out in 2012.
6. The Company was approved by Investment Commission, MOEA of an investment of US\$2,500,000 in Hongfujing Precision Electronics (Yingkou) Co., Ltd., which had been liquidated in 2012.
7. The Company was approved by Investment Commission, MOEA of an investment of US\$12,000,000 in Hong Fujin Precision Industrial (Qinhuangdao) Co., Ltd., which had been liquidated in 2011.
8. The Company was approved by Investment Commission, MOEA of an investment of US\$8,000,000 in Foxconn Technology (Qinhuangdao) Co., Ltd., which had been liquidated in 2011.
9. Qunkang Precision Component (Kunshan) Co., Ltd. has been permitted by the Investment Commission, Ministry of Economic Affairs for the investment of US\$6,000,000 and completed the registration of business combination with Kangzhun Electronic Technology (Kunshan) Co., Ltd. at the competent authority. The surviving company is Kangzhun Electronic Technology (Kunshan) Co., Ltd.
10. The Company was approved by Investment Commission, MOEA of an investment of US\$18,000,000 in Foshan Fu Hua Ke Precision Electronics Co., Ltd., which had been liquidated in December 2017. On October 22, 2018, MOEA approved the withdrawal of the investment of US\$13,500,000.
11. The Company was approved by Investment Commission, MOEA of an investment of US\$690,139 in Yantai Jiray Electronic Technology Co., Ltd., which had been liquidated by the competent authority on January 18, 2018.
12. The Company was approved by Investment Commission, MOEA of an investment of US\$53,490,425 in Champ Tech Optical (Foshan) Corporation, which have been sold out in 2018. On April 26, 2019, MOEA approved the withdrawal of the investment of US\$53,490,425.
13. The Company was approved by Investment Commission, MOEA of an investment of US\$20,000 in Jin Ji Trading (Linyi) Co., Ltd., which had been liquidated in 2019.
14. Kangzhun Electronic Technology (Kunshan) Co., Ltd. has been permitted by the Investment Commission, Ministry of Economic Affairs for the investment of US\$112,689,109 and completed the registration of business combination with Fuyang Electrotechnical Technology (Changshu) Co., Ltd. at the competent authority. The surviving company is Kangzhun Electronic Technology (Kunshan) Co., Ltd.
15. The Company was approved by Investment Commission, MOEA of an investment of US\$2,126,394 in Jiaxing Radioshack Trading Limited, which had been liquidated in 2019.
16. The Company was approved by Investment Commission, MOEA of an investment of US\$7,183,572 in FIH (Chengdu) Communication Technology Co., Ltd., which had been liquidated in 2019.
17. The Company was approved by Investment Commission, MOEA of an investment of US\$3,000,000 in Amlink (Shanghai) Ltd., which had been liquidated in 2019.
18. The Company was approved by Investment Commission, MOEA of an investment of US\$6,000,000 in Beijing Ainemo Network Technology Limited. All of the shares have been sold out in 2020.
19. The Company was approved by Investment Commission, MOEA of an investment of US\$20,000,000 in Fargan Technology Co., Ltd., which had been liquidated in 2020.
20. The Company was approved by the Investment Commission, M.O.E.A. of an investment of US\$6,106,870 in SHARP FIT Automotive Technology (Wuxi) Co., Ltd. All of the shares were transferred in 2020.
21. The Company was approved by the Investment Commission, M.O.E.A. of an investment of US\$47,158 in Fujian 101 Education Technology Co., Ltd. All of the shares were sold out in 2020.
22. The Company was approved by the Investment Commission, M.O.E.A. of an investment of US\$26,500,000 in Xincheng Technology (Chengdu) Co., Ltd. On November 12, 2018, the Investment Commission, M.O.E.A. approved the withdrawal of the investment of US\$26,500,000. Xincheng Technology (Chengdu) Co., Ltd. was liquidated in 2020.
23. The Company was approved by the Investment Commission, M.O.E.A. of an investment of US\$1,600,000 in Shenzhen Fuhongjie Technology Services Co., Ltd., which was liquidated in 2020.
24. The Company was approved by the Investment Commission, M.O.E.A. of an investment of US\$45,000,000 in Lankao Yude Environmental Material Technology Co., Ltd. and completed the registration of

business combination with Lankao Yufu Precision Technology Table 11 Page 19 Co., Ltd. at the local competent authority on January 29, 2021. The surviving company is Lankao Yufu Precision Technology Co., Ltd.

