

**Standard Foods Corporation and
Subsidiaries**

**Consolidated Financial Statements and Independent
Auditors' Report
for the Three Months Ended March 31, 2021 and 2020**

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the period ended March 31, 2021 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standards No. 10, “Consolidated Financial Statements.” Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we have not prepared a separate set of consolidated financial statements of affiliates.

Very truly yours,

STANDARD FOODS CORPORATION

By

TER-FUNG TSAO
Chairman

May 5, 2021

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Standard Foods Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Standard Foods Corporation and its subsidiaries (the "Group") as of March 31, 2021 and 2020 and the related consolidated statements of comprehensive income for the three months ended March 31, 2021 and 2020 and for the nine months ended March 31, 2021 and 2020, the consolidated statements of changes in equity and cash flows for the nine months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies "(collectively referred to as the consolidated financial statements)". Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting," endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity". 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 disclosed in Note 14 to the consolidated financial statements, the financial statements of non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of March 31, 2021 and 2020, combined total assets of these non-significant subsidiaries were NT\$8,665,638 thousand and NT\$7,541,126 thousand, respectively, representing 32% and 29%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were NT\$2,589,787 thousand and NT\$2,616,520 thousand, respectively, representing 32% and 32%, respectively, of the consolidated total liabilities; for the three-month periods ended March 31, 2020 and 2019, the amounts of combined comprehensive income of these subsidiaries were NT\$146,948 thousand and NT\$(5,585) thousand, respectively, representing 22% and (1%), respectively, of the consolidated total comprehensive income. As disclosed in Note 36 to the consolidated financial statements, the information on these subsidiaries were not reviewed.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the financial position of the Group as at March 31, 2021 and 2020, and of its consolidated financial performance and its consolidated cash flows for the three-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting,” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Tza-Li Gung and Fang, Han-Ni.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 5, 2021

Notice to Readers

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

For the convenience of readers, the independent auditors’ report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ report and consolidated financial statements shall prevail.

STANDARD FOODS CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

March 31, 2021, December 31, 2020, and March 31, 2020

(In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2021 (Reviewed)		December 31, 2020 (Audited)		March 31, 2020 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 1,746,505	7	\$ 4,332,018	16	\$ 3,104,877	12
Financial assets at fair value through profit or loss - current (Note 7)	2,391,589	9	1,490,336	5	1,481,192	6
Financial assets at fair value through other comprehensive income - current (Note 8)	313,324	1	249,485	1	154,091	-
Financial assets at amortized cost - current (Note 9)	2,663,186	10	1,728,070	6	3,502,009	14
Notes receivable (Notes 10 and 25)	26,684	-	3,154	-	12,798	-
Trade receivables (Notes 10 and 25)	5,154,640	19	6,295,581	23	4,592,437	18
Trade receivables from related parties (Notes 25 and 32)	5,865	-	9,011	-	5,312	-
Finance lease receivables - current (Note 11)	3,004	-	2,917	-	2,810	-
Other receivables (Note 10)	224,391	1	224,370	1	266,331	1
Current tax assets	66,153	-	23,063	-	98,760	-
Inventories (Note 12)	5,478,110	21	5,124,648	18	4,024,498	16
Prepayments (Note 13)	1,601,548	6	1,579,289	6	1,531,341	6
Other current assets (Notes 19 and 33)	102,312	-	63,844	-	26,001	-
Total current assets	<u>19,777,311</u>	<u>74</u>	<u>21,125,786</u>	<u>76</u>	<u>18,802,457</u>	<u>73</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	10,261	-	10,666	-	5,328	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	339,842	1	267,178	1	138,006	1
Financial assets at amortized cost - Non-current (Note 9)	303,968	1	-	-	-	-
Property, plant and equipment (Notes 15 and 33)	4,147,750	16	4,201,645	15	5,038,850	20
Right-of-use assets (Note 16)	604,574	2	626,440	2	674,064	3
Investment properties (Notes 17 and 33)	837,053	3	844,797	3	121,746	-
Goodwill	817	-	817	-	817	-
Other intangible assets (Note 18)	103,410	-	105,391	-	67,529	-
Deferred tax assets	428,551	2	417,127	2	474,803	2
Finance lease receivables - non-current (Note 11)	23,228	-	24,031	-	26,233	-
Net defined benefit assets - non-current	4,320	-	3,521	-	1,882	-
Other non-current assets (Notes 19 and 33)	246,739	1	196,463	1	249,625	1
Total non-current assets	<u>7,050,513</u>	<u>26</u>	<u>6,698,076</u>	<u>24</u>	<u>6,798,883</u>	<u>27</u>
TOTAL ASSETS	<u>\$ 26,827,824</u>	<u>100</u>	<u>\$ 27,823,862</u>	<u>100</u>	<u>\$ 25,601,340</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 20 and 33)	\$ 1,403,460	6	\$ 1,846,767	7	\$ 1,996,340	8
Short-term bills payable (Note 20)	99,919	-	129,869	1	50,000	-
Contract liabilities - current (Note 25)	267,239	1	748,044	3	322,688	1
Notes payable (Note 21)	92,145	-	90,333	-	455,166	2
Trade payables (Note 21)	1,522,075	6	2,107,188	8	1,346,175	5
Trade payables to related parties (Note 32)	19,187	-	20,526	-	22,581	-
Other payables (Note 22)	3,210,829	12	3,442,258	12	2,441,241	10
Current tax liabilities	557,393	2	399,020	1	667,032	3
Lease liabilities - current (Note 16)	80,491	-	77,782	-	80,428	-
Other current liabilities (Note 22)	138,338	1	94,108	-	45,567	-
Total current liabilities	<u>7,391,076</u>	<u>28</u>	<u>8,955,895</u>	<u>32</u>	<u>7,427,218</u>	<u>29</u>
NON-CURRENT LIABILITIES						
Deferred tax liabilities	301,873	1	351,328	1	221,909	1
Lease liabilities - non-current (Note 16)	169,911	1	200,191	1	234,057	1
Net defined benefit liabilities - non-current	261,637	1	280,701	1	267,977	1
Other non-current liabilities (Note 22)	25,577	-	20,120	-	22,454	-
Total non-current liabilities	<u>758,998</u>	<u>3</u>	<u>852,340</u>	<u>3</u>	<u>746,397</u>	<u>3</u>
Total liabilities	<u>8,150,074</u>	<u>30</u>	<u>9,808,235</u>	<u>35</u>	<u>8,173,615</u>	<u>32</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)						
Ordinary Shares	9,150,897	34	9,150,897	33	9,150,897	36
Capital surplus	127,392	-	127,392	-	109,718	-
Retained earnings						
Legal reserve	3,287,022	12	3,287,022	12	2,945,412	11
Special reserve	577,494	2	577,494	2	330,945	1
Unappropriated Earnings	5,483,326	21	4,918,357	18	5,349,317	21
Total retained earnings	<u>9,347,842</u>	<u>35</u>	<u>8,782,873</u>	<u>32</u>	<u>8,625,674</u>	<u>33</u>
Other equity	(294,289)	(1)	(355,492)	(1)	(696,077)	(2)
Treasury stock	(21,182)	-	(21,182)	-	(21,182)	-
Total equity attributable to owners of the Company	<u>18,310,660</u>	<u>68</u>	<u>17,684,488</u>	<u>64</u>	<u>17,169,030</u>	<u>67</u>
NON-CONTROLLING INTERESTS (Note 24)	<u>367,090</u>	<u>2</u>	<u>331,139</u>	<u>1</u>	<u>258,695</u>	<u>1</u>
Total equity	<u>18,677,750</u>	<u>70</u>	<u>18,015,627</u>	<u>65</u>	<u>17,427,725</u>	<u>68</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 26,827,824</u>	<u>100</u>	<u>\$ 27,823,862</u>	<u>100</u>	<u>\$ 25,601,340</u>	<u>100</u>

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

STANDARD FOODS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the Three Months Ended March 31, 2021 and 2020

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

(Reviewed, not Audited)

	For the Three Months Ended March 31, 2021		For the Three Months Ended March 31, 2020	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales (Notes 25 and 32)	\$ 8,269,002	100	\$ 6,671,433	100
OPERATING COSTS				
Cost of goods sold (Notes 12, 26, and 32)	<u>6,163,468</u>	<u>75</u>	<u>4,775,935</u>	<u>72</u>
GROSS PROFIT	<u>2,105,534</u>	<u>25</u>	<u>1,895,498</u>	<u>28</u>
OPERATING EXPENSES (Note 26)				
Selling and marketing expenses	1,097,019	13	862,373	13
General and administrative expenses	253,662	3	251,927	4
Research and development expenses	38,680	-	34,832	-
Expected credit losses (or reversal)	(4,012)	-	<u>7,286</u>	-
Total operating expenses	<u>1,385,349</u>	<u>16</u>	<u>1,156,418</u>	<u>17</u>
OPERATING INCOME	<u>720,185</u>	<u>9</u>	<u>739,080</u>	<u>11</u>
NON-OPERATING INCOME AND EXPENSES (Note 26)				
Interest income	31,291	-	32,805	-
Other income	8,764	-	7,525	-
Other gains and losses	(23,529)	-	2,706	-
Financial cost	(<u>11,525</u>)	-	(<u>14,808</u>)	-
Total non-operating income and expenses	<u>5,001</u>	-	<u>28,228</u>	-
PROFIT BEFORE INCOME TAX	725,186	9	767,308	11
INCOME TAX EXPENSE (Note 27)	<u>153,750</u>	<u>2</u>	<u>159,821</u>	<u>2</u>

(Continued)

(Continued from the previous page)

	For the Three Months Ended March 31, 2021		For the Three Months Ended March 31, 2020	
	Amount	%	Amount	%
NET PROFIT FOR THE PERIOD	<u>\$ 571,436</u>	<u>7</u>	<u>\$ 607,487</u>	<u>9</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	136,510	2	(84,299)	(1)
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 27)	(<u>4</u>)	<u>-</u>	(<u>4</u>)	<u>-</u>
	<u>136,506</u>	<u>2</u>	<u>(84,303)</u>	<u>(1)</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	(57,216)	(1)	(57,613)	(1)
Income tax relating to the items that may be reclassified subsequently to profit or loss (Note 27)	<u>11,397</u>	<u>-</u>	<u>11,463</u>	<u>-</u>
	(<u>45,819</u>)	(<u>1</u>)	(<u>46,150</u>)	(<u>1</u>)
Other comprehensive income (net, after tax)	<u>90,687</u>	<u>1</u>	<u>(130,453)</u>	<u>(2)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 662,123</u>	<u>8</u>	<u>\$ 477,034</u>	<u>7</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 564,969	7	\$ 609,486	9
Non-controlling Interests	<u>6,467</u>	<u>-</u>	(<u>1,999</u>)	<u>-</u>
	<u>\$ 571,436</u>	<u>7</u>	<u>\$ 607,487</u>	<u>9</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 626,172	8	\$ 490,903	7
Non-controlling Interests	<u>35,951</u>	<u>-</u>	(<u>13,869</u>)	<u>-</u>
	<u>\$ 662,123</u>	<u>8</u>	<u>\$ 477,034</u>	<u>7</u>
EARNINGS PER SHARE (Note 28)				
Basic	<u>\$ 0.62</u>		<u>\$ 0.67</u>	
Diluted	<u>\$ 0.62</u>		<u>\$ 0.67</u>	

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

STANDARD FOODS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY For the Three Months Ended March 31, 2021 and 2020 (In Thousands of New Taiwan Dollars) (Reviewed, not Audited)

	Equity Attributable to Owners of the Company												
	Retained earnings						Other Equity Items						
							Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) on financial assets at FVTOCI	Total	Treasury stock	Total	Non-controlling Interests	Total Equity
	Ordinary Shares	Capital surplus	Legal reserve	Special reserve	Unappropriated Earnings	Total							
Balance at January 1, 2020	\$ 9,150,897	\$ 109,718	\$ 2,945,412	\$ 330,945	\$ 4,739,831	\$ 8,016,188	(\$ 693,038)	\$ 115,544	(\$ 577,494)	(\$ 21,182)	\$ 16,678,127	\$ 272,564	\$ 16,950,691
Net profit for the three months ended March 31, 2020	-	-	-	-	609,486	609,486	-	-	-	-	609,486	(1,999)	607,487
Other comprehensive income for the three months ended March 31, 2020	-	-	-	-	-	-	(45,855)	(72,728)	(118,583)	-	(118,583)	(11,870)	(130,453)
Total comprehensive income for the three months ended March 31, 2020	-	-	-	-	609,486	609,486	(45,855)	(72,728)	(118,583)	-	490,903	(13,869)	477,034
Balance at March 31, 2020	<u>\$ 9,150,897</u>	<u>\$ 109,718</u>	<u>\$ 2,945,412</u>	<u>\$ 330,945</u>	<u>\$ 5,349,317</u>	<u>\$ 8,625,674</u>	<u>(\$ 738,893)</u>	<u>\$ 42,816</u>	<u>(\$ 696,077)</u>	<u>(\$ 21,182)</u>	<u>\$ 17,169,030</u>	<u>\$ 258,695</u>	<u>\$ 17,427,725</u>
Balance at January 1, 2021	\$ 9,150,897	\$ 127,392	\$ 3,287,022	\$ 577,494	\$ 4,918,357	\$ 8,782,873	(\$ 572,206)	\$ 216,714	(\$ 355,492)	(\$ 21,182)	\$ 17,684,488	\$ 331,139	\$ 18,015,627
Net profit for the three months ended March 31, 2021	-	-	-	-	564,969	564,969	-	-	-	-	564,969	6,467	571,436
Other comprehensive income for the three months ended March 31, 2021	-	-	-	-	-	-	(45,587)	106,790	61,203	-	61,203	29,484	90,687
Total comprehensive income for the three months ended March 31, 2021	-	-	-	-	564,969	564,969	(45,587)	106,790	61,203	-	626,172	35,951	662,123
Balance at March 31, 2021	<u>\$ 9,150,897</u>	<u>\$ 127,392</u>	<u>\$ 3,287,022</u>	<u>\$ 577,494</u>	<u>\$ 5,483,326</u>	<u>\$ 9,347,842</u>	<u>(\$ 617,793)</u>	<u>\$ 323,504</u>	<u>(\$ 294,289)</u>	<u>(\$ 21,182)</u>	<u>\$ 18,310,660</u>	<u>\$ 367,090</u>	<u>\$ 18,677,750</u>

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

STANDARD FOODS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Three Months Ended March 31, 2021 and 2020

(In Thousands of New Taiwan Dollars)

(Reviewed, not Audited)

	For the three months ended March 31, 2021	For the three months ended March 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 725,186	\$ 767,308
Adjustments for:		
Depreciation expenses	151,028	147,623
Amortization expenses	20,053	13,745
Expected credit losses (or reversal)	(4,012)	7,286
Financial assets at fair value through profit or loss and net loss of liabilities	18,905	5,116
Financial cost	11,525	14,808
Interest income	(31,291)	(32,805)
Dividend income	(225)	(225)
Net loss (profit) on disposal of property, plant, and equipment	766	(1,376)
Others	1,175	-
Net changes in operating assets and liabilities		
Financial assets mandatorily classified as FVTPL	(920,274)	(816,389)
Notes receivable	(23,766)	(9,976)
Trade receivables - related parties	1,114,900	1,835,649
Trade receivables from related parties	3,146	(5,312)
Other receivables - related parties	3,599	(63,282)
Inventories	(379,136)	(395,201)
Prepayments	(29,554)	(155,398)
Other current assets	(39,030)	3,384
Net defined benefit assets	(799)	(963)
Contract liabilities	(481,415)	(1,775)
Notes payable	2,269	142,877
Trade payables - related parties	(584,918)	(669,081)
Trade payables to related parties	(1,339)	(3,560)
Other payables - related parties	(222,362)	(406,220)
Other current liabilities	67,414	17,300
Net defined benefit liabilities	(17,636)	(31,471)
Cash generated from operations	(615,791)	362,062
Interest received	27,532	22,665
Interest paid	(11,779)	(12,324)
Income tax paid	(89,156)	(131,153)
Net cash generated from/(used in) operating activities	(689,194)	241,250

(Continued)

(Continued from the previous page)

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(\$ 1,961,974)	(\$ 2,368,135)
Disposal of financial assets at amortized cost	710,377	1,060,575
Acquisition of property, plant, and equipment	(83,186)	(58,665)
Proceeds from disposal of property, plant and equipment	440	1,589
Payments for intangible assets	(6,727)	(1,287)
Decrease in finance lease receivables	716	681
Increase in other financial assets	(55,112)	(896)
Increase in other non-current assets	(14,303)	(682)
Dividends received	225	225
Net cash used in investing activities	<u>(1,409,544)</u>	<u>(1,366,595)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	-	631,377
Decrease in short-term borrowings	(438,158)	-
Decrease in short-term bills payable	(29,950)	(49,968)
Payments for long-term borrowings	-	(6,000)
Repayments of principal portion of lease liabilities	(31,864)	(34,453)
Increase in other financial liabilities	5,594	117
Decrease in other non-current liabilities	<u>-</u>	<u>(565)</u>
Net cash generated from/(used in) financing activities	<u>(494,378)</u>	<u>540,508</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>7,603</u>	<u>(16,189)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(2,585,513)</u>	<u>(601,026)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	<u>4,332,018</u>	<u>3,705,903</u>
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	<u>\$ 1,746,505</u>	<u>\$ 3,104,877</u>

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

STANDARD FOODS CORPORATION AND SUBSIDIARIES

Notes to consolidated financial statements

For the Three Months Ended March 31, 2021 and 2020

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

(Reviewed, not Audited)

1. GENERAL INFORMATION

Standard Foods Corporation (the "Company") was incorporated on June 6, 1986. The Company mainly manufactures and sells nutritious foods, edible oils, dairy products and beverages.