25. The Company was approved by the Investment Commission, M.O.E.A. of an investment of US\$15,000,000 in Ji Zhi Precision Technology (Shenzhen) Co., Ltd., which was liquidated in February 2021.

26. The Company was approved by the Investment Commission, M.O.E.A. of an investment of US\$50,000,000 in Linpu Technology (Shenzhen) Co., Ltd., which was liquidated in February 2021.

27. The Company was approved by the Investment Commission, M.O.E.A. of an investment of US\$10,000,000 in Jin Ji Full Precision Machinery (Huainan) Co., Ltd., which was liquidated in October 2020.

II. The following is a list of investments in Mainland China that have been reinvested by Chinese companies due to restructuring of investment structure, and whose investment amounts have been approved to be included in investments in Mainland China:

1. To the investees including Honggunsheng Precision Electronics (Yingkou) Co., Ltd., Hongqisheng Precision Electronics (Qinhuangdao) Co., Ltd., Hong Heng Sheng Electronic Technology (Huainan) Co., Ltd., Fubo Industrial (Shenzhen) Co., Ltd., Qingding P Manufacturing and marketing of flexible display and molding

However, Avary Holding (Shenzhen) Co., Limited acquired the above mentioned investees in response to the adjustment in the investment structure. The Company was approved by Investment Commission, MOEA on September 20, 2017.

2. An investment proposal totaling US\$22,949,697 in the investees in Mainland China has been approved by Investment Commission of MOEA. The investees included Ambit Microsystem (Shanghai) Co., Ltd., Amworld Microsystems (Shanghai) Ltd., Jizhun Precision Industry (Huizhou) Co., Ltd., Hongfuling Precision Electronics (Tianjin) Co., Ltd., System Integration electronics (Hangzhou) Co., Ltd., Nanning Fugui Precision Industrial Co., Ltd., Futaihua Precision Electronics (Zhengzhou) Co., Ltd., Futaihua Precision Electronics (Jiyuan) Co., Ltd. and Henan Yuzhan Technology Limited. However, Foxconn Industrial Internet Co., Ltd. will acquire the aforementioned investees in Mainland China in response to changes in the Company's investment framework. The Company has reported to Investment Commission of MOEA about the investment adjustment on May 26, 2017.

3. An investment proposal totaling US\$56,190,507 in the investees in Mainland China has been approved by Investment Commission of MOEA. The investees included Interface Optoelectronics (SZ) Co., Ltd. Interface Technology (Zhengzhou) Co., Ltd. and Interface Optoelectronics (Wuxi) Co., Ltd. However, Interface Technology (Chengdu) Co., Ltd. will acquire the aforementioned investees in Mainland China in response to changes in the Company's investment framework. The Company has reported to Investment Commission of MOEA about the investment adjustment on March 15, 2019.

III. Pursuant to the newly amended "Review Principles of Investment and Engagement of Technological Cooperation in Mainland China" dated August 29, 2008, since the Company has obtained the certificate of being qualified for operating headquarters, which was issued by the Industrial Development Bureau, MOEA, the ceiling amount of the investment in Mainland China is not applicable to the Company.

IV. The Company invests in the company via investee companies in Mainland China including Yantaiishi Fultong International Trading Co., Ltd., Yantai Hongfu Occupation Training School, Guizhou Yuguqian Real Estate Co., Ltd., Hengyang Futaihong Precision Industry Co., Ltd., Guizhou Fuzhikang Precision Electronics Co., Ltd., Shenzhen Fuhongxun Technology Co., Ltd., Infocus Precision Industry (Shenzhen) Co., Ltd., Langfang Hui Ju Yin Qing Zhong Chuang Kong Jian Co., Ltd., Zhengzhou Jusda Logistics Co., Ltd., Wuhan Jusda Supply Chain Management Limited, Hangzhou Jusda Supply Chain Management Limited, Shandong Jusda Supply Chain Management Limited, Shenzhen Qianhai Jusda Supply Chain Management Limited, Shenzhen Fertilizer International Logistics Co., Ltd., Guangxi Jusda SCM Limited, Chongqingshi Futaitong Logistics Limited Co., Ltd., Yantai Futaitong International Logistics Co., Ltd., Shanghai Futaitong International Logistics Co., Ltd., Yantian Jusda Supply Chain Management Co., Ltd., Jiaxing Jusda Supply Chain Management Co., Ltd., Taibangjie Supply Chain Management (Shenzhen) Co., Ltd., Lang Fang Fertilizer Plan Logistics Co., Ltd., Jusda Supply Chain Management (Shanghai) Co., Ltd., Jusda SCM (Huainan) Co., Ltd., Taiyuan Jusda Supply Chain Management Co., Ltd., Hunan Jusda Supply Chain Management Co., Ltd., Nanjing Jusda Supply Chain Management Co., Ltd., Zhengzhou Jusda Industrial Park Development Co., Ltd., Zhengzhou Zhunxuntong technology Co., Ltd., Wuhan Peda International Logistics Co., Ltd., Shenzhen Zhunxuntong Technology Co., Ltd., Wuhan Zhunxuntong Enterprise Service Co., Ltd., Chongqing Zhunxuntong Customs Service Co., Ltd., Shanghai Zhunxuntong Import & Export Co., Ltd., Chengdu Zhunxuntong Import & Export Co., Ltd., Guangzhou Jusda Supply Chain Management Co., Ltd., Beijing Jusda Supply Chain Management Co., Ltd., Jusda Energy Technology (Shanghai) Co., Ltd., Shanghai Ganxing Logistics Co., Ltd., China ASEAN Supply Chain Management Co., Ltd., Zhenzhou GDS Information & Technology Co., Ltd., Shenzhen Fortune Fintech Co., Ltd., Talentek Microelectronics (Hefei) Limited, Shenzhen Dengmao Science & Technology Co., Ltd., Shenzhen Jingji Precision Machinery Trade Co., Ltd., Jin Ji Full Precision Machinery (Hengyang) Co., Ltd., Ur Industry Materials (Langfang) Co., Ltd., Ur Uy Material (Kunshan) Co., Ltd., Ur Hongxin Detection Technology (Shenzhen) Co., Ltd., Ur Material Technology (Guangzhou) Co., Ltd., Ur Material (Yantai) Co., Ltd., Ur Material (Chongqing) Co., Ltd., Ur New Materials Technology (Wuhan) Co., Ltd., Jin Ji Precision Pneumatic (Shenzhen) Co., Ltd., Hong-Qi Mechatronics (Anhui) Co., Ltd., Mingyang Real Estate Development (Kunshan) Co., Ltd., Huaian Mingyang Real Estate Development Co., Ltd., Jinan Development Property Development Co., Ltd., Triple Win Technology (Jincheng) Co., Ltd., Huaian Fultong Trading Co., Ltd., Teng Yi New Energy Technology (Kunshan) Co., Ltd., Huaian Hongyu Electronic Technology Co., Ltd., Huaian Tengyue Information Science & Technology Co., Ltd., Shenzhen Anya Trading Co., Ltd., Hongzhaoda Integrated Innovative Service (Kunshan) Co., Ltd., Yuanfu (Shenzhen) Technology Co., Ltd., Oyeze Internet Technology (Shenzhen) Co., Ltd., Candelino Network Security Technology (Shenzhen) Co., Ltd., Chongqing Hongfuzhuan Trading Co., Ltd., Chongqing Guanzhuo Technology Co., Ltd., Hongqingxin Precision Electronics (Chongqing) Co., Ltd., Chongqing Jingmei Precision electronic Co., Ltd., Shenzhen Hochichuang Technology Co., Ltd., HCC Teletron (HK) Technology Co., Ltd., Fuyou Wande Trading Co., Ltd., Shanghai Ketaihuajie Technology Co., Ltd., Shenzhen Foxtricity Co., Ltd., Shenzhen Hong Jie Yu Technology Co., Ltd., Shanghai Fusharp Sales Co., Ltd., Foxon Technical (Dezhou) Co., Ltd., Ferdusi Hongshan Precision Electronics Co., Ltd., Shenzhen Fu Neng New Energy Technology Co., Ltd., Ambit Microsystems (Jiasan) Co., Ltd., Hongfu Innovation (Hangzhou) Co., Ltd., Simaite Technology (Shenzhen) Co., Ltd., Innovative & Intelligent Factory Accelerator (Shenzhen) Co., Ltd., Hangzhou Jiangyu Innovation Medical Technology Co., Ltd., Jiangyu Innovation Medical Technology Chengdu Co., Ltd., Guizhou Qianyu Electric Vehicle Service Co., Ltd., Lanzhou Futaihua Industrial Limited, Shenzhen Jinchangzhi Technology Co., Ltd., Shenzhen Galane Robotics Co., Ltd., Shenzhen Hong Jie Fei Technology Service Co., Ltd., Haina Cognitive Connections Co., Ltd., Fu Ming Tuo Property Management (Shenzhen) Co., Ltd., Shenzhen Fuhongcai Technology Service Co., Ltd., Hon Fu Cheng Precision Electronics (Chengdu) Co., Ltd., Chengdu Chengfu Future Technology Co., Ltd., Fuxiang Private Equity Investment Fund Joint Ventur, Hong Fu Cheng Technology (Tianjin) Co., Ltd., Tanghe Fuyang Soleros Technology Co., Ltd., Dongying PV Technology Co., Ltd., Langfang City Fuyang New Energy Technology Co., Ltd., Jiashan PV Technology Co., Ltd., Huaian Fuyang Soleros Technology Co., Ltd., Danjiangkou Fusheng Soleros Technology Co., Ltd., Inner Mongolia Xin Jing Photovoltaic Power Generation Co., Ltd., Beijing Fuyang New Energy Technology Co., Ltd., Shanghai Fusheng New Energy Technology Co., Ltd., Henan Fuchi Technology Co., Ltd., Zhengzhou Yu Teng Precision Technology Co., Ltd., Henan Zhongyuan Financial Leasing Co., Ltd., Zhengzhou Fuyucheng Agricultural Biotechnology Co., Ltd., Henan Zhongyuan Finance & Fund Management Co., Ltd., Zhengzhou Fuyusheng Energy Technology Co., Ltd., Zhengzhou Fuliwanwang Electronic Technology Co., Ltd., Wefix Electronics Technology (Shenzhen) Co., Ltd., Guangxi Fuliwanwang Electronic Technology Co., Ltd., Beijing Fusharp Electronic Commerce Limited, Chengdu Fuliwanwang Trading Co., Ltd., Shanxi Fuliwanwang Electronic Technology Co., Ltd., Hunan Fuliwanwang Trading Co., Ltd., Guizhou Fuxuntong Trading Co., Ltd., Langfang Fuliwanwang Trading Co., Ltd., Xian Wanmayun Electronic Technology Co., Ltd., Henan Wanmayun Electronic Technology Co., Ltd., Hengyang Fuliwanwang Commerce & Trade Co., Ltd., Rich Dreams Network Technology (Hangzhou) Limited, Henan Zhongyuan Financial Guarantee Co., Ltd., Jiyuan Izhun Precision Electronics Limited, Henan Yupin Real Estate Co., Ltd., Henan Jiagang Industrial Limited, Shenzhen Fuliwanwang Internet Of Things Intelligent Home Furnishing Co., Ltd., Shanghai Fuhong Electronic Technology Co., Ltd., Shenzhen Fuliwanwang Technology Co., Ltd., Flnet Smartech (Shenzhen) Co., Ltd., Fu Shi Jie Shenzhen, Shenzhen Love Pocket Technology Co., Ltd., Zhengzhou Wanmayun Electronic Technology Co., Ltd., Nanning Fugui Precision Industry Co., Ltd., Chongqing Fugui Electronics Co., Ltd., Guangxi Fumeng Innovation Technology Co., Ltd., Futaihua Precision Electronics (Zhenzhou) Co., Ltd., Shanxi Yuding Precision Technology Co., Ltd., Henan Fujiang Precision Technology Co., Ltd., Wuhan Yuzhan Precision Technology Co., Ltd., Hebi