The Company's shares have been listed on the Taiwan Stock Exchange since April 1994.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The Consolidated Financial Statements have been approved by the Board of Directors on May 5, 2021.

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

- a. The first-time application of the amended International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (hereinafter referred to as "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The application of the IFRSs recognized and issued into effect by the FSC should not result in major changes in the accounting policies of the Company and the entities controlled by the Company (hereinafter referred to as the "Consolidated Company"):

- b. IFRSs issued by the International Accounting Standards Board (IASB) but not yet endorsed and issued into effect by the FSC:

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

Notes 1: Unless stated otherwise, the above New/Amended/Revised Standards and Interpretations are effective for annual reporting periods beginning on or after their respective effective dates.

Notes 2: The amendments to IFRS 9 are applicable to the exchange or term revisions of financial liabilities occurring in annual reporting periods beginning on or after January 1, 2022; the amendments to IAS 41 "Agriculture" are applicable to fair value measurements in annual reporting periods beginning on or after January 1, 2022; the amendments to IFRS 1 "First-Time Adoption of IFRSs" are applied retrospectively to annual reporting periods beginning on or after January 1, 2022.

Note 3: The amendments are applicable to business combinations with acquisition dates in annual reporting periods beginning on or after January 1, 2022.

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

Notes 5: This amendment applies to contracts that have not fulfilled all obligations on January 1, 2022.

Notes 6: This amendment prospectively applies to the annual reporting period beginning after January 1, 2023.

Notes 7: This amendment applies to changes in accounting estimates and changes in accounting policies that occur during the annual reporting period beginning after January 1, 2023.

As of the date of authorization of the Consolidated Financial Statements, the Group has continued to assess the effects of amendments to other standards and interpretations on its financial conditions and performance. Related impacts will be disclosed upon completion of the assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial report was formulated in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" recognized and announced to enter into effect by FSC. The consolidated financial statements do not include all IFRSs disclosure information required by the annual financial report.

b. Basis of preparation

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

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

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

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statements of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the combined company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

Refer to Note 14 and Tables 7 and 8 for detailed information on subsidiaries (including the percentages of ownership and main businesses).

d. Other Significant Accounting Policies

Except for the following, please refer to the summary of material accounting policies in the 2020 consolidated financial statements.

1) Pension Benefit in Defined Benefit Plan

The pension cost for the interim period is calculated based on the actuarial cost ratio determined by the actuarial calculation at the end of the previous year. Calculation term is from the beginning of the period to the end of the period, and adjustments are made for major market fluctuations in the current period, major amendments to plans, settlement, or other significant one-time matters.

2) Other long-term employee benefits

Other long-term employee benefits have the same accounting treatment as the pension benefit in defined benefit plan, except that the relevant remeasurements are recognized in profit or loss.

3) Income tax

Income tax expenses are the sum of current income tax and deferred income tax. The interim income tax is evaluated on an annual basis and the interim profit before tax is applied with the tax rate applicable to the expected total annual earnings for calculations.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The key sources of major accounting judgments and uncertainty of estimation and assumptions adopted in these consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2020.

6. CASH AND CASH EQUIVALENTS

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Cash on hand	\$ 46,035	\$ 2,336	\$ 2,755
Checking accounts and demand deposits	1,646,107	4,258,398	2,692,651
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	54,363	71,284	243,709
Repurchase agreements collateralized by bonds	-	-	165,762
	<u>\$ 1,746,505</u>	<u>\$ 4,332,018</u>	<u>\$ 3,104,877</u>

The ranges of annual interest rate of cash in bank at the end of the reporting period were as follows:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Bank deposits	0.001%-3.150%	0.001%-3.220%	0.001%-3.730%
Repurchase agreements collateralized by bonds	-	-	0.400%-0.420%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Financial assets at FVTPL - current</u>			
Mandatorily measured at FVTPL			
Non-derivative financial assets			
- Fund beneficiary certificates	\$ 2,362,495	\$ 1,461,304	\$ 1,450,402
- Bonds	29,094	29,032	30,790
	<u>\$ 2,391,589</u>	<u>\$ 1,490,336</u>	<u>\$ 1,481,192</u>
<u>Financial assets at FVTPL - non-current</u>			
Mandatorily measured at FVTPL			
Non-derivative financial assets			
- Non-listed stocks	<u>\$ 10,261</u>	<u>\$ 10,666</u>	<u>\$ 5,328</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Current</u>			
Investments in equity instruments	<u>\$ 313,324</u>	<u>\$ 249,485</u>	<u>\$ 154,091</u>
<u>Non-current</u>			
Investments in equity instruments	<u>\$ 339,842</u>	<u>\$ 267,178</u>	<u>\$ 138,006</u>
<u>Investments in equity instruments</u>			
	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Current</u>			
Listed stocks			
Ordinary shares - Far Eastern International Bank	\$ 15,161	\$ 15,374	\$ 13,859
Ordinary shares - Chunghwa Telecom Co., Ltd	5,419	5,297	5,224
Ordinary shares - Formosa Plastics Corp.	9,236	8,815	6,867

(Continued)

(Continued from the previous page)

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Ordinary shares - China Steel Corp.	\$ 20,804	\$ 19,881	\$ 15,222
Ordinary shares - Polytronics Technology Corp.	209,874	152,418	88,259
Ordinary shares - Taiwan Semiconductor Manufacturing Co., Ltd.	<u>52,830</u>	<u>47,700</u>	<u>24,660</u>
	<u>\$ 313,324</u>	<u>\$ 249,485</u>	<u>\$ 154,091</u>
<u>Non-current</u>			
Listed shares and emerging market shares			
Ordinary shares - GeneFerm Biotechnology Co., Ltd. (GeneFerm)	\$ 72,719	\$ 62,423	\$ 40,757
Unlisted shares			
Ordinary shares - Dah Chung Bills Finance Corp.	15,354	14,918	13,004
Ordinary shares - InnoComm Mobile Technology Corp.	250,704	188,784	83,304
Ordinary shares - AsiaVest Liquidation Co.	<u>1,065</u>	<u>1,053</u>	<u>941</u>
	<u>\$ 339,842</u>	<u>\$ 267,178</u>	<u>\$ 138,006</u>

These investments by the combined company are held for medium- to long-term strategic purposes and the combined company expects to profit from long-term investments. Accordingly, the management elected to designate these investments in equity instruments as at fair value through other comprehensive profit or loss as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the combined company's strategy of holding these investments for long-term purposes.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Current</u>			
Time deposits with original maturities of more than 3 months	<u>\$ 2,663,186</u>	<u>\$ 1,728,070</u>	<u>\$ 3,502,009</u>
<u>Non-current</u>			
Time deposits with original maturities of more than 3 months	<u>\$ 303,968</u>	<u>\$ -</u>	<u>\$ -</u>

The ranges of interest rates for time deposits with original maturities of more than 3 months were 0.15%~4.13%, 0.35%~4.13%, and 0.56%~3.80% per annum as of March 31, 2021, December 31, 2020, and March 31, 2020, respectively.

10. NOTE RECEIVABLES, TRADE RECEIVABLES, AND OTHER RECEIVABLES

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Notes receivable</u>			
Operating	\$ 26,684	\$ 3,154	\$ 12,798
<u>Trade receivables - related parties</u>			
At amortized cost			
Gross carrying amount	\$ 5,179,586	\$ 6,328,068	\$ 4,620,466
Less: Allowance for impairment loss	(24,946)	(32,487)	(28,029)
	<u>\$ 5,154,640</u>	<u>\$ 6,295,581</u>	<u>\$ 4,592,437</u>
<u>Other receivables - related parties</u>			
Accrued income	\$ 22,673	\$ 19,033	\$ 18,920
Receivables from payments on behalf of others	3,171	3,259	2,290
Receivables from promotion subsidy	2,421	19,543	21,335
Others	196,126	182,535	223,786
	<u>\$ 224,391</u>	<u>\$ 224,370</u>	<u>\$ 266,331</u>

The Group's credit period for commodity sales averages 30~90 days. To minimize credit risk, the management of the combined company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the combined company reviews the recoverable amount of each individual receivable on the balance sheet date to ensure that adequate allowances are made for possible irrecoverable amounts.

The combined company adopts the simplified approach of IFRS 9 to measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (ECLs). The combined company performs assessment using the three forward-looking factors, i.e., industrial index of the customer, GDP growth rate and unemployment rate, as the ECL rate.

When there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, the credit risk management department of the combined company would continue to engage in enforcement activity in compliance with laws and regulations. The trade receivable will be written off when the amount due is collected.

The following table details the loss allowance of notes and trade receivables of the Group.

March 31, 2021

	Not Pass Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
ECL rate	0.05%	2.18%	4.57%	26.90%	44.54%	
Gross carrying amount	\$ 4,857,305	\$ 159,299	\$ 157,102	\$ 14,630	\$ 17,934	\$ 5,206,270
Loss allowance (Lifetime ECL)	(2,367)	(3,469)	(7,187)	(3,935)	(7,988)	(24,946)
Amortized cost	<u>\$ 4,854,938</u>	<u>\$ 155,830</u>	<u>\$ 149,915</u>	<u>\$ 10,695</u>	<u>\$ 9,946</u>	<u>\$ 5,181,324</u>

December 31, 2020

	Not Pass Due	Less than 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
ECL rate	0.01%	0.44%	2.97%	51.56%	96.04%	
Gross carrying amount	\$ 5,855,491	\$ 353,466	\$ 74,259	\$ 40,270	\$ 7,736	\$ 6,331,222
Loss allowance (Lifetime ECL)	(537)	(1,549)	(2,207)	(20,764)	(7,430)	(32,487)
Amortized cost	<u>\$ 5,854,954</u>	<u>\$ 351,917</u>	<u>\$ 72,052</u>	<u>\$ 19,506</u>	<u>\$ 306</u>	<u>\$ 6,298,735</u>

March 31, 2020

	Not Pass Due	Less than 30 Days	Overdue 31 ~ 90 days	Overdue 91 - 180 days	Overdue Over 180 Days	Total
ECL rate	0.03%	1.33%	2.68%	14.14%	54.16%	
Gross carrying amount	\$ 4,248,457	\$ 110,296	\$ 220,521	\$ 24,205	\$ 29,785	\$ 4,633,264
Loss allowance (Lifetime ECL)	(1,097)	(1,463)	(5,914)	(3,423)	(16,132)	(28,029)
Amortized cost	<u>\$ 4,247,360</u>	<u>\$ 108,833</u>	<u>\$ 214,607</u>	<u>\$ 20,782</u>	<u>\$ 13,653</u>	<u>\$ 4,605,235</u>

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

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Balance at January 1	\$ 32,487	\$ 20,933
Add: Net remeasurement of loss allowance	-	7,286
Less: Reversal impairment loss of current period	(4,012)	-
Less: Actual write-off for the current period	(3,141)	-
Foreign exchange translation gains and losses	(388)	(190)
Balance at March 31	<u>\$ 24,946</u>	<u>\$ 28,029</u>

11. FINANCE LEASE RECEIVABLES

The composition of finance lease receivables was as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Undiscounted lease payments			
Year 1	\$ 4,250	\$ 4,200	\$ 4,200
Year 2	4,800	4,700	4,250
Year 3	4,800	4,800	4,800
Year 4	4,800	4,800	4,800
Year 5	4,800	4,800	4,800
Year 6 onwards	<u>7,400</u>	<u>8,600</u>	<u>12,200</u>
	30,850	31,900	35,050
Less: Unearned finance income	(4,618)	(4,952)	(6,007)
Net investment in leases presented as finance lease receivables	<u>\$ 26,232</u>	<u>\$ 26,948</u>	<u>\$ 29,043</u>

As of March 31, 2021 no finance lease receivable was past due. The combined company has not recognized a loss allowance for finance lease receivables after taking into consideration the historical default experience and the future prospects of the industries in which the lessees operate, together with the value of collateral held over these finance lease receivables.

12. INVENTORIES

	March 31, 2021	December 31, 2020	March 31, 2020
Merchandise	\$ 554,287	\$ 640,373	\$ 553,518
Finished goods	1,359,141	1,977,416	1,167,098
Work in progress	1,036,330	350,629	625,742
Raw materials	2,453,391	2,092,141	1,619,334
Packing materials	<u>74,961</u>	<u>64,089</u>	<u>58,806</u>
	<u>\$ 5,478,110</u>	<u>\$ 5,124,648</u>	<u>\$ 4,024,498</u>

Cost of goods sold for the three months ended March 31, 2021 includes loss in inventory value of NT\$25,035 thousand and inventory obsolescence loss of NT\$5,080 thousand, respectively. Cost of goods sold for the three months ended March 31, 2020 includes loss in inventory value of NT\$9,999 thousand and inventory obsolescence loss of NT\$6,726 thousand.

13. PREPAYMENTS

	March 31, 2021	December 31, 2020	March 31, 2020
Prepayments for purchases	\$ 995,355	\$ 1,025,145	\$ 909,831
Prepayments for rent	8,367	5,274	9,267
Prepayments for insurance	12,741	980	12,983
Excess business tax paid	314,331	212,798	355,979
Prepayments for advertisements	17,291	19,490	12,147
Others	253,463	315,602	231,134
	<u>\$ 1,601,548</u>	<u>\$ 1,579,289</u>	<u>\$ 1,531,341</u>

14. SUBSIDIARIES

Subsidiaries included in consolidated financial statements.

Entities of the consolidated financial statements were as follows:

Investor Company	Name of Subsidiary	Main Business	Proportion of Ownership			Remark
			March 31, 2021	December 31, 2020	March 31, 2020	
The Company	Standard Dairy Products Taiwan Ltd. (Standard Dairy Products)*	Manufacture and sale of dairy products and beverages	100.0%	100.0%	100.0%	-
The Company	Charng Hui Ltd. (Charng Hui)*	Investing	100.0%	100.0%	100.0%	-
The Company	Domex Technology Corporation (Domex Technology)*	Manufacture and sale of computer peripherals and computer appliances	52.0%	52.0%	52.0%	-
The Company	Standard Beverage Company Ltd. (Standard Beverage)*	Manufacture and sale of beverages	100.0%	100.0%	100.0%	-
The Company	Accession Limited	Investing	100.0%	100.0%	100.0%	-
The Company	Standard Investment (Cayman) Limited (Cayman Standard)	Investing	100.0%	100.0%	100.0%	-
The Company	Le Bonta Wellness International Corporation (Le Bonta Wellness)*	Sale of health food	100.0%	100.0%	100.0%	The Company reduced its capital by NT\$8,397 thousand in March 2021.
The Company	Standard Foods, LLC. *	Sale of health food	100.0%	100.0%	-	The Company invested US\$300 thousand and set up Standard Foods, LLC. in June 2020.
Accession Limited	Shanghai Standard Foods Co., Ltd. (Shanghai Standard)	Manufacture and sale of edible oils and nutritious foods	100.0%	100.0%	100.0%	-
Accession Limited	Shanghai Le Ben De Health Technology Co., Ltd. (Shanghai Le Ben De)*	Technical consultant on health technology, technical transfer and technical service	100.0%	100.0%	100.0%	-
Accession Limited	Dermalab S.A. (Dermalab)*	Development and sale of cosmetics	100.0%	100.0%	100.0%	Accession Limited invested CHF 1,450 thousand in Dermalab in March 2021.
Dermalab	Swissderma SL (Swissderma)*	Sale of cosmetics	100.0%	100.0%	100.0%	-
Cayman Standard	Standard Corporation (Hong Kong) Limited (Hong Kong Standard)	Investing	100.0%	100.0%	100.0%	-
Hong Kong Standard	Standard Investment (China) Co., Ltd. (China Standard Investment)	Investing and sale of edible oils and nutritious foods	99.0%	99.0%	99.0%	-
Hong Kong Standard	Shanghai Le Min Industrial Co., Ltd. (Shanghai Le Min)*	Management of properties	100.0%	100.0%	100.0%	-
Hong Kong Standard	Shanghai Le Ho Industrial Co., Ltd. (Shanghai Le Ho)*	Management of properties	100.0%	100.0%	100.0%	-
China Standard Investment	Standard Foods (China) Co., Ltd. (China Standard Foods)	Manufacture and sale of edible oils and nutritious foods	100.0%	100.0%	100.0%	-
China Standard Investment	Shanghai Dermalab Corporation (Shanghai Dermalab)*	Sale of nutritional foods, cosmetic and engage in import and export business	100.0%	100.0%	100.0%	-
The Company and China Standard Investment	Le Bonta Wellness Co., Ltd. (Shanghai Le Bonta)*	Sale of nutritional foods and engage in import and export business	100.0%	100.0%	100.0%	-
China Standard Investment	Standard Foods (Xiamen) Co., Ltd. (Xiamen Standard)*	Manufacture and sale of edible oils and nutritious foods	100.0%	100.0%	100.0%	-

* It is a non-significant subsidiary, and its financial statements have not been reviewed by any CPA.