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Yuzhan Precision Technology Co., Ltd., Anworld Microsystems (Shanghai) Limited, Ingrasys Info-Tech Corporation, System Integration Electronics (Hangzhou) Co., Ltd., Ambit Microsystem (Shanghai) Co., Ltd., Jizhun Precision Industry (Huizhou) Co., Ltd., Shenzhen Jingjiang Yunchuang Technology Co., Ltd., Chengdu Zhunren Technology Co., Ltd., Zhengzhou Hongren Cutting Tool Limited, Jincheng Hongren Technology Co., Ltd., Futaihua Precision Electronics (Jiyuan) Co., Ltd., Hongfujing Precision Electronics (Tianjin) Co., Ltd., Hongfujing Precision Electronics (Guizang) Co., Ltd., Baichang Technology Service (Tianjin) Co., Ltd., Jincheng Futaihua Precision Electronic Co., Ltd., Henan Yuzhan Technology Limited, Langfang Yuzhan Technology (Shenzhen) Consulting Management Co., Ltd., Shenzhenshi Yuzhan Precision Technology Co., Ltd., Fuliang Intelligent Workshop (Shenzhen) Co., Ltd., Zhengzhou Fuliang Intelligent Workshop Co., Ltd., Lankao Yuzhan Intelligent Creation Technology Co., Ltd., Shenzhen Fugui Precision Industry Co., Ltd., Flow Vision Technology Co., Ltd., Dong Guan Fu Yi Precision Industry Co., Ltd., Shenzhen Fu Lian Intelligent Manufacturing Industry Innovation Center Co., Ltd., Fu Jia Zhichuang (Shenzhen) Technology Co., Ltd., Fu Ji Yun (Shenzhen) Technology Co., Ltd., System Integration (Hai Ning) Electronics Co., Ltd., Chongqing Fuyusheng Electronics Technology Co., Ltd., Hong Ding Management Consultants (Shenzhen) Co., Ltd., Hongfu (Shenzhen) Equity Investment Fund Management Co., Ltd., Hong Chi Shenzhen fuhongji Trading Co.,Ltd. (Formerly: Rich Dreams Network Technology (Shenzhen) Limited)