15. REAL ESTATE, PLANT, AND EQUIPMENT

	Freehold Land	Buildings	Equipment	Other equipment	Property in Construction and Equipment to Be Tested	Total
Cost						
Balance at January 1, 2020	\$ 702,405	\$ 4,078,150	\$ 4,069,198	\$ 561,938	\$ 138,888	\$ 9,550,579
Additions	-	326	1,290	613	56,436	58,665
Disposals	-	(7,201)	(31,077)	(8,192)	-	(46,470)
Reclassification	-	1,051	50,063	12,486	(63,600)	-
Effects of foreign currency exchange differences	-	(19,386)	(8,845)	(1,542)	(59)	(29,832)
Balance at March 31, 2020	<u>\$ 702,405</u>	<u>\$ 4,052,940</u>	<u>\$ 4,080,629</u>	<u>\$ 565,303</u>	<u>\$ 131,665</u>	<u>\$ 9,532,942</u>
Accumulated depreciation and impairment						
Balance at January 1, 2020	\$ -	\$ 1,269,679	\$ 2,730,217	\$ 425,371	\$ -	\$ 4,425,267
Disposals	-	(7,110)	(30,955)	(8,192)	-	(46,257)
Depreciation expenses	-	43,018	68,043	12,406	-	123,467
Effects of foreign currency exchange differences	-	(3,469)	(3,815)	(1,101)	-	(8,385)
Balance at March 31, 2020	<u>\$ -</u>	<u>\$ 1,302,118</u>	<u>\$ 2,763,490</u>	<u>\$ 428,484</u>	<u>\$ -</u>	<u>\$ 4,494,092</u>
Carrying amount at March 31, 2020	<u>\$ 702,405</u>	<u>\$ 2,750,822</u>	<u>\$ 1,317,139</u>	<u>\$ 136,819</u>	<u>\$ 131,665</u>	<u>\$ 5,038,850</u>
Cost						
Balance at January 1, 2021	\$ 705,345	\$ 3,392,715	\$ 4,168,193	\$ 574,828	\$ 127,003	\$ 8,968,084
Additions	-	-	481	286	82,419	83,186
Disposals	-	(769)	(18,756)	(879)	-	(20,404)
Reclassification	-	16,599	48,127	4,355	(69,081)	-
Reclassified as investment properties	-	(6,141)	-	-	-	(6,141)
Effects of foreign currency exchange differences	-	(10,026)	(6,308)	(1,839)	(399)	(18,572)
Balance at March 31, 2021	<u>\$ 705,345</u>	<u>\$ 3,392,378</u>	<u>\$ 4,191,737</u>	<u>\$ 576,751</u>	<u>\$ 139,942</u>	<u>\$ 9,006,153</u>
Accumulated depreciation and impairment						
Balance at January 1, 2021	\$ -	\$ 1,410,765	\$ 2,914,753	\$ 440,921	\$ -	\$ 4,766,439
Disposals	-	(745)	(17,576)	(877)	-	(19,198)
Depreciation expenses	-	40,149	67,930	10,986	-	119,065
Reclassified as investment properties	-	(560)	-	-	-	(560)
Effects of foreign currency exchange differences	-	(2,963)	(3,140)	(1,240)	-	(7,343)
Balance at March 31, 2021	<u>\$ -</u>	<u>\$ 1,446,646</u>	<u>\$ 2,961,967</u>	<u>\$ 449,790</u>	<u>\$ -</u>	<u>\$ 4,858,403</u>
Carrying amount at December 31, 2020 and January 1, 2021	<u>\$ 705,345</u>	<u>\$ 1,981,950</u>	<u>\$ 1,253,440</u>	<u>\$ 133,907</u>	<u>\$ 127,003</u>	<u>\$ 4,201,645</u>
Carrying amount at March 31, 2021	<u>\$ 705,345</u>	<u>\$ 1,945,732</u>	<u>\$ 1,229,770</u>	<u>\$ 126,961</u>	<u>\$ 139,942</u>	<u>\$ 4,147,750</u>

From January 1, 2021 to March 31, 2021 and from January 1, 2020 to March 31, 2020, there were no signs of impairment, so the combined company did not conduct any impairment assessment.

Depreciation expenses were recognized on a straight-line basis over the following estimated useful lives of the assets:

Buildings	
Main buildings	20 ~ 51 years
Electrical and mechanical equipment	8 ~ 20 years
Engineering system	3 ~ 39 years
Others	3 ~ 20 years
Equipment	
Main equipment	2 ~ 20 years
Engineering system	3 ~ 20 years
Others	3 ~ 15 years
Other equipment	2 ~ 15 years

For the amount of real estate, plant, and equipment pledged as collateral, refer to Notes 33.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Carrying amounts			
Land	\$ 394,266	\$ 399,166	\$ 399,313
Buildings	203,364	218,696	264,546
Office equipment	421	444	373
Transportation equipment	<u>6,523</u>	<u>8,134</u>	<u>9,832</u>
	<u>\$ 604,574</u>	<u>\$ 626,440</u>	<u>\$ 674,064</u>
		January 1, 2021 to	January 1, 2020 to
		March 31	March 31
Additions to right-of-use assets		<u>\$ 31,710</u>	<u>\$ 2,602</u>
Depreciation charge for right-of-use assets			
Land		\$ 3,122	\$ 3,094
Buildings		18,342	19,659
Office equipment		24	17
Transportation equipment		<u>856</u>	<u>741</u>
		<u>\$ 22,344</u>	<u>\$ 23,511</u>

b. Lease liabilities

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Carrying amounts			
Current	<u>\$ 80,491</u>	<u>\$ 77,782</u>	<u>\$ 80,428</u>
Non-current	<u>\$ 169,911</u>	<u>\$ 200,191</u>	<u>\$ 234,057</u>

Range of discount rate for lease liabilities was as follows:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Land	1.07%~1.49%	1.07%~1.49%	1.07%~1.49%
Buildings	1.07%~4.35%	1.07%~4.35%	1.07%~4.35%
Office equipment	1.07%	1.07%	1.07%
Transportation equipment	1.07%~3.77%	1.07%~3.77%	1.07%~12.04%

c. Material leasing activities and terms

The combined company leases land, buildings, and transportation equipment for the use of plants, offices and business cars with lease terms of 1 to 50 years. The combined company does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the combined company is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

Lease arrangements under operating leases for leasing out the investment properties are set out in Notes 17. Lease arrangements for leasing out the assets under finance leases are set out in Notes 11.

	March 31, 2021	December 31, 2020	March 31, 2020
Expenses relating to short-term leases	<u>\$ 29,897</u>	<u>\$ 92,994</u>	<u>\$ 22,148</u>
Expenses relating to low-value asset leases	<u>\$ 791</u>	<u>\$ 1,144</u>	<u>\$ 286</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 20</u>	<u>\$ 77</u>	<u>\$ 20</u>
Total cash outflow for leases	<u>(\$ 64,744)</u>	<u>(\$ 192,131)</u>	<u>(\$ 59,564)</u>

The combined company leases certain office equipment, production assets, and sale premises that qualify as short-term leases. The combined company has elected to apply for the recognition exemption and, thus, did not recognize right-of-use assets and lease liabilities for these leases.

17. INVESTMENT PROPERTY

	Completed Investment Properties	Right-of-use assets	Total
<u>Cost</u>			
Balance at January 1, 2020	\$ 241,711	\$ 5,548	\$ 247,259
Effects of foreign currency exchange differences	(<u>619</u>)	(<u>40</u>)	(<u>659</u>)
Balance at March 31, 2020	<u>\$ 241,092</u>	<u>\$ 5,508</u>	<u>\$ 246,600</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2020	\$ 124,434	\$ 333	\$ 124,767
Depreciation expenses	536	109	645
Effects of foreign currency exchange differences	(<u>555</u>)	(<u>3</u>)	(<u>558</u>)
Balance at March 31, 2020	<u>\$ 124,415</u>	<u>\$ 439</u>	<u>\$ 124,854</u>
Carrying amount at March 31, 2020	<u>\$ 116,677</u>	<u>\$ 5,069</u>	<u>\$ 121,746</u>
<u>Cost</u>			
Balance at January 1, 2021	\$ 1,009,740	\$ 5,635	\$ 1,015,375
From property, plant and equipment	6,141	-	6,141
Effects of foreign currency exchange differences	(<u>4,375</u>)	(<u>28</u>)	(<u>4,403</u>)
Balance at March 31, 2021	<u>\$ 1,011,506</u>	<u>\$ 5,607</u>	<u>\$ 1,017,113</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2021	\$ 169,797	\$ 781	\$ 170,578
Depreciation expenses	9,509	110	9,619
From property, plant and equipment	560	-	560
Effects of foreign currency exchange differences	(<u>693</u>)	(<u>4</u>)	(<u>697</u>)
Balance at March 31, 2021	<u>\$ 179,173</u>	<u>\$ 887</u>	<u>\$ 180,060</u>
Carrying amount at December 31, 2020 and January 1, 2021	<u>\$ 839,943</u>	<u>\$ 4,854</u>	<u>\$ 844,797</u>
Carrying amount at March 31, 2021	<u>\$ 832,333</u>	<u>\$ 4,720</u>	<u>\$ 837,053</u>

The investment properties held by the Group are depreciated using the straight-line basis over the following estimated useful lives:

Buildings	
Main buildings	35-51 years
Electrical and mechanical equipment	24-25 years
Engineering system	28 years
Right-of-use assets	49 years
Others	24 years

The fair values of the investment properties were \$1,092,945 thousand, \$1,146,959 thousand, and \$209,358 thousand as of March 31, 2021, December 31, 2020 and March 31, 2020, respectively. In the absence of hiring independent appraiser, the management of the combined company determined the fair value with reference to market transaction prices of similar properties.

All of the combined company's investment properties are held under freehold interests. For the amount of investment real estate set by the combined company as a loan guarantee, please refer to Notes 33.

18. INTANGIBLE ASSETS

	<u>Trademark</u>	<u>Computer software</u>	<u>Total</u>
<u>Cost</u>			
Balance at January 1, 2020	\$ 227,260	\$ 239,713	\$ 466,973
Additions	-	1,287	1,287
Disposals	-	(28,621)	(28,621)
Effects of foreign currency exchange differences	(378)	107	(271)
Balance at March 31, 2020	<u>\$ 226,882</u>	<u>\$ 212,486</u>	<u>\$ 439,368</u>
<u>Accumulated amortization and impairment</u>			
Balance at January 1, 2020	\$ 163,442	\$ 236,262	\$ 399,704
Disposals	-	(28,621)	(28,621)
Amortization expenses	1,285	502	1,787
Effects of foreign currency exchange differences	(1,140)	109	(1,031)
Balance at March 31, 2020	<u>\$ 163,587</u>	<u>\$ 208,252</u>	<u>\$ 371,839</u>
Carrying amount at March 31, 2020	<u>\$ 63,295</u>	<u>\$ 4,234</u>	<u>\$ 67,529</u>
<u>Cost</u>			
Balance at January 1, 2021	\$ 261,737	\$ 225,239	\$ 486,976
Additions	59	6,668	6,727
Disposals	(185)	-	(185)
Effects of foreign currency exchange differences	(3,276)	(4)	(3,280)
Balance at March 31, 2021	<u>\$ 258,335</u>	<u>\$ 231,903</u>	<u>\$ 490,238</u>
<u>Accumulated amortization and impairment</u>			
Balance at January 1, 2021	\$ 170,665	\$ 210,920	\$ 381,585
Disposals	(185)	-	(185)
Amortization expenses	1,316	2,140	3,456
Effects of foreign currency exchange differences	1,976	(4)	1,972
Balance at March 31, 2021	<u>\$ 173,772</u>	<u>\$ 213,056</u>	<u>\$ 386,828</u>
Carrying amount at December 31, 2020 and January 1, 2021	<u>\$ 91,072</u>	<u>\$ 14,319</u>	<u>\$ 105,391</u>
Carrying amount at March 31, 2021	<u>\$ 84,563</u>	<u>\$ 18,847</u>	<u>\$ 103,410</u>

From January 1, 2021 to March 31, 2021 and from January 1, 2020 to March 31, 2020, there were no signs of impairment, so the combined company did not conduct any impairment assessment.

Amortization expenses are calculated on a straight-line basis over the following useful lives:

Trademark	10-20 years
Computer software	2-3 years

19. OTHER ASSETS

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Current</u>			
Pledged bank time deposits (Note 33)	\$ 4,016	\$ 4,016	\$ 4,013
Advances to officers	16,430	24,291	13,369
Temporary payments	8,623	10,094	8,281
Right of products to be returned	72,483	25,320	-
Others	<u>760</u>	<u>123</u>	<u>338</u>
	<u>\$ 102,312</u>	<u>\$ 63,844</u>	<u>\$ 26,001</u>
<u>Non-current</u>			
Prepayments for equipment	\$ 19,503	\$ 24,737	\$ 2,750
Refundable deposits	110,640	56,259	54,322
Pledged bank time deposits (Note 33)	-	-	85,320
Others	<u>116,596</u>	<u>115,467</u>	<u>107,233</u>
	<u>\$ 246,739</u>	<u>\$ 196,463</u>	<u>\$ 249,625</u>

20. BORROWINGS

a. Short-term borrowings

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Secured borrowings (Note 33)</u>			
Bank loans	\$ 150,000	\$ 180,000	\$ 100,000
Trade receivables financing	-	-	404,112
<u>Unsecured borrowings</u>			
Bank loans	1,238,323	1,650,614	1,492,228
Other loans	<u>15,137</u>	<u>16,153</u>	<u>-</u>
	<u>\$ 1,403,460</u>	<u>\$ 1,846,767</u>	<u>\$ 1,996,340</u>

The annual interest rates of the aforementioned short-term borrowings or financing are 0.95%~3.20%, 0.95%~3.20%, and 0.95%~4.35% on March 31, 2021, December 31, and March 31, 2020, respectively.

b. Short-term bills payable

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Commercial paper payable	\$ 100,000	\$ 130,000	\$ 50,000
Less: Discount on short-term bills payable	(<u>81</u>)	(<u>131</u>)	<u>-</u>
	<u>\$ 99,919</u>	<u>\$ 129,869</u>	<u>\$ 50,000</u>

The annual interest rates payable to commercial promissory notes as of March 31, 2021, December 31, and March 31, 2020 are 1.19%~1.29%, 1.19%~1.29%, and 1.36%, respectively.

21. NOTES PAYABLE AND TRADE PAYABLES

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Notes payable</u>			
Operating	\$ 92,145	\$ 90,288	\$ 455,166
Non-operating	-	45	-
	<u>\$ 92,145</u>	<u>\$ 90,333</u>	<u>\$ 455,166</u>
 <u>Trade payables - related parties</u>			
Operating	<u>\$ 1,522,075</u>	<u>\$ 2,107,188</u>	<u>\$ 1,346,175</u>

The average credit period of payables for purchases of goods was 30-90 days. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

22. OTHER LIABILITIES

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Current</u>			
Other payables - related parties			
Payable for salaries or bonuses	\$ 267,398	\$ 368,144	\$ 233,715
Payable for compensation of employees	58,713	49,921	45,172
Payable for remuneration to directors	25,834	21,965	29,649
Payable for commission and rebates	1,232,504	1,234,532	837,940
Advertisement payable	193,410	226,393	142,668
Payable for royalties	24,209	23,682	24,542
Payable for freight	123,610	116,854	88,611
Payable for equipment	70,958	86,794	76,977
Others	1,214,193	1,313,973	961,967
	<u>\$ 3,210,829</u>	<u>\$ 3,442,258</u>	<u>\$ 2,441,241</u>
 Other liabilities			
Advance receipts from customers	\$ 2,592	\$ 2,430	\$ 1,689
Refund liability	113,729	41,596	17,221
Others	22,017	50,082	26,657
	<u>\$ 138,338</u>	<u>\$ 94,108</u>	<u>\$ 45,567</u>
 <u>Non-current</u>			
Other liabilities			
Guarantee deposits	\$ 25,455	\$ 19,990	\$ 20,048
Others	122	130	2,406
	<u>\$ 25,577</u>	<u>\$ 20,120</u>	<u>\$ 22,454</u>

The combined company accepts returns of sold goods according to the business practices. Taking into account the accumulated experience in the past, the Company and its mainland subsidiaries estimate the return rate based on the most probable amount, and recognize the return liability (other current liabilities in the account) and related pending returns. Product rights (other current assets are accounted for).

23. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Group's defined benefit retirement plans for the three months ended March 31, 2021 and 2020 were \$4,115 thousand and \$2,871 thousand by the actuarially determined pension cost discount rate as of December 31, 2020 and 2019, respectively.

24. EQUITY

a. Share capital

1) Ordinary shares

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Number of shares authorized (in thousands)	<u>920,000</u>	<u>920,000</u>	<u>920,000</u>
Shares authorized	<u>\$ 9,200,000</u>	<u>\$ 9,200,000</u>	<u>\$ 9,200,000</u>
Number of shares issued and fully paid (in thousands)	<u>915,089</u>	<u>915,089</u>	<u>915,089</u>
Shares issued	<u>\$ 9,150,897</u>	<u>\$ 9,150,897</u>	<u>\$ 9,150,897</u>

2) Global depositary receipts

As of March 31, 2021, a total of 6,908.4 units of Global Depositary Receipts (GDRs) (representing 34,542 shares of the Company's ordinary shares), where each GDR representing 5 shares of the Company's ordinary shares, were traded on the Euro MTF Market of the Luxembourg Stock Exchange. Holders of the GDRs may request at any time to have their GDRs be converted into corresponding ordinary shares.

b. Capital surplus

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)</u>			
Difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	\$ 1	\$ 1	\$ 1
Treasury share transactions	126,925	126,925	109,251
<u>May only be used to offset a deficit</u>			
Changes in percentage of ownership interests in subsidiaries (2)	<u>466</u>	<u>466</u>	<u>466</u>
	<u>\$ 127,392</u>	<u>\$ 127,392</u>	<u>\$ 109,718</u>

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).
- 2) Such capital surplus arises from the effect of changes in ownership interests in subsidiaries that result from equity transactions other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Articles of Incorporation, where the Company made profit in a fiscal year, the profit shall be appropriated, less any paying taxes and deficit, 10% thereof as legal reserve, special reserve provided or reversed in accordance with the regulations, and 30% to 100% of the sum of the remainder and prior years' unappropriated earnings as dividends. The Company's Articles of Incorporation also prescribe that 30% to 100% of dividends shall be paid in cash; however, if the Company has major investment plans for which external funds are not available, the percentage may be lowered to 5% to 20%. The distribution plan shall be proposed by the Company's board of directors and resolved in the shareholders' meeting for distribution of dividends and bonus to shareholders. For the policies on distribution of the compensation of employees and remuneration of directors in the Articles of Incorporation, please refer to Notes 26(i) "employees' compensation and remuneration of directors."

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

The board of directors and shareholders' meetings proposed and resolved the distribution of earnings for years ended December 31, 2020 and 2019 on March 22, 2021 and June 16, 2020 as follows:

	2020	2019
Legal reserve	\$ 319,167	\$ 341,610
Special reserve	\$ -	\$ 246,549
Cash dividends	\$ 2,287,724	\$ 2,424,987
Cash dividends per share (NT\$)	\$ 2.5	\$ 2.65

The distribution of earnings for 2020 is subject to the resolution of the Stockholders' meeting to be held on June 11, 2021.

d. Special reserve

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Beginning and ending balance	\$ 577,494	\$ 330,945

Appropriation for special reserve should be made in the amount equal to the net debit balance of other equity at the end of the reporting period. If there is a subsequent reversal of the net deduction of other shareholders' equity, the special reserve reversed may be reverted to distribute the surplus.

e. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Balance at January 1	(\$ 572,206)	(\$ 693,038)
Recognized for the year		
Exchange differences on translating the financial statements of foreign operations	(45,587)	(45,855)
Other comprehensive income for the period	(45,587)	(45,855)
Balance at March 31	(\$ 617,793)	(\$ 738,893)

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

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Balance at January 1	\$ 216,714	\$ 115,544
Recognized for the year		
Unrealized gain (loss)		
equity instruments	106,790	(72,728)
Other comprehensive income for the period	106,790	(72,728)
Balance at March 31	<u>\$ 323,504</u>	<u>\$ 42,816</u>

f. Non-controlling interests

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Balance at January 1	\$ 331,139	\$ 272,564
Net profit (Loss)	6,467	(1,999)
Other comprehensive income for the period		
Exchange differences on translating the financial		
statements of foreign operations	(232)	(295)
Unrealized gain (loss) on financial assets at		
FVTOCI	29,716	(11,575)
Balance at March 31	<u>\$ 367,090</u>	<u>\$ 258,695</u>

g. Treasury shares

Purpose of Buy-back	Shares Held by Subsidiaries (In Thousands of Shares)
Number of shares for the three months ended March 31, 2020	<u>6,669</u>
Number of shares for the three months ended March 31, 2021	<u>6,669</u>

For the purpose of maintaining the Company's credit and shareholders' equity, the Company's shares held by its subsidiaries at the end of the reporting periods were as follows:

Name of Subsidiary	Number of shares held (thousand shares)	Carrying Amount	Market Price
<u>March 31, 2021</u>			
Charng Hui	6,669	<u>\$ 21,182</u>	<u>\$ 390,831</u>
<u>December 31, 2020</u>			
Charng Hui	6,669	<u>\$ 21,182</u>	<u>\$ 408,839</u>
<u>March 31, 2020</u>			
Charng Hui	6,669	<u>\$ 21,182</u>	<u>\$ 406,838</u>

The Company's shares held by subsidiaries were treated as treasury shares, aside from the rights to participate in any share issuance for cash and to vote, the rest were similar to general shareholder's rights.

25. REVENUE

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Revenue from contracts with customers		
Sale of goods	<u>\$ 8,269,002</u>	<u>\$ 6,671,433</u>

a. Contract balances

	March 31, 2021	December 31, 2020	March 31, 2020	January 1, 2020
Notes receivable (Note 10)	<u>\$ 26,684</u>	<u>\$ 3,154</u>	<u>\$ 12,798</u>	<u>\$ 2,977</u>
Trade receivables (Note 10)	<u>\$ 5,154,640</u>	<u>\$ 6,295,581</u>	<u>\$ 4,592,437</u>	<u>\$ 6,439,550</u>
Trade receivables from related parties (Note 10)	<u>\$ 5,865</u>	<u>\$ 9,011</u>	<u>\$ 5,312</u>	<u>\$ -</u>
Contract liabilities - Current				
Sale of goods	<u>\$ 267,239</u>	<u>\$ 748,044</u>	<u>\$ 322,688</u>	<u>\$ 326,644</u>

b. Disaggregation of revenue

For the Three Months Ended March 31, 2021

	Reportable Segments			
	Nutritious Foods	Cooking products Food	Others	Total
<u>Types of goods or services</u>				
Sale of goods	<u>\$ 3,023,255</u>	<u>\$ 4,117,601</u>	<u>\$ 1,128,146</u>	<u>\$ 8,269,002</u>

For the Three Months Ended March 31, 2020

	Reportable Segments			
	Nutritious Foods	Cooking products Food	Others	Total
<u>Types of goods or services</u>				
Sale of goods	<u>\$ 3,012,100</u>	<u>\$ 3,107,522</u>	<u>\$ 551,811</u>	<u>\$ 6,671,433</u>

26. NET PROFIT

Net profit includes:

a. Interest income

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Interest income		
Bank deposits	\$ 15,044	\$ 17,108
Financial assets at amortized cost	15,927	14,951
Repurchase agreements collateralized by bonds	-	386
Others	320	360
	<u>\$ 31,291</u>	<u>\$ 32,805</u>

b. Other income

	<u>For the Three Months Ended March 31, 2021</u>	<u>For the Three Months Ended March 31, 2020</u>
Operating lease rental income		
Investment properties	\$ 8,270	\$ 7,032
Others	<u>269</u>	<u>268</u>
	<u>8,539</u>	<u>7,300</u>
Dividend income		
Investments in equity instruments at FVTOCI	<u>225</u>	<u>225</u>
	<u>\$ 8,764</u>	<u>\$ 7,525</u>

c. Other profits and losses

	<u>For the Three Months Ended March 31, 2021</u>	<u>For the Three Months Ended March 31, 2020</u>
Gains and losses of financial assets and financial liabilities		
Financial assets mandatorily classified as FVTPL	(\$ 18,905)	(\$ 5,116)
Net foreign exchange gains (losses)	(10,526)	7,051
Net gains (losses) on disposal of property, plant and equipment	(766)	1,376
Government grants	3,671	6,745
Others	<u>2,997</u>	<u>(7,350)</u>
	<u>(\$ 23,529)</u>	<u>\$ 2,706</u>

d. Finance cost

	<u>For the Three Months Ended March 31, 2021</u>	<u>For the Three Months Ended March 31, 2020</u>
Interest on bank loans	\$ 9,107	\$ 11,898
Interest on short-term bills payable	237	241
Interest on lease liabilities	2,172	2,657
Other interest expenses	<u>9</u>	<u>12</u>
	<u>\$ 11,525</u>	<u>\$ 14,808</u>

e. Derogation loss (or reversal)

	<u>For the Three Months Ended March 31, 2021</u>	<u>For the Three Months Ended March 31, 2020</u>
Trade receivables - related parties	(\$ 4,012)	\$ 7,286
Inventories (included in operating costs)	<u>\$ 25,035</u>	<u>\$ 9,999</u>

f. Depreciation and amortization

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
An analysis of depreciation by function		
OPERATING COSTS	\$ 100,541	\$ 99,209
Operating expenses	40,868	47,769
Non-operating revenue and expenses	<u>9,619</u>	<u>645</u>
	<u>\$151,028</u>	<u>\$ 147,623</u>
An analysis of amortization by function		
OPERATING COSTS	\$ 6,630	\$ 4,927
Operating expenses	<u>13,423</u>	<u>8,818</u>
	<u>\$ 20,053</u>	<u>\$ 13,745</u>

g. Operating expenses directly related to investment properties

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Direct operating expenses of investment properties		
Direct operating expenses of investment properties that generated rental income	\$ 364	\$ 177
Direct operating expenses of investment properties that did not generated rental income	<u>145</u>	<u>144</u>
	<u>\$ 509</u>	<u>\$ 321</u>

h. Employee benefit expenses

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Post-employment benefits		
Defined contribution plans	\$ 37,718	\$ 27,616
Defined benefit plans (Note 23)	<u>4,115</u>	<u>2,871</u>
	41,833	30,487
Other employee benefits	<u>686,500</u>	<u>609,147</u>
Total employee benefit expenses	<u>\$ 728,333</u>	<u>\$ 639,634</u>
An analysis of employee benefit expenses by function		
OPERATING COSTS	\$ 205,011	\$ 206,648
Operating expenses	<u>523,322</u>	<u>432,986</u>
	<u>\$ 728,333</u>	<u>\$ 639,634</u>

i. Employees' compensation and remuneration of directors

According to the Company's Articles, the Company accrued employees' compensation and remuneration of directors at rates of no less than 0.5% and no higher than 0.75%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. Compensation to employees and remuneration to directors for the three months ended March 31, 2021 and 2020 are as follows:

Accrual rate

	<u>For the Three Months Ended March 31, 2021</u>	<u>For the Three Months Ended March 31, 2020</u>
Compensation of employees	1.25%	0.92%
Remuneration of directors	0.55%	0.61%

Amount

	<u>For the Three Months Ended March 31, 2021</u>	<u>For the Three Months Ended March 31, 2020</u>
Compensation of employees	\$ 8,792	\$ 6,950
Remuneration of directors	\$ 3,869	\$ 4,575

If there is a change in the amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in the accounting estimate and will be adjusted in the coming year.

Remunerations for employees and directors for 2020 and 2019 were resolved by the Board of Directors on March 22, 2021 and March 18, 2020, respectively.

	<u>2020</u>	<u>2019</u>
	<u>Cash</u>	<u>Cash</u>
Compensation of employees	\$ 49,921	\$ 52,013
Remuneration of directors	21,965	25,073

The amounts of employee and directors' compensation distributed for the years ended December 31, 2020 and 2019 and those recognized in the consolidated financial statements are consistent.

Information on compensation to employees and remuneration to directors approved by the Board of Directors is available at the Market Observation Post System website of Taiwan Stock Exchange.

j. Profit or loss on foreign currency exchange

	<u>For the Three Months Ended March 31, 2021</u>	<u>For the Three Months Ended March 31, 2020</u>
Foreign exchange gains	\$ 23,877	\$ 21,665
Foreign exchange losses	(34,403)	(14,614)
Net gains (losses)	(\$ 10,526)	\$ 7,051

27. INCOME TAX

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	<u>For the Three Months Ended March 31, 2021</u>	<u>For the Three Months Ended March 31, 2020</u>
Current tax		
In respect of the current year	\$201,898	\$208,466
Additional tax on undistributed earnings	323	-
Adjustments from previous years	1,543	-
	<u>203,764</u>	<u>208,466</u>
Deferred tax		
In respect of the current year	(50,014)	(48,645)
Income tax expense recognized in profit or loss	<u>\$ 153,750</u>	<u>\$ 159,821</u>

b. Income tax recognized in other comprehensive income

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
<u>Deferred tax</u>		
Recognized for the year		
- Exchange differences of foreign operations	(\$ 11,397)	(\$ 11,463)
- Unrealized gain (loss) on financial assets at FVTOCI	<u>4</u>	<u>4</u>
Income tax recognized in other comprehensive income	(<u>\$ 11,393</u>)	(<u>\$ 11,459</u>)

c. Income tax assessments

The income tax returns of the Company for the year ended December 31, 2018 had been assessed by the tax authorities.

The income tax returns of Standard Dairy Products, Charng Hui, Standard Beverage, Le Bonta Wellness International, and Domex Technology for the year ended December 31, 2019 had been assessed by the tax authorities.

28. EARNINGS PER SHARE EARNINGS PER SHARE

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Basic earnings per share	<u>\$ 0.62</u>	<u>\$ 0.67</u>
Diluted earnings per share	<u>\$ 0.62</u>	<u>\$ 0.67</u>

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

NET PROFIT FOR THE PERIOD

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Net profit used in the computation of basic and diluted earnings per share	<u>\$ 564,969</u>	<u>\$ 609,486</u>

Shares

	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
		Unit: Thousand shares
Weighted average number of ordinary shares used in computation of basic earnings per share	908,420	908,420
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>953</u>	<u>1,002</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>909,373</u>	<u>909,422</u>

If the Company offered to settle compensation paid to employees in cash or shares, the Company assumed the entire amount of the compensation would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

29. INFORMATION ON CASH FLOWS

Changes in liabilities arising from financing activities:

For the Three Months Ended March 31, 2021

	January 1, 2021	Cash Flows	Non-cash flow Adjustment of changes in exchange rates	March 31, 2021
Short-term borrowings	\$ 1,846,767	(\$ 438,158)	(\$ 5,149)	\$ 1,403,460
Short-term bills payable	129,869	(29,950)	-	99,919
Lease liabilities	277,973	(31,864)	4,293	250,402
Guarantee deposits	19,990	5,594	(129)	25,455
Other non-current liabilities	130	-	(8)	122
	<u>\$ 2,274,729</u>	<u>(\$ 494,378)</u>	<u>(\$ 993)</u>	<u>\$ 1,779,358</u>

For the Three Months Ended March 31, 2020

	January 1, 2020	Cash Flows	Non-cash flow Adjustment of changes in exchange rates	March 31, 2020
Short-term borrowings	\$ 1,382,955	\$ 631,377	(\$ 17,992)	\$ 1,996,340
Short-term bills payable	99,968	(49,968)	-	50,000
Long-term borrowings	6,000	(6,000)	-	-
Lease liabilities	347,615	(34,453)	1,323	314,485
Guarantee deposits	20,044	117	(113)	20,048
Other non-current liabilities	2,934	(565)	37	2,406
	<u>\$ 1,859,516</u>	<u>\$ 540,508</u>	<u>(\$ 16,745)</u>	<u>\$ 2,383,279</u>

30. CAPITAL RISK MANAGEMENT

The combined company's capital management objective is to ensure financial resources are available and operating plans are in place for working capital, capital expenditures, research and development expenses, repay liabilities and dividend disbursement, etc. in the next 12 months. The combined company manages its capital to ensure that entities in the combined company will be able to continue as going concerns while maximizing the return to shareholders through the optimization of debt and equity balance.