Co., Ltd., Shanghai Fuyitong Business Factoring Limited, Shanghai Pengzhan Investment Co., Ltd., Foshan Shunde Jishun Precision Industry Co., Ltd., Fuxuntong Trading (Shenzhen) Co., Ltd., Efeihu (Chengdu) E-commerce Limited, Hengyang Fuxiangyun Culture Co., Ltd., Shanghai Foxconn Co., Ltd., Zhongyuan Micro-credit Co., Ltd., Shenzhen Foxconn Advanced Manufacturing Capacity Training University, Fujintong Financial Information Services (Shanghai) Co., Ltd., Shenzhen Fuhongjie Technology Service Co., Ltd., Shenzhen Hongzhaoda Technology services Co., Ltd., Shenzhen Fu Rong Inclusive Finance Co., Ltd., Shenzhen eLux Display Co., Ltd., Jin Ji Tiger Investment Holding Co., Ltd., Shenzhen Jinjiyu Information Consulting Co., Ltd., Fu Meng (Shenzhen) Consulting Service Co., Ltd., Shenzhen Zhanggongzhi Technology Service Co., Ltd., Shenzhen Hyper Power Information Technology Co., Ltd., Ur Hongxin Testing Technology (Dongguan) Co., Ltd., Guizhou Fuhuada Precision Electronics Co., Ltd., Panzhou Fu Gui Kang Precision Electronic Co., Ltd., Nanyang Hongfujing Precision electronic Co., Ltd., Kunming Fultong International Trading Co., Ltd., Gansu Fuguangyuan Electronic Technology Co., Ltd., Hongfujing Precision Electronic (Kaili) Co., Ltd., Hongfujing Precision Electronic (Wenshan) Co., Ltd., Kaili Fultong International Trading Co., Ltd., Hengyang Hengzhifu Finance & Accounting Services Co., Ltd., Zhengzhou Yongyang Detection Service Co., Ltd. Except for the investment via the holding companies in Mainland China, other investments Except for the investment via the holding companies in Mainland China, other investments shall be approved by Investment Commission of the Ministry of Economic Affairs.

Table 11, Page 26

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Bonds Payable
June 30, 2021

Table 12

Name of Security	Trustee	Issued on	Maturity	Date of interest	Interest rate (%)	Amount				Expressed in thousands of TWD (Except as otherwise indicated)
						Issued Amount	Repaid Amount	Balance as at June 30, 2021	Amortisation for the period	Book value
Second debenture issue of 2011	Bank SinoPac									
Bond C	"	2011/06/14	10 years	Note 1	1.82	\$ 1,400,000	\$ 1,400,000	\$ -	-	-
First debenture issue of 2014										
Bond C	"	2014/03/18	7 years	"	1.75	350,000	(350,000)	-	-	-
Bond D	"	"	10 years	"	2.00	2,500,000	-	2,500,000	-	2,500,000
Second debenture issue of 2014										
Bond C	"	2014/05/21	7 years	"	1.70	3,350,000	(3,350,000)	-	-	-
Bond D	"	"	10 years	"	1.95	4,200,000	-	4,200,000	-	4,200,000
Third debenture issue of 2014										
Bond A	"	2014/07/08	7 years	"	1.70	6,000,000	-	6,000,000	-	6,000,000
Bond B	"	"	10 years	"	1.95	6,000,000	-	6,000,000	-	6,000,000
Fourth debenture issue of 2014										
Bond C	"	2014/10/08	7 years	"	1.80	3,200,000	-	3,200,000	-	3,200,000
Bond D	"	"	10 years	"	2.02	2,200,000	-	2,200,000	-	2,200,000
Bond E	"	"	12 years	"	2.15	200,000	-	200,000	-	200,000
Fifth debenture issue of 2014										
Bond C	"	2015/01/14	7 years	"	1.80	2,800,000	-	2,800,000	-	2,800,000
First debenture issue of 2015										
Bond E	"	2015/04/14	7 years	"	1.75	1,000,000	-	1,000,000	-	1,000,000
Second debenture issue of 2015										
Bond E	"	2015/06/24	6 years	"	1.55	400,000	(400,000)	-	-	-
Bond F	"	"	7 years	"	1.70	2,300,000	-	2,300,000	-	2,300,000
Bond G	"	"	10 years	"	1.90	500,000	-	500,000	-	500,000
Third debenture issue of 2015										
Bond E	"	2015/09/29	5.5 years	"	1.27	200,000	(200,000)	-	-	-
Bond F	"	"	6 years	"	1.33	400,000	-	400,000	-	400,000
Bond G	"	"	7 years	"	1.45	1,000,000	-	1,000,000	-	1,000,000
Bond H	"	"	12 years	"	2.00	300,000	-	300,000	-	300,000
Fourth debenture issue of 2015										
Bond E	"	2015/11/30	6 years	"	1.28	100,000	-	100,000	-	100,000
Bond F	"	"	7 years	"	1.40	1,400,000	-	1,400,000	-	1,400,000
Bond G	"	"	10 years	"	1.75	100,000	-	100,000	-	100,000
Bond H	"	"	12 years	"	1.95	200,000	-	200,000	-	200,000

Table 12 Page 1

Name of Security	Trustee	Issued on	Maturity	Date of interest	Interest rate (%)	Amount					Status of guarantee	Footnote
						Issued Amount	Repaid Amount	Balance as at June 30, 2021	Amortisation for the period	Book value		
First debenture issue of 2016	Bank Sinofac											
Bond D		2016/06/07	5 years	Note 1	0.80	\$	2,100,000 (\$	2,100,000)	\$	-	-	None
Bond E		"	6 years	"	0.88		1,300,000	-	-	1,300,000	"	"
Bond F		"	7 years	"	0.95		1,800,000	-	-	1,800,000	"	"
Bond G		"	10 years	"	1.20		1,800,000	-	-	1,800,000	"	"
Second debenture issue of 2016	"											
Bond C		2016/08/08	4.75 years	"	0.70		500,000 (	500,000)	-	-	-	"
Bond D		"	5 years	"	0.73		2,300,000	-	-	2,300,000	"	"
Bond E		"	6 years	"	0.83		1,700,000	-	-	1,700,000	"	"
Bond F		"	7 years	"	0.90		2,900,000	-	-	2,900,000	"	"
Third debenture issue of 2016	"											
Bond C		105/11/07	5 years	"	0.83		900,000	-	-	900,000	"	"
First debenture issue of 2017	"											
Bond C		2017/05/17	5 years	"	1.12		4,000,000	-	-	4,000,000	"	"
Bond D		"	7 years	"	1.36		900,000	-	-	900,000	"	"
Bond E		"	10 years	"	1.53		400,000	-	-	400,000	"	"
Second debenture issue of 2017	"											
Bond C		2017/08/08	4 years	"	0.98		800,000	-	-	800,000	"	"
Bond D		"	5 years	"	1.04		3,100,000	-	-	3,100,000	"	"
Bond E		"	6 years	"	1.18		200,000	-	-	200,000	"	"
Bond F		"	7 years	"	1.30		2,000,000	-	-	2,000,000	"	"
Bond G		"	10 years	"	1.52		700,000	-	-	700,000	"	"
Third debenture issue of 2017	"											
Bond B		2017/11/16	5 years	"	1.00		2,950,000	-	-	2,950,000	"	"
Bond C		"	7 years	"	1.18		1,950,000	-	-	1,950,000	"	"
Bond D		"	10 years	"	1.40		1,000,000	-	-	1,000,000	"	"
First debenture issue of 2018	"											
Bond A		2018/05/09	3 years	"	0.76		1,000,000 (	1,000,000)	-	-	-	"
Bond B		"	5 years	"	0.89		3,100,000	-	-	3,100,000	"	"
Bond C		"	6 years	"	0.96		200,000	-	-	200,000	"	"
Bond D		"	7 years	"	1.05		3,200,000	-	-	3,200,000	"	"
Bond E		"	10 years	"	1.35		1,500,000	-	-	1,500,000	"	"
Second debenture issue of 2018	"											
Bond A		2018/07/27	3 years	"	0.73		700,000	-	-	700,000	"	"
Bond B		"	4 years	"	0.80		200,000	-	-	200,000	"	"
Bond C		"	5 years	"	0.87		3,900,000	-	-	3,900,000	"	"
Bond D		"	6 years	"	0.92		500,000	-	-	500,000	"	"
Bond E		"	7 years	"	1.00		2,300,000	-	-	2,300,000	"	"
Bond F		"	10 years	"	1.30		1,400,000	-	-	1,400,000	"	"