31. FINANCIAL INSTRUMENTS

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

1) Fair value hierarchy

March 31, 2021

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Unlisted shares	\$ -	\$ -	\$ 10,261	\$ 10,261
Mutual fund beneficiary certification	2,362,495	-	-	2,362,495
Debt securities	-	29,094	-	29,094
Total	<u>\$2,362,495</u>	<u>\$ 29,094</u>	<u>\$ 10,261</u>	<u>\$2,401,850</u>

(Continued)

(Continued from the previous page)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
- Listed shares and emerging market shares	\$ 386,043	\$ -	\$ -	\$ 386,043
- Unlisted shares	-	-	267,123	267,123
Total	<u>\$ 386,043</u>	<u>\$ -</u>	<u>\$ 267,123</u>	<u>\$ 653,166</u>

December 31, 2020

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Unlisted shares	\$ -	\$ -	\$ 10,666	\$ 10,666
Mutual fund beneficiary certification	1,461,304	-	-	1,461,304
Debt securities	-	29,032	-	29,032
Total	<u>\$1,461,304</u>	<u>\$ 29,032</u>	<u>\$ 10,666</u>	<u>\$1,501,002</u>

Financial assets at FVTOCI

Investments in equity instruments				
- Listed shares and emerging market shares	\$ 311,908	\$ -	\$ -	\$ 311,908
- Unlisted shares	-	-	204,755	204,755
Total	<u>\$ 311,908</u>	<u>\$ -</u>	<u>\$ 204,755</u>	<u>\$ 516,663</u>

March 31, 2020

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Unlisted shares	\$ -	\$ -	\$ 5,328	\$ 5,328
Mutual fund beneficiary certification	1,450,402	-	-	1,450,402
Debt securities	-	30,790	-	30,790
Total	<u>\$1,450,402</u>	<u>\$ 30,790</u>	<u>\$ 5,328</u>	<u>\$1,486,520</u>

Financial assets at FVTOCI

Investments in equity instruments				
- Listed shares and emerging market shares	\$ 194,848	\$ -	\$ -	\$ 194,848
- Unlisted shares	-	-	97,249	97,249
Total	<u>\$ 194,848</u>	<u>\$ -</u>	<u>\$ 97,249</u>	<u>\$ 292,097</u>

For the three months ended March 31, 2021 and 2020, there was no transfer between Level 1 and Level 2 fair value measurement.

2) Reconciliation of financial instruments at Level 3 fair value measurement

For the Three Months Ended March 31, 2021

Financial assets	Financial assets at FVTPL	Financial assets at FVTOCI	Total
	equity instruments	equity instruments	
Balance at January 1	\$ 10,666	\$ 204,755	\$ 215,421
Recognized in profit or loss (included in other gains and losses)	(405)	-	(405)
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	-	62,373	62,373
Impact of exchange rates	-	(5)	(5)
Balance at March 31	<u>\$ 10,261</u>	<u>\$ 267,123</u>	<u>\$ 277,384</u>
Recognized in other gains and losses - unrealized	(\$ 405)		(\$ 405)

For the Three Months Ended March 31, 2020

Financial assets	Financial assets at FVTPL	Financial assets at FVTOCI	Total
	equity instruments	equity instruments	
Balance at January 1	\$ 7,575	\$ 124,055	\$ 131,630
Recognized in profit or loss (included in other gains and losses)	(2,247)	-	(2,247)
Recognized in other comprehensive income (included in unrealized gain (loss) on financial assets at FVTOCI)	-	(26,799)	(26,799)
Impact of exchange rates	-	(7)	(7)
Balance at March 31	<u>\$ 5,328</u>	<u>\$ 97,249</u>	<u>\$ 102,577</u>
Recognized in other gains and losses - unrealized	(\$ 2,247)		(\$ 2,247)

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

Financial Instrument	Valuation Technique and Inputs
Debt securities	Discounted cash flow: Future cash flows are discounted at a rate that reflects current borrowing interest rates of the bond issuers at the end of the reporting period.

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

The valuation techniques of unlisted shares with no active market are mostly the market and asset valuation methods.

The market method takes into account the market prices and status of object similar to the investment objects to measure the latter's fair value.

The asset method mainly takes into account the investment objects' net asset values for fair value measurement.

b. Categories of financial instruments

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Financial assets</u>			
Financial assets at FVTPL			
Mandatorily classified as at FVTPL	\$ 2,401,850	\$ 1,501,002	\$ 1,486,520
Financial assets at amortized cost			
(Note 1)	10,239,895	12,652,479	11,627,419
Financial assets at FVTOCI			
Investments in equity instruments	653,166	516,663	292,097
<u>Financial liabilities</u>			
Financial liabilities at amortized cost			
(Note 2)	3,236,023	4,304,650	3,973,285

Notes 1: The balance includes financial assets measured at amortized cost, such as cash and cash equivalents, debt instrument investments, note receivables, account receivables, other receivables, and other financial assets.

Notes 2: The balance includes short-term borrowings, short-term bills payable, note payable, trade payables and other financial liabilities, which are financial liabilities measured at amortized cost.

c. Financial risk management objectives and policies

The combined company's major financial instruments include cash and cash equivalents, equity and debt investments, mutual funds, trade receivables, trade payables, and borrowings. The combined company's Financial Department provides services to the business, coordinates access to financial markets, monitors and manages the financial risks relating to the operations of the combined company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk, and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (1) below) and interest rates (see (2) below).

a) Foreign currency risk

The combined company has monetary assets and monetary liabilities denominated in currencies other than the functional currency, which exposes it to foreign currency risk. The combined company monitors exchange rate fluctuations and takes appropriate actions to manage the exchange rate risk.

For the monetary assets and liabilities of the combined company denominated in non-functional currencies on the balance sheet date (including those written off in the consolidated financial statements), refer to Notes 35.

Sensitivity analysis

The combined company is mainly exposed to the fluctuation of RMB, USD, EUR, AUD and CHF.

The following table details the Group's sensitivity to a 3% increase or decrease in the functional currency against the relevant foreign currencies. A change of 3% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis used the outstanding foreign-currency denominated monetary items at the end of the reporting period and assumed the exchange rates at the end of the reporting period changed by 3%. The amount below indicates an increase (decrease) in pre-tax profit associated with the functional currency weakening by 3% against the relevant currency. For a 3% strengthening of the functional currency against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	RMB Impact		USD Impact	
	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Profit or loss	\$ 26,994 (i)	\$ 2,964 (i)	\$ 3,103 (ii)	\$ 27,603 (ii)

	EUR Impact		AUD Impact	
	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Profit or loss	\$ - (iii)	\$ 934 (iii)	\$ 847 (iv)	\$ 679 (iv)

	CHF Impact	
	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
Profit or loss	\$ 936 (v)	\$ 1,542 (v)

- i. This was mainly attributable to the outstanding RMB bank deposits which were not hedged at the end of the reporting period.
- ii. This was mainly attributable to the outstanding USD bank deposits, receivables and payables which were not hedged at the end of the reporting period.
- iii. Mainly derived from Euro-denominated bank deposits that were still outstanding at the company's balance sheet date and did not conduct cash flow hedging.
- iv. Mainly derived from the AUD-denominated bank deposits and receivables that were still outstanding at the company's balance sheet date and did not carry out cash flow hedging.
- v. This was mainly attributable to the outstanding CHF bank deposits and payables which were not hedged at the end of the reporting period.

b) Interest rate risk

The combined company was exposed to interest rate risk because entities in the combined company borrowed funds at both fixed and floating interest rates. The combined company pays attention to the fluctuations of interest rates in the market, and takes appropriate actions to manage the interest rate risk.

The carrying amounts of the combined company's financial assets and financial liabilities with exposure to interest rate risk at the end of the reporting periods were as follows.

	March 31, 2021	December 31, 2020	March 31, 2020
Fair value interest rate risk			
Financial assets	\$ 2,322,265	\$ 1,136,118	\$ 2,592,055
Financial liabilities	1,643,781	2,147,609	1,926,713
Cash flow interest rate risk			
Financial assets	729,500	694,200	1,437,800
Financial liabilities	110,000	107,000	30,000

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rate risk for non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of the asset and liability outstanding at the end of the reporting period was outstanding for the reporting period. A 1% basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If the interest rate increases by 1% and all other variables remain unchanged, the combined company's pre-tax profit for the nine-month period ended March 31, 2021 and 2020 would increase (decrease) by NT\$1,549 thousand and NT\$3,520 thousand, respectively; if the interest rate decreases by 1%, its impact on the pre-tax profit will be the negative of the same amount.

c) Other price risk

The combined company was exposed to equity price risk due to its investments in listed equity securities and mutual funds. The combined company has appointed designated personnel to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

For the three months ended March 31, 2021, if prices rise/fall by 1%, the pre-tax income would increase/decrease by NT\$24,019 thousand due to the increase/decrease in the fair value of financial assets measured at fair value through profit or loss, while the pre-tax other comprehensive income for the three months ended March 31, 2020 would increase/decrease by NT\$6,532 thousand due to the increase/decrease in the fair value of financial assets measured at fair value through other comprehensive income.

For the three months ended March 31, 2021, if prices rise/fall by 1%, the pre-tax income would increase/decrease by NT\$14,865 thousand due to the increase/decrease in the fair value of financial assets measured at fair value through profit or loss, while the pre-tax other comprehensive income for the three months ended March 31, 2021 would increase/decrease by NT\$2,921 thousand due to the increase/decrease in the fair value of financial assets measured at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the combined company. As of the consolidated balance sheets date, the combined company's largest credit risk exposure from a counterparty's failure to fulfill obligations came from the carrying amount of financial assets recognized in the consolidated balance sheets.

The accounts receivable cover a number of customers in different industries and geographical areas. The combined company continuously evaluates the collateral and financial status obtained by accounts receivable customers.

3) Liquidity risk

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

The combined company relies on bank borrowings as a significant source of liquidity. As of March 31, 2021, December 31, and March 31, 2020, the combined company had available bank loan facilities in the amounts of NT\$4,797,991 thousand, NT\$5,296,868 thousand, and NT\$4,511,474 thousand, respectively.

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

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

March 31, 2021

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 550,382	\$1,100,765	\$ 54,733	\$ 25,455
Lease liabilities	5,356	16,841	64,748	180,350
Variable interest rate liabilities	34,011	34,011	42,006	-
Fixed interest rate liabilities	497,601	711,524	188,834	-
Contract liabilities	89,080	178,159	-	-
	<u>\$1,176,430</u>	<u>\$2,041,300</u>	<u>\$ 350,321</u>	<u>\$ 205,805</u>

December 31, 2020

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 741,613	\$1,498,132	\$ 66,711	\$ 19,990
Lease liabilities	23,864	12,939	47,976	212,012
Variable interest rate liabilities	-	33,911	73,126	-
Fixed interest rate liabilities	721,695	961,677	193,263	-
Contract liabilities	249,348	498,696	-	-
	<u>\$1,736,520</u>	<u>\$3,005,355</u>	<u>\$ 381,076</u>	<u>\$ 232,002</u>

March 31, 2020

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing	\$ 609,812	\$1,233,357	\$ 59,304	\$ 20,048
Lease liabilities	5,917	14,980	68,256	250,645
Variable interest rate liabilities	-	-	30,002	-
Fixed interest rate liabilities	656,148	1,365,587	-	-
Contract liabilities	107,563	215,125	-	-
	<u>\$1,379,440</u>	<u>\$2,829,049</u>	<u>\$ 157,562</u>	<u>\$ 270,693</u>

The amounts included above for variable interest rate instruments of non-derivative financial liabilities were subject to change if variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

32. RELATED PARTY TRANSACTIONS

Transactions, balances, income and expenses between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides as disclosed elsewhere in other notes, details of transactions between the combined company and other related parties are disclosed below.

a. Related parties and relationships

Name of Related Party	Relationship with the combined company
GeneFerm Biotechnology Co., Ltd. (GeneFerm)	The Company is one of the directors

b. Sales of goods

Related Party Category	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
The Company is one of the directors	<u>\$ 6,231</u>	<u>\$ 5,059</u>

Sales from related parties were conducted on normal commercial terms.

c. Purchases of goods

Related Party Category	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020
The Company is one of the directors	<u>\$ 22,439</u>	<u>\$ 21,505</u>

Purchases from related parties were conducted on normal commercial terms.

d. Receivables from related parties

Line Item	Name of Related Party	March 31, 2021	December 31, 2020	March 31, 2020
Trade receivables from related parties	GeneFerm	<u>\$ 5,865</u>	<u>\$ 9,011</u>	<u>\$ 5,312</u>

The outstanding receivables from related parties were unsecured. No loss allowances were set aside for receivables from related parties for the three months ended March 31, 2021 and 2020.

e. Payables to related parties

<u>Line Item</u>	<u>Name of Related Party</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Trade payables to related parties	GeneFerm	<u>\$ 19,187</u>	<u>\$ 20,526</u>	<u>\$ 22,581</u>

The outstanding payables to related parties were unsecured.

f. Compensation of key management personnel

	<u>For the Three Months Ended March 31, 2021</u>	<u>For the Three Months Ended March 31, 2020</u>
Short-term employee benefits	\$ 6,459	\$ 13,680
Post-employment benefits	<u>59</u>	<u>117</u>
	<u>\$ 6,518</u>	<u>\$ 13,797</u>

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

33. PLEDGED ASSETS

The following assets were provided as collateral for bank borrowings, issuance of bank acceptances, performance guaranty, and bond for customs clearance:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Pledge time deposits (included in other current assets)	\$ 4,016	\$ 4,016	\$ 4,013
Pledge time deposits (included in other non-current assets)	-	-	85,320
Property, plant and equipment - net	84,596	121,362	133,450
Investment properties - net	<u>60,210</u>	<u>55,122</u>	<u>56,462</u>
	<u>\$ 148,822</u>	<u>\$ 180,500</u>	<u>\$ 279,245</u>

34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

Except for those disclosed in other notes, significant commitments and contingencies of the combined company on March 31, 2021 are as follows:

- The Company has entered into a license agreement with The Quaker Oats Company (Quaker) for a period ending July 11, 2034. The agreement provides that the Company may use Quaker's trademark, and process, manufacture, market, and sell Quaker baby cereal, oatmeal, fruit cereal, ready-to-eat cereal, sesame paste, milk powder, and other cereal products in the ROC. In consideration of the above, the Company shall pay Quaker royalties at an agreed percentage of net sales (as defined).
- Unused letters of credit of approximately US\$3,589 thousand.
- Unrecognized commitments for acquisition of property, plant, and equipment of approximately \$165,910 thousand.
- Unrecognized commitments for acquiring colostrum from dairymen were approximately 26,492 tons.

35. INFORMATION ON FOREIGN CURRENCY-DENOMINATED ASSETS AND LIABILITIES OF SIGNIFICANT INFLUENCE

The following information is aggregated in foreign currencies other than the functional currency of the combined company. The exchange rate disclosed is the exchange rate of the foreign currency into the functional currency. Foreign currency assets and liabilities with significant influences are as follows:

March 31, 2021

	Foreign Currencies	Exchange Rate		Carrying Amount
Financial assets				
Monetary items				
USD	\$ 5,424	28.54	(USD:NTD)	\$ 154,786
USD	1,358	6.57	(USD:RMB)	38,774
RMB	207,135	4.34	(RMB:NTD)	899,794
AUD	1,301	21.71	(AUD:NTD)	28,240
CHF	2,050	30.28	(CHF:NTD)	62,064
CHF	360	6.97	(CHF:RMB)	10,897
				<u>\$ 1,194,555</u>
Financial liabilities				
Monetary items				
USD	3,158	28.54	(USD:NTD)	\$ 90,117
CHF	1,379	6.97	(CHF:RMB)	41,747
				<u>\$ 131,864</u>

December 31, 2020

	Foreign Currencies		Exchange Rate		Carrying Amount
Financial assets					
Monetary items					
USD	\$	12,230	28.48	(USD:NTD)	\$ 348,298
USD		2,785	6.52	(USD:RMB)	79,539
RMB		206,642	4.38	(RMB:NTD)	904,473
AUD		1,576	21.95	(AUD:NTD)	34,585
CHF		1,450	32.31	(CHF:NTD)	46,842
CHF		754	7.38	(CHF:RMB)	24,355
					<u>\$ 1,438,092</u>
Financial liabilities					
Monetary items					
USD		2,294	28.48	(USD:NTD)	\$ 65,335
CHF		1,086	7.38	(CHF:RMB)	35,089
					<u>\$ 100,424</u>

March 31, 2020

	<u>Foreign Currencies</u>		<u>Exchange Rate</u>		<u>Carrying Amount</u>
<u>Financial assets</u>					
<u>Monetary items</u>					
USD	\$	25,164	30.23	(USD:NTD)	\$ 760,597
USD		6,426	7.09	(USD:RMB)	193,731
EUR		937	33.24	(EUR:NTD)	31,134
RMB		23,223	4.26	(RMB:NTD)	98,815
AUD		1,775	18.64	(AUD:NTD)	33,082
CHF		1,450	31.38	(CHF:NTD)	45,494
CHF		457	7.37	(CHF:RMB)	14,329
					<u>\$ 1,177,182</u>
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD		1,133	30.23	(USD:NTD)	\$ 34,234
AUD		560	18.64	(AUD:NTD)	10,433
CHF		269	7.37	(CHF:RMB)	8,434
					<u>\$ 53,101</u>

The combined company is mainly exposed to RMB and USD. The following information was aggregated by the foreign functional currencies of the group entities, and the exchange rates between respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

Functional Currencies	For the Three Months Ended March 31, 2021		For the Three Months Ended March 31, 2020	
	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
NTD	1 (NTD:NTD)	(\$ 12,359)	1 (NTD:NTD)	\$ 4,813
RMB	4.38 (RMB:NTD)	1,830	4.32 (RMB:NTD)	2,240
CHF	31.34 (CHF:NTD)	3	31.10 (CHF:NTD)	(2)
		(\$ 10,526)		\$ 7,051

36. Supplementary Disclosures

a. Information on Significant Transactions

- 1) Financing provided to others: See Table 1 attached.
- 2) Endorsements/guarantees provided to others: See Table 2 attached.
- 3) Marketable securities held (excluding investments in subsidiaries): See Table 3 attached.
- 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: None.
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: None.
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None.
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4.
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 5.
- 9) Trading in derivative instruments: None.
- 10) Others: Intercompany relationships and significant intercompany transactions: Table 6.

b. Information on reinvestments (excluding investees in Mainland China): Table 7.

c. Information on investments in mainland China

- 1) The name of the investee in mainland China, the main businesses and products, its issued capital, the method of investment, information on inflow or outflow of capital, percentage of ownership, investment income (losses), ending balance of investment, amount repatriated as dividends from the investee, and the limit of investment on investee: See Table 8 attached.
 - 2) Significant direct or indirect (through a third region) transactions with the investee, its prices and terms of payment, unrealized gain or loss: None.
- d. Information of major shareholder: List of all shareholders with ownership of 5 % or greater showing the names and the number of shares and percentage of ownership held by each shareholder. (Table 9)

37. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on types of corporation. Accordingly, the Group's reportable segments were as follows:

- Standard Foods segment - the Company
- Standard Dairy Products segment - Standard Dairy Products
- China Standard segment - Shanghai Standard, China Standard Investment, China Standard Foods, and Xiamen Standard
- Other segments - other than the above subsidiaries

The following was an analysis of the combined company's revenue and results from continuing operations by reportable segments:

	Standard Foods Segment	Standard Dairy Products Segment	China Standard Segment	Other Segments	Adjustments and Eliminations	Total
For the Three Months Ended March 31, 2021						
Sales from external customers	\$ 3,178,330	\$ 493,539	\$ 3,781,451	\$ 815,682	\$ -	\$ 8,269,002
Sales among intersegments	263,449	170,262	497	1,137	(435,345)	-
Total sales	<u>\$ 3,441,779</u>	<u>\$ 663,801</u>	<u>\$ 3,781,948</u>	<u>\$ 816,819</u>	<u>(\$ 435,345)</u>	<u>\$ 8,269,002</u>
Interest income	<u>\$ 3,965</u>	<u>\$ 818</u>	<u>\$ 28,448</u>	<u>\$ 850</u>	<u>(\$ 2,790)</u>	<u>\$ 31,291</u>
Financial cost	<u>\$ 114</u>	<u>\$ 10</u>	<u>\$ 11,647</u>	<u>\$ 2,544</u>	<u>(\$ 2,790)</u>	<u>\$ 11,525</u>
Depreciation expenses	<u>\$ 56,126</u>	<u>\$ 12,552</u>	<u>\$ 59,549</u>	<u>\$ 23,706</u>	<u>(\$ 905)</u>	<u>\$ 151,028</u>
Amortization expenses	<u>\$ 3,264</u>	<u>\$ 1,393</u>	<u>\$ 11,606</u>	<u>\$ 3,790</u>	<u>\$ -</u>	<u>\$ 20,053</u>
Operating segment income (loss)	<u>\$ 842,087</u>	<u>\$ 101,323</u>	<u>(\$ 230,804)</u>	<u>(\$ 3,604)</u>	<u>\$ 16,184</u>	<u>\$ 725,186</u>
Unallocated amount						-
Profit before income tax						<u>\$ 725,186</u>
For the Three Months Ended March 31, 2020						
Sales from external customers	\$ 3,152,810	\$ 572,626	\$ 2,552,345	\$ 393,652	\$ -	\$ 6,671,433
Sales among intersegments	299,411	176,374	173	4,292	(480,250)	-
Total sales	<u>\$ 3,451,221</u>	<u>\$ 749,000</u>	<u>\$ 2,552,518</u>	<u>\$ 397,944</u>	<u>(\$ 480,250)</u>	<u>\$ 6,671,433</u>
Interest income	<u>\$ 6,516</u>	<u>\$ 3,060</u>	<u>\$ 21,414</u>	<u>\$ 3,019</u>	<u>(\$ 1,204)</u>	<u>\$ 32,805</u>
Financial cost	<u>\$ 258</u>	<u>\$ -</u>	<u>\$ 12,987</u>	<u>\$ 2,767</u>	<u>(\$ 1,204)</u>	<u>\$ 14,808</u>
Depreciation expenses	<u>\$ 56,292</u>	<u>\$ 12,200</u>	<u>\$ 59,318</u>	<u>\$ 20,706</u>	<u>(\$ 893)</u>	<u>\$ 147,623</u>
Amortization expenses	<u>\$ 1,804</u>	<u>\$ 507</u>	<u>\$ 9,028</u>	<u>\$ 2,406</u>	<u>\$ -</u>	<u>\$ 13,745</u>
Operating segment income (loss)	<u>\$ 853,285</u>	<u>\$ 119,936</u>	<u>(\$ 191,814)</u>	<u>(\$ 20,163)</u>	<u>\$ 6,064</u>	<u>\$ 767,308</u>
Unallocated amount						-
Profit before income tax						<u>\$ 767,308</u>

TABLE 1

STANDARD FOODS CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Balance at March 31	Amount Actually Drawn	Interest Rate	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Bad Debts	Collateral		Financing Limit for Each Borrowing Company	Financing Amount Limit	Notes
													Name	Value			
0	Standard Foods Corporation	Dermalab S.A.	Financing receivables - related parties	Yes	\$ 63,578	\$ 63,578	\$ 62,064	1.000%	2	\$ -	Need for operation	\$ -	-	\$ -	\$ 7,073,795 (Note 3)	\$ 7,073,795 (Note 3)	Notes 11
0	Standard Foods Corporation	Standard Foods (China) Co., Ltd.	Financing receivables - related parties	Yes	350,984	347,392	347,392	1.000%	2	-	Need for operation	-	-	-	3,536,898 (Note 4)	7,073,795 (Note 5)	Notes 11
0	Standard Foods Corporation	Standard Foods (Xiamen) Co., Ltd	Financing receivables - related parties	Yes	526,476	521,088	521,088	1.000%	2	-	Need for operation	-	-	-	3,536,898 (Note 4)	7,073,795 (Note 5)	Notes 11
0	Standard Foods Corporation	Standard Beverage Ltd.	Financing receivables - related parties	Yes	50,000	50,000	25,300	0.950%	2	-	Need for operation	-	-	-	7,073,795 (Note 3)	7,073,795 (Note 3)	Notes 11
1	Standard Investment (China) Co., Ltd.	Shanghai Dermalab Corporation	Financing receivables - related parties	Yes	175,492	173,696	32,073	1.000%	2	-	Need for operation	-	-	-	1,972,527 (Note 6)	1,972,527 (Note 6)	Notes 11
1	Standard Investment (China) Co., Ltd.	Le Bonta Wellness Co., Ltd.	Financing receivables - related parties	Yes	175,492	173,696	49,794	1.000%	2	-	Need for operation	-	-	-	1,972,527 (Note 6)	1,972,527 (Note 6)	Notes 11
1	Standard Investment (China) Co., Ltd.	Standard Foods (Xiamen) Co., Ltd	Financing receivables - related parties	Yes	526,476	521,088	173,896	1.000%	2	-	Need for operation	-	-	-	1,972,527 (Note 6)	1,972,527 (Note 6)	Notes 11
1	Standard Investment (China) Co., Ltd.	Standard Foods (China) Co., Ltd.	Financing receivables - related parties	Yes	438,730	434,240	117,314	1.000%	2	-	Need for operation	-	-	-	1,972,527 (Note 6)	1,972,527 (Note 6)	Notes 11
2	Shanghai Standard Foods Co., Ltd	Standard Investment (China) Co., Ltd.	Financing receivables - related parties	Yes	614,222	607,936	404,712	1.000%	2	-	Need for operation	-	-	-	1,297,447 (Note 7)	1,297,447 (Note 7)	Notes 11
2	Shanghai Standard Foods Co., Ltd	Standard Foods (Xiamen) Co., Ltd	Financing receivables - related parties	Yes	460,667	455,952	455,952	1.000%	2	-	Need for operation	-	-	-	1,297,447 (Note 7)	1,297,447 (Note 7)	Notes 11
3	Shanghai Le Ben De Health Technology Co., Ltd.	Standard Investment (China) Co., Ltd.	Financing receivables - related parties	Yes	10,968	10,856	10,856	1.000%	2	-	Need for operation	-	-	-	11,932 (Note 8)	11,932 (Note 8)	Notes 11
4	Shanghai Le Ho Industrial Co., Ltd.	Standard Investment (China) Co., Ltd.	Financing receivables - related parties	Yes	8,775	8,685	5,115	1.000%	2	-	Need for operation	-	-	-	197,622 (Note 9)	197,622 (Note 9)	Notes 11
5	Shanghai Le Min Industrial Co., Ltd.	Standard Investment (China) Co., Ltd.	Financing receivables - related parties	Yes	8,775	8,685	4,837	1.000%	2	-	Need for operation	-	-	-	123,347 (Note 10)	123,347 (Note 10)	Notes 11

- Note 1: "0" for the Company. Subsidiaries are numbered in order from "1."
- Note 2: Reasons for financing are as follows:
- a. Please fill in 1 for need for operation.
 - b. Please fill in 2 for short-term financing.
- Notes 3: The individual and total amount shall not exceed 40% of net value of Standard Foods Co., Ltd per the latest financial statements, which was calculated to be \$7,073,795 thousand (the net value per financial statements of \$17,684,488 thousand x 40% as of December 31, 2020).
- Notes 4: The individual and total amount shall not exceed 20% of net value of Standard Foods Co., Ltd per the latest financial statements, which was calculated to be \$3,536,898 thousand (the net value per financial statements of \$17,684,488 thousand x 20% as of December 31, 2020).
- Notes 5: The individual and total amount shall not exceed 40% of net value of Standard Foods Co., Ltd per the latest financial statements, which was calculated to be \$7,073,795 thousand (the net value per financial statements of \$17,684,488 thousand x 40% as of December 31, 2020).
- Notes 6: The individual and total amount shall not exceed 40% of net value of Standard Investment (China) Co., Ltd. per the latest financial statements, which was calculated to be \$1,972,527 thousand (the net value per financial statements of \$4,931,318 thousand x 40% as of December 31, 2020).
- Notes 7: The individual and total amount shall not exceed 40% of the net value of Shanghai Standard Foods Co., Ltd. per the latest financial statements, which was calculated to be NT\$1,297,447 thousand (the net value of NT\$3,243,618 thousand per financial statements as of December 31, 2020 multiplied by 40%).
- Notes 8: The individual and total amount shall not exceed 40% of net value of Shanghai Le Ben De Health Technology Co., Ltd. per the latest financial statements, which was calculated to be \$11,932 thousand (the net value per financial statements of \$29,830 thousand x 40% as of December 31, 2020).
- Notes 9: The individual and total amount shall not exceed 40% of net value of Shanghai Le Ho Industrial Co., Ltd. per the latest financial statements, which was calculated to be \$197,622 thousand (the net value per financial statements of \$494,056 thousand x 40% as of December 31, 2020).
- Notes 10: The individual and total amount shall not exceed 40% of net value of Standard Investment (China) CO., Ltd. per the latest financial statements, which was calculated to be \$123,347 thousand (the net value per financial statements of \$308,367 thousand x 40% as of December 31, 2020).
- Notes 11: When the Consolidated Financial Statements are prepared, the amounts have been offset in a consolidated manner.

TABLE 2

STANDARD FOODS CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorsement / guarantee Provider	Guaranteed Party		Endorse to single entity Balance on guarantee	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Amount of Endorsement / Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statements	Maximum Endorsement / Guarantee Amount	Guarantee Provided by Parent Company (Note 5)	Guarantee Provided by Subsidiary (Note 5)	Guarantee Provided to Subsidiaries in Mainland China (Note 5)	Notes
		Name	Nature of Relationships (Note 2)											
0	Standard Foods Corporation	Standard Beverage Ltd.	(2)	\$ 14,147,590 (Note 3)	\$ 145,605	\$ 145,605	\$ -	\$ -	0.82%	\$ 17,684,488 (Note 4)	Y	-	-	

Note 1: "0" for the Company. Subsidiaries are numbered in order from "1."

Note 2: There are seven types of relationships between the guaranteed party and the Company:

- a. Trading partner.
- b. The company in which the Company holds, directly or indirectly, more than fifty percent (50%) of the voting shares.
- c. The company that holds, directly or indirectly, more than fifty percent (50%) of the Company's voting shares.
- d. The company in which the Company holds, directly or indirectly, more than fifty percent (50%) of the voting shares.
- e. Guaranteed by construction contracts formed due to the need of construction projects, in which the companies in the same industry or joint builders provide endorsement/guarantee to one another.
- f. The guarantees were provided by shareholders based on their proportionate share in a jointly invested company.
- g. Companies in the same industry provided among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Notes 3: The individual and total amount shall not exceed 80% of net value of Standard Foods Co., Ltd. per the latest financial statements, which was calculated to be \$14,147,590 thousand (the net value per financial statements of \$17,684,488 thousand x 40% as of December 31, 2020).

Notes 4: The individual and total amount shall not exceed 100% of net value of Standard Foods Co., Ltd. per the latest financial statements, which was calculated to be \$17,684,488 thousand (the net value per financial statements of \$17,684,488 thousand x 100% as of December 31, 2020).

Notes 5: Fill in Y if a listed parent company provides endorsements/guarantees for its subsidiary or if a subsidiary provides endorsements/guarantees for its listed parent company or if endorsements/guarantees involve mainland China.