Table 12 Page 2

Name of Security	Trustee	Issued on	Maturity	Date of interest	Interest rate (%)	Amount				Status of guarantee	Footnote
						Issued Amount	Repaid Amount	Balance as at June 30, 2021	Amortisation for the period		
First debenture issue of 2019	Bank SinoPac	2019/10/22	3 years	Note 1	0.68	\$	\$	100,000	\$	-	100,000
		"	5 years	"	0.80	1,900,000	-	1,900,000	-	-	1,900,000
		"	6 years	"	0.86	500,000	-	500,000	-	-	500,000
		"	7 years	"	0.90	2,500,000	-	2,500,000	-	-	2,500,000
		"	10 years	"	1.10	950,000	-	950,000	-	-	950,000
Second debenture issue of 2019	"	2020/01/09	5 years	"	0.81	1,700,000	-	1,700,000	-	-	1,700,000
		"	6 years	"	0.85	500,000	-	500,000	-	-	500,000
		"	7 years	"	0.92	2,350,000	-	2,350,000	-	-	2,350,000
		"	10 years	"	1.12	1,650,000	-	1,650,000	-	-	1,650,000
First debenture issue of 2020	"	2020/05/14	5 years	"	0.80	1,900,000	-	1,900,000	-	-	1,900,000
		"	7 years	"	0.90	4,100,000	-	4,100,000	-	-	4,100,000
		"	10 years	"	1.00	600,000	-	600,000	-	-	600,000
Second debenture issue of 2020	"	2020/09/09	5 years	"	0.69	2,850,000	-	2,850,000	-	-	2,850,000
		"	7 years	"	0.79	3,700,000	-	3,700,000	-	-	3,700,000
		"	10 years	"	0.90	1,400,000	-	1,400,000	-	-	1,400,000
		"	12 years	"	1.00	300,000	-	300,000	-	-	300,000
Third debenture issue of 2020	"	2020/12/28	5 years	"	0.53	1,800,000	-	1,800,000	-	-	1,800,000
		"	7 years	"	0.63	6,600,000	-	6,600,000	-	-	6,600,000
		"	10 years	"	0.68	3,400,000	-	3,400,000	-	-	3,400,000
		"	15 years	"	0.90	200,000	-	200,000	-	-	200,000
First debenture issue of 2021	"	2020/05/14	3 years	"	0.48	1,300,000	-	1,300,000	-	-	1,300,000
		"	5 years	"	0.54	2,100,000	-	2,100,000	-	-	2,100,000
		"	7 years	"	0.63	5,700,000	-	5,700,000	-	-	5,700,000
		"	10 years	"	0.73	2,200,000	-	2,200,000	-	-	2,200,000
		"	15 years	"	0.95	700,000	-	700,000	-	-	700,000
Issued Foreign unsecured corporate bonds in the amount of USD	-	2016/09/23	5 years	Note 2	2.25	US\$600,000 thousand	-	US\$600,000 thousand	-	-	US\$600,000 thousand
Issued Foreign unsecured corporate bonds in the amount of USD	-	"	10 years	"	3.00	US\$400,000 thousand	-	US\$400,000 thousand	-	-	US\$400,000 thousand
Issued Foreign unsecured corporate bonds in the amount of JPY	-	2017/09/20	5 years	"	0.52	JPY 6,000,000 thousand	-	JPY 6,000,000 thousand	-	-	JPY 6,000,000 thousand