TABLE 3

STANDARD FOODS CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES)
MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type of Marketable Securities	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2021				Notes
					Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Standard Foods Corporation	Shares	Far Eastern International Commercial Bank Co., Ltd.	The Company is one of the directors	Financial assets at FVTOCI - current	1,416,950	\$ 15,161	-	\$ 15,161	
	Shares	Chunghwa Telecom Co., Ltd.		Financial assets at FVTOCI - current	48,600	5,419	-	5,419	
	Shares	GeneFerm Biotechnology Co., Ltd.		Financial assets at FVTOCI - non-current	2,145,110	72,719	7.7%	72,719	
	Shares	Dah Chung Bills Finance Corp.		Financial assets at FVTOCI - non-current	1,243,213	15,354	0.3%	15,354	
	Mutual funds	Mega Diamond Money Market		Financial assets at FVTPL - current	12,512,356	158,394	-	158,394	
	Mutual funds	Jih Sun Money Market Fund		Financial assets at FVTPL - current	4,019,723	60,142	-	60,142	
	Mutual funds	Taishin 1699 Money Market Fund		Financial assets at FVTPL - current	24,922,335	340,324	-	340,324	
	Mutual funds	CTBC Hwa-Win Money Market Fund		Financial assets at FVTPL - current	23,680,651	263,158	-	263,158	
	Mutual funds	FSITC Taiwan Money Market Fund		Financial assets at FVTPL - current	30,989,574	478,634	-	478,634	
	Mutual funds	Cathay Taiwan Money Market Fund		Financial assets at FVTPL - current	8,213,389	103,009	-	103,009	
	Mutual funds	Cathay China Domestic Demand Growth Fund		Financial assets at FVTPL - current	2,621,859	81,435	-	81,435	
	Mutual funds	Cathay Target Date 2029 Fund of Funds		Financial assets at FVTPL - current	4,720,915	57,580	-	57,580	
	Mutual funds	Hua Nan Phoenix Money Market Fund		Financial assets at FVTPL - current	9,149,689	150,013	-	150,013	
	Mutual funds	Cathay Glb Aggressive FOFs		Financial assets at FVTPL - current	2,284,844	57,350	-	57,350	
	Mutual funds	Taishin Ta-Chong Money Market Fund		Financial assets at FVTPL - current	9,773,943	140,056	-	140,056	
	Mutual funds	President Hang Seng TECH Index ETN		Financial assets at FVTPL - current	5,900,000	60,062	-	60,062	
	Debt securities	CODEIS Smart Cash Note		Financial assets at FVTPL - current	10,000	29,094	-	29,094	

(Continued)

(Continued from the previous page)

Holding Company Name	Type of Marketable Securities	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2021				Notes
					Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Standard Dairy Products Taiwan Ltd.	Shares	Techgains Pan-Pacific Corporation		Financial assets at FVTPL - non-current	500,000	\$ -	0.9%	\$ -	
	Shares	Authenex, Inc.		Financial assets at FVTPL - non-current	2,424,242	-	5.5%	-	
	Shares	Paradigm Venture Capital Corporation		Financial assets at FVTPL - non-current	180,376	1,876	7.0%	1,876	
	Shares	U-Teck Environment Corporation, Ltd.		Financial assets at FVTPL - non-current	11,200	-	0.2%	-	
	Shares	Octamer, Inc. - Series E Preferred Stock		Financial assets at FVTPL - non-current	800,000	-	7.8%	-	
	Shares	Octamer, Inc. - Series F Preferred Stock		Financial assets at FVTPL - non-current	107,815	-	1.0%	-	
	Shares	Fortemedia, Inc. - Series D Preferred Stock		Financial assets at FVTPL - non-current	3,455	-	1.2%	-	
	Shares	Fortemedia, Inc. - Series E Preferred Stock		Financial assets at FVTPL - non-current	71,397	-	1.2%	-	
	Shares	Fortemedia, Inc. - Series F Preferred Stock		Financial assets at FVTPL - non-current	29,173	-	1.2%	-	
	Shares	Fortemedia, Inc. - Series G Preferred Stock		Financial assets at FVTPL - non-current	31,135	-	1.3%	-	
	Shares	Fortemedia, Inc. - Series I Preferred Stock		Financial assets at FVTPL - non-current	29,102	-	1.3%	-	
	Shares	Fortemedia, Inc. - Common Stock		Financial assets at FVTPL - non-current	12,938	-	1.2%	-	
	Mutual funds	Mega Diamond Money Market Fund		Financial assets at FVTPL - current	3,963,725	50,177	-	50,177	
	Mutual funds	Jih Sun Money Market Fund		Financial assets at FVTPL - current	5,866,056	87,767	-	87,767	
	Mutual funds	Taishin 1699 Money Market Fund		Financial assets at FVTPL - current	3,409,059	46,552	-	46,552	
	Mutual funds	FSITC Taiwan Money Market Fund		Financial assets at FVTPL - current	2,112,339	32,625	-	32,625	
	Mutual funds	Cathay China Domestic Demand Growth Fund		Financial assets at FVTPL - current	873,953	27,145	-	27,145	
	Mutual funds	Cathay Target Date 2029 Fund of Funds		Financial assets at FVTPL - current	786,819	9,597	-	9,597	
	Mutual funds	Cathay Glb Aggressive FOFs		Financial assets at FVTPL - current	761,615	19,116	-	19,116	

(Continued)

Holding Company Name	Type of Marketable Securities	Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2021				Notes
					Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Charng Hui Ltd.	Shares	Standard Foods Corporation	Parent of Charng Hui Ltd.	Financial assets at FVTOCI - current	6,669,471	\$ 390,831	0.7%	\$ 390,831	Notes
	Shares	Formosa Plastics Corporation		Financial assets at FVTOCI - current	91,440	9,236	-	9,236	
	Shares	China Steel Corporation		Financial assets at FVTOCI - current	803,258	20,804	-	20,804	
	Shares	Polytronics Technology Corporation	Charng Hui Ltd. is one of the directors	Financial assets at FVTOCI - current	1,596,000	209,874	2.0%	209,874	
	Shares	Taiwan Semiconductor Manufacturing Co., Ltd.		Financial assets at FVTOCI - current	90,000	52,830	-	52,830	
	Mutual funds	Fuh Hwa Global Strategic Allocation FoF		Financial assets at FVTPL - current	1,000,000	12,580	-	12,580	
	Mutual funds	Franklin Templeton SinoAm Franklin Templeton Global Bond Fund of Funds	Charng Hui Ltd. is one of the directors	Financial assets at FVTPL - current	1,453,360	18,602	-	18,602	
	Mutual funds	Taishin 1699 Money Market Fund		Financial assets at FVTPL - current	51,340	701	-	701	
	Shares	Global Strategic Investment Co., Ltd.		Financial assets at FVTPL - non-current	850,500	4,338	1.9%	4,338	
	Shares	Hong Da Leasing & Finance Co., Ltd.		Financial assets at FVTPL - non-current	8,297,000	-	23.7%	-	
	Shares	CNEX Co., Ltd.		Financial assets at FVTPL - non-current	1,000,000	-	6.0%	-	
	Shares	Amphastar Pharmaceuticals Inc. (AMPH)		Financial assets at FVTPL - non-current	7,742	4,047	-	4,047	
	Mutual funds	Fuh Hwa Greater China Mid and Small Cap Fund		Financial assets at FVTPL - current	225,000	3,546	-	3,546	
	Mutual funds	Franklin Templeton SinoAm Franklin Templeton Global Bond Fund of Funds - Accu.		Financial assets at FVTPL - current	282,988	3,622	-	3,622	
Domex Technology Corporation Accession Limited	Shares	InnoComm Mobile Technology Corp.		Financial assets at FVTOCI - non-current	3,600,000	250,704	13.4%	250,704	
	Shares	AsiaVest Liquidation Co.		Financial assets at FVTOCI - non-current	200	1,065	0.7%	1,065	
	Mutual funds	Term Liquidity Fund		Financial assets at FVTPL - current	33,453	100,308	-	100,308	

Note: The amounts presented above were eliminated upon consolidation.

TABLE 4

STANDARD FOODS CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

Company Name	Counter-party	Nature of Relationships	Transaction Details				Abnormal Transaction		Notes/Trade Receivable (Payable)		Notes
			Purchases (Sales)	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	Ratio to Total Notes or Accounts Receivable (payable)	
Standard Foods Corporation	Standard Dairy Products Taiwan Ltd.	The Company's subsidiary	Sales	(\$ 263,449)	7.65%	55 days after month-end closing (net of receivables and payables)	-	-	\$ 113,085	4.97%	Notes
			Purchases	170,262	10.43%	55 days after month-end closing (net of receivables and payables)	-	-	-	-	Notes
Standard Dairy Products Taiwan Ltd.	Standard Foods Corporation	Parent company of Standard Dairy Products Taiwan Ltd.	Purchases	263,449	56.64%	55 days after month-end closing (net of receivables and payables)	-	-	(113,085)	39.00%	Notes
			Sales	(170,262)	25.65%	55 days after month-end closing (net of receivables and payables)	-	-	-	-	Notes
Shanghai Standard Foods Co., Ltd	Standard Investment (China) Co., Ltd.	Brother company of Shanghai Standard Foods Co., Ltd.	Sales	(434,577)	75.21%	60 days after month-end closing	-	-	151,884	96.94%	Notes
			Purchases	102,592	15.13%	60 days after month-end closing	-	-	(41,730)	61.46%	Notes
Standard Investment (China) Co., Ltd.	Shanghai Standard Foods Co., Ltd	Brother company of Standard Investment (China) Co., Ltd.	Purchases	434,577	16.51%	60 days after month-end closing	-	-	(151,884)	12.40%	Notes
			Sales	(102,592)	2.87%	60 days after month-end closing	-	-	41,730	2.09%	Notes
Standard Foods (China) Co., Ltd.	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (China) Co., Ltd.	Sales	(1,203,492)	99.52%	60 days after month-end closing	-	-	400,061	47.90%	Notes
Standard Investment (China) Co., Ltd.	Standard Foods (China) Co., Ltd.	Standard Investment (China) Co., Ltd.'s subsidiary	Purchases	1,203,492	45.67%	60 days after month-end closing	-	-	(400,061)	32.67%	Notes
Standard Foods (Xiamen) Co., Ltd	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (Xiamen) Co., Ltd.	Sales	(995,571)	84.86%	60 days after month-end closing	-	-	237,045	100.00%	Notes
Standard Investment (China) Co., Ltd.	Standard Foods (Xiamen) Co., Ltd	Standard Investment (China) Co., Ltd.'s subsidiary	Purchases	995,571	37.78%	60 days after month-end closing	-	-	(237,045)	19.36%	Notes

Note: The amounts presented above were eliminated upon consolidation.

TABLE 5

STANDARD FOODS CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

Company Name	Counter-party	Nature of Relationships	Ending Balance for Trade Receivable - Related Parties	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for loss amount	Notes
					Amount	Actions Taken			
Standard Foods Corporation	Standard Dairy Products Taiwan Ltd.	The Company's subsidiary	Trade receivables	\$ 113,085	8.76	\$ -	\$ 14,134 (Note 1)	\$ -	(Note 2)
			Other receivables	<u>2,424</u>		-	<u>2,424</u> (Note 1)	-	(Note 2)
				<u>\$ 115,509</u>		<u>\$ -</u>	<u>\$ 16,558</u> (Note 1)	<u>\$ -</u>	
Standard Foods Corporation	Standard Foods (China) Co., Ltd.	The Company's subsidiary	Financing receivables	\$ 347,392		\$ -	\$ 347,392 (Note 1)	\$ -	(Note 2)
			Other receivables	<u>3,008</u>		-	<u>3,008</u> (Note 1)	-	(Note 2)
				<u>\$ 350,400</u>		<u>\$ -</u>	<u>\$ 350,400</u> (Note 1)	<u>\$ -</u>	
Standard Foods Corporation	Standard Foods (Xiamen) Co., Ltd.	The Company's subsidiary	Financing receivables	\$ 521,088		\$ -	\$ - (Note 1)	\$ -	(Note 2)
			Other receivables	<u>3,974</u>		-	<u>-</u> (Note 1)	-	(Note 2)
				<u>\$ 525,062</u>		<u>\$ -</u>	<u>\$ -</u> (Note 1)	<u>\$ -</u>	
Shanghai Standard Foods Co., Ltd.	Standard Investment (China) Co., Ltd.	Brother company of Shanghai Standard Foods Co., Ltd.	Trade receivables	\$ 151,884	4.94	\$ -	\$ 70,251 (Note 1)	\$ -	(Note 2)
			Financing receivables	404,712		-	- (Note 1)	-	(Note 2)
			Other receivables	<u>5,906</u>		-	<u>2,897</u> (Note 1)	-	(Note 2)
				<u>\$ 562,502</u>		<u>\$ -</u>	<u>\$ 73,148</u> (Note 1)	<u>\$ -</u>	
Shanghai Standard Foods Co., Ltd.	Standard Foods (Xiamen) Co., Ltd.	Brother company of Shanghai Standard Foods Co., Ltd.	Financing receivables	\$ 455,952		-	- (Note 1)	-	(Note 2)
			Other receivables	<u>1,241</u>		-	<u>-</u> (Note 1)	-	(Note 2)
				<u>\$ 457,193</u>		<u>\$ -</u>	<u>\$ -</u> (Note 1)	<u>\$ -</u>	
Standard Foods (China) Co., Ltd.	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (China) Co., Ltd.	Trade receivables	\$ 400,061	4.62	\$ -	\$ 146,134 (Note 1)	\$ -	(Note 2)
			Other receivables	<u>8,931</u>		-	<u>5,050</u> (Note 1)	-	(Note 2)
				<u>\$ 408,992</u>		<u>\$ -</u>	<u>\$ 151,184</u> (Note 1)	<u>\$ -</u>	
Standard Investment (China) Co., Ltd.	Standard Foods (China) Co., Ltd.	Standard Investment (China) Co., Ltd.'s subsidiary	Trade receivables	\$ 134	12.26	\$ -	\$ - (Note 1)	\$ -	(Note 2)
			Company						
		Company	Finance receivables	117,314		-	- (Note 1)	-	(Note 2)
			Other receivables	<u>5,039</u>		-	<u>-</u> (Note 1)	-	(Note 2)
				<u>\$ 122,487</u>		<u>\$ -</u>	<u>\$ -</u> (Note 1)	<u>\$ -</u>	
Standard Investment (China) Co., Ltd.	Standard Foods (Xiamen) Co., Ltd.	Standard Investment (China) Co., Ltd.'s subsidiary	Trade receivables	\$ 24	48.00	\$ -	\$ - (Note 1)	\$ -	(Note 2)
			Company						
		Company	Finance receivables	173,896		-	- (Note 1)	-	(Note 2)
			Other receivables	<u>3,205</u>		-	<u>-</u> (Note 1)	-	(Note 2)
				<u>\$ 177,125</u>		<u>\$ -</u>	<u>\$ -</u> (Note 1)	<u>\$ -</u>	
Standard Foods (Xiamen) Co., Ltd.	Standard Investment (China) Co., Ltd.	Parent company of Standard Foods (Xiamen) Co., Ltd.	Trade receivables	\$ 237,045	5.22	\$ -	\$ 592 (Note 1)	\$ -	(Note 2)
			Other receivables	<u>1,263</u>		-	<u>1,263</u> (Note 1)	-	(Note 2)
				<u>\$ 238,308</u>		<u>\$ -</u>	<u>\$ 1,855</u> (Note 1)	<u>\$ -</u>	

Notes 1: Amount received as of May 5, 2021.

Notes 2: The amount was eliminated upon consolidation.

TABLE 6

STANDARD FOODS CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Name of Company	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 4)	Payment Terms	% to Consolidated Total Sales or Assets (Note 3)
0	Standard Foods Corporation	Standard Dairy Products	1	Trade receivables - related parties	\$ 113,085	According to the general conditions	0.4%
0	Standard Foods Corporation	Standard Dairy Products	1	Other receivables - related parties	2,424	According to the general conditions	-
0	Standard Foods Corporation	Standard Dairy Products	1	Sales	263,449	According to the general conditions	3.2%
0	Standard Foods Corporation	Standard Dairy Products	1	Purchases	170,262	According to the general conditions	2.1%
0	Standard Foods Corporation	Standard Dairy Products	1	Royalty revenue	1,891	According to the general conditions	-
0	Standard Foods Corporation	Standard Beverage	1	Other receivables - related parties	117	According to the general conditions	-
0	Standard Foods Corporation	Standard Beverage	1	Financing receivables - related parties	25,300	Interest rate 0.950% per annum	0.1%
0	Standard Foods Corporation	Standard Beverage	1	Interest income	20	Interest rate 0.950% per annum	-
0	Standard Foods Corporation	Standard Beverage	1	Service revenue (recognized under sundry revenue)	330	According to the general conditions	-
0	Standard Foods Corporation	Dermalab	1	Financing receivables - related parties	62,064	Interest rate 1.000% per annum	0.2%
0	Standard Foods Corporation	China Standard Foods	1	Other receivables - related parties	3,008	According to the general conditions	-
0	Standard Foods Corporation	China Standard Foods	1	Financing receivables - related parties	347,392	Interest rate 1.000% per annum	1.3%
0	Standard Foods Corporation	China Standard Foods	1	Interest income	865	Interest rate 1.000% per annum	-
0	Standard Foods Corporation	Xiamen Standard	1	Other receivables - related parties	3,974	According to the general conditions	-
0	Standard Foods Corporation	Xiamen Standard	1	Financing receivables - related parties	521,088	Interest rate 1.000% per annum	1.9%
0	Standard Foods Corporation	Xiamen Standard	1	Interest income	1,297	Interest rate 1.000% per annum	-
1	Shanghai Standard	China Standard Investment	3	Trade receivables - related parties	151,884	According to the general conditions	0.6%
1	Shanghai Standard	China Standard Investment	3	Financing receivables - related parties	404,712	Interest rate 1.000% per annum	1.5%
1	Shanghai Standard	China Standard Investment	3	Other receivables - related parties	5,906	According to the general conditions	-
1	Shanghai Standard	China Standard Investment	3	Trade payables - related parties	41,730	According to the general conditions	0.2%
1	Shanghai Standard	China Standard Investment	3	Other payables - related parties	916	According to the general conditions	-
1	Shanghai Standard	China Standard Investment	3	Sales	434,577	According to the general conditions	5.3%
1	Shanghai Standard	China Standard Investment	3	Purchases	102,592	According to the general conditions	1.2%
1	Shanghai Standard	China Standard Investment	3	Interest income	395	Interest rate 1.000% per annum	-
1	Shanghai Standard	China Standard Investment	3	Other expenses	58	According to the general conditions	-
1	Shanghai Standard	China Standard Investment	3	Research and development expenses	925	According to the general conditions	-
1	Shanghai Standard	China Standard Foods	3	Trade receivables - related parties	4,799	According to the general conditions	-
1	Shanghai Standard	China Standard Foods	3	Sales	9,979	According to the general conditions	0.1%
1	Shanghai Standard	China Standard Foods	3	Purchases	4,785	According to the general conditions	0.1%