Table 12 Page 3

Name of Security	Trustee	Issued on	Maturity	Date of interest	Interest rate (%)	Amount				Status of guarantee	Footnote
						Issued Amount	Repaid Amount	Balance as at June 30, 2021	Amortisation for the period		
						JPY 2,500,000 thousand	\$	JPY 2,500,000 thousand	\$	JPY 2,500,000 thousand	None
Issued Foreign unsecured corporate bonds in the amount of JPY	-	2017/09/20	7 years	Note 2	0.70						
Issued Foreign unsecured corporate bonds in the amount of USD	-	2019/03/12	5 years	"	3.75	US\$700,000 thousand		US\$700,000 thousand		US\$700,000 thousand	"
Issued Foreign unsecured corporate bonds in the amount of USD	-	"	10 years	"	4.25	US\$300,000 thousand		US\$300,000 thousand		US\$300,000 thousand	"
Issued Foreign unsecured corporate bonds in the amount of USD	-	2020/10/28	5 years	"	1.63	US\$800,000 thousand		US\$800,000 thousand		US\$800,000 thousand	"
Issued Foreign unsecured corporate bonds in the amount of USD	-	"	10 years	"	2.50	US\$600,000 thousand		US\$600,000 thousand		US\$600,000 thousand	"
First overseas convertible debenture issue of 2017	-	2017/11/06	5 years	Note 1	0.00	15,096,000	(1,817,558)	13,278,442	(278,486)	12,999,956	"
First convertible debenture issue of 2018	-	2018/02/12	5 years	"	0.00	1,500,000	-	1,500,000	(40,687)	1,459,313	"

Note 1: Principal is due at maturity. Interest is paid annually at simple interest rate.

Note 2: Principal is due at maturity. Interest is paid semi-annually at simple interest rate.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Major Shareholders Information
June 30, 2021

Table 13

	Major Shareholders	Shareholding	
		Number of Shares Held	Shareholding Ratio
Terry Gou		1,342,198,518	9.68%

Table 13, Page 1

ISSUER

Foxconn (Far East) Limited
Vistra (Cayman) Limited
P.O. Box 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman, KY1-1205
Cayman Island

Competition Team Technologies Limited
Vistra Corporate Services Centre
Marlborough & Queen Streets
Nassau
New Providence
The Bahamas

**Foxconn Singapore
Pte Ltd**
54 Genting Lane #03-05
Ruby Land Complex
Singapore (349562)

**ECMMS Precision
Singapore Pte. Ltd.**
54 Genting Lane #03-05
Ruby Land Complex
Singapore (349562)

**Falcon Precision Trading
Pte. Ltd.**
54 Genting Lane #03-05
Ruby Land Complex
Singapore (349562)

GUARANTOR/COMPANY

Hon Hai Precision Industry Co., Ltd
No. 66, Zhongshan Road
Tucheng Industrial Zone
Tucheng District
New Taipei City
Taiwan, Republic of China

AUDITOR OF THE COMPANY

PricewaterhouseCoopers, Taiwan
27F, No. 333, Section 1
Keelung Road
Taipei City, Taiwan

TRUSTEE

Citicorp International Limited
20/F, Citi Tower
One Bay East
83 Hoi Bun Road
Kwun Tong
Kowloon
Hong Kong

REGISTRAR IN RESPECT OF NOTES OTHER THAN CDP NOTES

Citigroup Global Markets Europe AG
Reuterweg 16
60323 Frankfurt
Germany

ISSUING AND PAYING AGENT AND TRANSFER AGENT IN RESPECT OF NOTES OTHER THAN CMU NOTES AND CDP NOTES

Citibank, N.A., London Branch
c/o Citibank, N.A., Dublin Branch
1 North Wall Quay
Dublin 1
Ireland

CMU LODGING AND PAYING AGENT AND TRANSFER AGENT IN RESPECT OF CMU NOTES

Citicorp International Limited
9/F, Citi Tower
One Bay East
83 Hoi Bun Road
Kwun Tong
Kowloon
Hong Kong

CDP PAYING AGENT, REGISTRAR AND TRANSFER AGENT IN RESPECT OF CDP NOTES

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To Foxsin, ECMMS SG and Falcon as to Singapore law

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