(Continued)

No. (Note 1)	Name of Company	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 4)	Payment Terms	% to Consolidated Total Sales or Assets (Note 3)
1	Shanghai Standard	Xiamen Standard	3	Other receivables - related parties	\$ 1,241	According to the general conditions	-
1	Shanghai Standard	Xiamen Standard	3	Financing receivables - related parties	455,952	Interest rate 1.000% per annum	1.7%
1	Shanghai Standard	Xiamen Standard	3	Interest income	1,149	Interest rate 1.000% per annum	-
2	China Standard Investment	China Standard Foods	1	Trade receivables - related parties	134	According to the general conditions	-
2	China Standard Investment	China Standard Foods	1	Other receivables - related parties	5,039	According to the general conditions	-
2	China Standard Investment	China Standard Foods	1	Financing receivables - related parties	117,314	Interest rate 1.000% per annum	0.4%
2	China Standard Investment	China Standard Foods	1	Trade payables - related parties	400,061	According to the general conditions	1.5%
2	China Standard Investment	China Standard Foods	1	Other payables - related parties	8,931	According to the general conditions	-
2	China Standard Investment	China Standard Foods	1	Sales	213	According to the general conditions	-
2	China Standard Investment	China Standard Foods	1	Purchases	1,203,492	According to the general conditions	14.6%
2	China Standard Investment	China Standard Foods	1	Interest income	1,180	Interest rate 1.000% per annum	-
2	China Standard Investment	China Standard Foods	1	Other income	5,086	According to the general conditions	0.1%
2	China Standard Investment	China Standard Foods	1	Rental expenses	24	According to the general conditions	-
2	China Standard Investment	Shanghai Dermalab	1	Other receivables - related parties	300	According to the general conditions	-
2	China Standard Investment	Shanghai Dermalab	1	Financing receivables - related parties	32,073	Interest rate 1.000% per annum	0.1%
2	China Standard Investment	Shanghai Dermalab	1	Interest income	305	Interest rate 1.000% per annum	-
2	China Standard Investment	Shanghai Dermalab	1	Expenses (social expenses and other expenses)	82	According to the general conditions	-
2	China Standard Investment	Xiamen Standard	1	Trade receivables - related parties	24	According to the general conditions	-
2	China Standard Investment	Xiamen Standard	1	Other receivables - related parties	3,205	According to the general conditions	-
2	China Standard Investment	Xiamen Standard	1	Financing receivables - related parties	173,896	Interest rate 1.000% per annum	0.6%
2	China Standard Investment	Xiamen Standard	1	Trade payables - related parties	237,045	According to the general conditions	0.9%
2	China Standard Investment	Xiamen Standard	1	Other payables - related parties	1,263	According to the general conditions	-
2	China Standard Investment	Xiamen Standard	1	Sales	162	According to the general conditions	-
2	China Standard Investment	Xiamen Standard	1	Purchases	995,571	According to the general conditions	12.0%
2	China Standard Investment	Xiamen Standard	1	Interest income	4,307	Interest rate 1.000% per annum	0.1%
2	China Standard Investment	Xiamen Standard	1	Other income	3,236	According to the general conditions	-
2	China Standard Investment	Le Bonta Wellness	1	Other receivables - related parties	206	According to the general conditions	-
2	China Standard Investment	Le Bonta Wellness	1	Financing receivables - related parties	49,794	Interest rate 1.000% per annum	0.2%
2	China Standard Investment	Le Bonta Wellness	1	Trade payables - related parties	110	According to the general conditions	-
2	China Standard Investment	Le Bonta Wellness	1	Sales	2	According to the general conditions	-
2	China Standard Investment	Le Bonta Wellness	1	Purchases	925	According to the general conditions	-
2	China Standard Investment	Le Bonta Wellness	1	Interest income	209	Interest rate 1.000% per annum	-
2	China Standard Investment	Le Bonta Wellness	1	Other expenses	78	According to the general conditions	-
2	China Standard Investment	Shanghai Le Ho Industrial Co., Ltd.	3	Other payables - related parties	36	According to the general conditions	-
2	China Standard Investment	Shanghai Le Ho Industrial Co., Ltd.	3	Financing payables - related parties	5,115	Interest rate 1.000% per annum	-

(Continued)

No. (Note 1)	Name of Company	Counterparty	Relationship (Note 2)	Transactions Details			
				Financial Statement Accounts	Amount (Note 4)	Payment Terms	% to Consolidated Total Sales or Assets (Note 3)
2	China Standard Investment	Shanghai Le Ho Industrial Co., Ltd.	3	Interest expenses	\$ 34	Interest rate 1.000% per annum	-
2	China Standard Investment	Shanghai Le Min Industrial Co., Ltd.	3	Other payables - related parties	32	According to the general conditions	-
2	China Standard Investment	Shanghai Le Min Industrial Co., Ltd.	3	Financing payables - related parties	4,837	Interest rate 1.000% per annum	-
2	China Standard Investment	Shanghai Le Min Industrial Co., Ltd.	3	Interest expenses	34	Interest rate 1.000% per annum	-
2	China Standard Investment	Shanghai Le Ben De	3	Other payables - related parties	30	According to the general conditions	-
2	China Standard Investment	Shanghai Le Ben De	3	Financing payables - related parties	10,856	Interest rate 1.000% per annum	-
2	China Standard Investment	Shanghai Le Ben De	3	Interest expenses	27	Interest rate 1.000% per annum	-
3	Shanghai Dermalab	Dermalab	3	Trade payables - related parties	41,747	According to the general conditions	0.2%
3	Shanghai Dermalab	Dermalab	3	Purchases	25,347	According to the general conditions	0.3%
4	China Standard Foods	Le Bonta Wellness	3	Trade receivables - related parties	554	According to the general conditions	-
4	China Standard Foods	Le Bonta Wellness	3	Other receivables - related parties	832	According to the general conditions	-
4	China Standard Foods	Le Bonta Wellness	3	Sales	495	According to the general conditions	-
4	China Standard Foods	Le Bonta Wellness	3	Rental income	905	According to the general conditions	-
4	China Standard Foods	Le Bonta Wellness	3	Other expenses	1,037	According to the general conditions	-
4	China Standard Foods	Xiamen Standard	3	Trade receivables - related parties	43	According to the general conditions	-
4	China Standard Foods	Xiamen Standard	3	Other payables - related parties	2,291	According to the general conditions	-
4	China Standard Foods	Xiamen Standard	3	Sales	38	According to the general conditions	-
5	Le Bonta Wellness	Shanghai Le Ben De	3	Sales	48	According to the general conditions	-
5	Le Bonta Wellness	Shanghai Le Ben De	3	Purchases	52	According to the general conditions	-

Notes 1: Where the parent company and its subsidiaries do business with each other, information shall be stated separately in the "No." column and numbered as follows:

- a. Parent company is 0.
- b. Subsidiaries are numbered in order by Arabic numerals from 1.

Notes 2: The related parties have the following three relationships:

- a. Parent company to its subsidiaries.
- b. Subsidiaries to its parent company.
- c. Subsidiaries to subsidiaries.

Notes 3: The transaction amounts are calculated as percentage of consolidated total revenue or total assets; balance sheet accounts are calculated as percentage of consolidated total assets; amounts of income statement accounts are calculated as percentage of consolidated total revenues.

Notes 4: The amount was eliminated upon consolidation.

TABLE 7

STANDARD FOODS CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEE COMPANIES (EXCLUDING MAINLAND INVESTED COMPANIES)
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2021			Net Income (Loss) of the Investee	Share of Profits (Loss)	Notes
				March 30, 2021	December 31, 2020	Shares	%	Carrying Amount			
Standard Foods Corporation	Accession Limited	Tortola, British Virgin Islands	Investing	\$3,936,267	\$3,936,267	123,600,000	100%	\$3,591,730	(\$ 1,034)	(\$ 2,293)	Subsidiary (Note 5)
	Standard Investment (Cayman) Limited	Grand Cayman, Cayman Islands	Investing	4,710,865	4,710,865	150,124,815	100%	5,422,734	(235,849)	(235,849)	Subsidiary (Note 5)
	Standard Dairy Products Taiwan Ltd.	Taipei, Taiwan	Manufacture and sale of dairy products and beverages	300,853	300,853	30,000,000	100%	1,090,412	81,073	83,822	Subsidiary (Note 5)
	Charng Hui Ltd.	Taipei, Taiwan	Investing	230,000	230,000	24,100,000	100%	418,220	(592)	(592)	Subsidiary (Note 5)
	Domex Technology Corporation	Hsinchu, Taiwan	Manufacture and sale of computer peripherals and computer appliances	114,116	114,116	10,374,399	52%	347,702	18,280	9,507	Subsidiary (Note 5)
	Standard Beverage Ltd.	Taipei, Taiwan	Manufacture and sale of beverages	79,072	79,072	7,907,000	100%	83,876	289	279	Subsidiary (Note 5)
	Le Bonta Wellness International Co.	Taipei, Taiwan	Sale of health food	5,953	14,350	Notes 4	100%	446	(115)	(115)	Subsidiary (Note 5)
	Standard Foods, LLC.	U.S.A.	Sale of health food	9,056	9,056	Notes 4	100%	8,561	-	-	Subsidiary (Note 5)
Accession Limited	Dermalab S.A.	Switzerland	Development and sale of cosmetics	379,489	335,215	4,050	100%	215,963	(3,536)		Sub-subsidiary (Note 5)
Dermalab S.A.	Swissderma SL	Spain	Sale of cosmetics	96	96	3,000	100%	-	-		Third-tier subsidiary (Note 5)
Standard Investment (Cayman) Limited	Standard Corporation (Hong Kong) Limited	Hong Kong	Investing	4,708,566	4,708,566	150,050,815	100%	5,422,247	(235,766)		Sub-subsidiary (Note 5)

Note 1: This amount was the share of profit from the investee of NT\$1,034 thousand minus the unrealized gain on sidestream transactions of NT\$1,259 thousand.

Note 2: This amount was the share of profit of the investee of \$81,073 thousand plus the unrealized gain on upstream transactions of \$2,749 thousand.

Note 3: This amount was the share of profit from the investee of NT\$289 thousand plus the realized profit on upstream transactions of NT\$10 thousand.

Note 4: This is a limited company with no issued shares.

Note 5: The amount was eliminated upon consolidation.

TABLE 8

STANDARD FOODS CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In Thousands of New Taiwan Dollars)

Investee Company in Mainland China	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Remittance or Recovery of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2021	Net Income (Loss) of the Investee	% of Ownership of Direct or Indirect Investment	Investment Profit (Loss) Recognized (Note 2)	Carrying Amount as of March 31, 2021	Accumulated Repatriation of Investment Income as of March 31, 2021	Notes
					Outward	Inward							
Shanghai Standard Foods Co., Ltd	Manufacture and sale of edible oil products and nutritional foods	\$ 3,949,575	(2) (Note 3)	\$ 3,949,575 (Note 4)	\$ -	\$ -	\$ 3,949,575 (Note 4)	\$ 8,095	100.0%	\$ 9,243 (Note 9)	\$ 3,229,489	\$ -	Notes 12
Standard Investment (China) Co., Ltd.	Investment and sales of edible oil products and nutritional foods	3,755,530	(2) (Note 5)	3,718,677 (Note 5)	-	-	3,718,677 (Note 5)	(230,601)	99.0%	(228,295) (Note 9)	4,630,759	-	Notes 12
Standard Foods (China) Co., Ltd.	Manufacture and sale of edible oil products and nutritional foods	1,631,668	(3) (Note 6)	- (Note 6)	-	-	- (Note 6)	(4,906)	99.0%	(689) (Note 9)	1,989,139	-	Notes 12
Shanghai Dermalab Corporation	Sale of nutritional foods, cosmetic and engage in import and export business	93,989	(3) (Note 6)	- (Note 6)	-	-	- (Note 6)	2,189	99.0%	2,167 (Note 10)	10,416	-	Notes 12
Le Bonta Wellness Co., Ltd.	Sale of nutritional foods and engage in import and export business	380,418	(1) and (3) (Note 7)	181,048 (Note 7)	-	-	181,048 (Note 7)	(11,930)	99.5%	(11,872) (Note 10)	163,084	-	Notes 12
Shanghai Le Ben De Health Technology Co., Ltd.	Sale of nutritional foods and engagement in export business	31,220	(3) (Notes 4 and 8)	31,220 (Note 4)	-	-	31,220 (Note 4)	97	100.0%	97 (Note 10)	29,773	-	Notes 12
Standard Foods (Xiamen) Co., Ltd	Manufacture and sale of edible oil products and nutritional foods	1,307,582	(3) (Note 6)	- (Note 6)	-	-	- (Note 6)	(29,019)	99.0%	(18,192) (Note 10)	1,429,725	-	Notes 12
Shanghai Le Ho Industrial Co., Ltd.	Management of properties	607,717	(2) (Note 5)	607,717 (Note 5)	-	-	607,717 (Note 5)	(4,619)	100.0%	(4,619) (Note 10)	486,945	-	Notes 12
Shanghai Le Min Industrial Co., Ltd.	Management of properties	378,009	(2) (Note 5)	378,009 (Note 5)	-	-	378,009 (Note 5)	(2,814)	100.0%	(2,814) (Note 10)	303,997	-	Notes 12

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$8,919,525	\$8,919,525	Unlimited amount of investment (Note 11)

- Notes 1: The methods for engaging in investment in mainland China include the following:
- Direct investment in mainland China.
 - Indirect investment in mainland China through companies registered in a third region. (Please specify the investor company in third region.)
 - Other methods.
- Notes 2: For the investment income (loss) recognized in the current period:
- There was no investment income (loss) recognized due to the investment still being in the development stage.
 - The investment income (loss) was determined based on the following basis:
 - The financial statements were audited and certified by an international accounting firm in cooperation with an ROC accounting firm.
 - The financial statements were audited by the CPA of the parent company in Taiwan.
 - Others.
- Notes 3: Accession Ltd. is the investor company in third region.
- Notes 4: There was no difference between the beginning balance and the ending balance of the accumulated amount invested from Taiwan for the three-month period ended March 31, 2021. The investment remained at \$4,034,074 thousand. Of the \$4,034,074 thousand, \$53,279 thousand has been retained in Accession Ltd. The remaining balance thereof, amounting to \$3,980,795 thousand, was originally the outward remittance of the investment of Shanghai Standard Foods Co., Ltd. in 2015. However, as of July 2015, of the \$3,980,795 thousand, \$31,220 thousand was invested in Shanghai Le Ben De Health Technology Co., Ltd. by Shanghai Standard Foods Co., Ltd. In aggregate, the outward remittance of the investments in Shanghai Standard Foods Co., Ltd. and Shanghai Le Ben De Health Technology Co., Ltd. was \$3,949,575 thousand and \$31,220 thousand, respectively.
- Notes 5: Standard Corporation (Hong Kong) Ltd. is the investor company in third region.
- Notes 6: The company in mainland China was reinvested through a company registered in mainland China, namely Standard Investment (China) Co., Ltd.
- Notes 7: The company in mainland China was invested directly by Standard Foods Corporation and was reinvested through a company registered in mainland China, namely Standard Investment (China) Co., Ltd. The amount invested directly was \$181,048 thousand.
- Notes 8: This company was spun off from Shanghai Standard Foods Co., Ltd. Accession Ltd. is the investor company in third region.
- Notes 9: The basis for recognition of investment profit and loss is Note 2.(2). Item C is based on the financial statements of the investee reviewed by CPAs of the parent company in Taiwan during the same period.
- Notes 10: The basis for recognition of investment profit and loss is Note 2.(2). Item C is based on the financial statements of the investee that have not been reviewed by any CPA during the same period.
- Notes 11: The Industrial Development Bureau of the MOEA issued the proofing document of operational headquarters to the Company; the document is still valid within the review period. Hence, according to the Investment Commission of the MOEA, there is no upper limit on the amount of investment.
- Notes 12: The amount was eliminated upon consolidation.

STANDARD FOODS CORPORATION

INFORMATION OF MAJOR SHAREHOLDERS
March 31, 2021

Name of Major Shareholder	Shares	
	Number of Shares Held	Percentage of Ownership
Mu Te Investment Co., Ltd. Trust Property Account	157,008,400	17.15%
Chia Yun Investment Co., Ltd. Trust Property Account	133,125,408	14.54%
Chia Chieh Investment Co., Ltd. Trust Property Account	108,503,160	11.85%
Nan Shan Life Insurance Company, Ltd.	46,406,000	5.07%

- Notes 1: The major shareholders in this table are shareholders holding more than 5% of the ordinary and preference shares that have completed delivery without physical registration (including treasury shares) on the last business day of each quarter calculated by the Taiwan Depository & Clearing Corporation. The share capital recorded in the Company's consolidated financial report and the number of shares actually delivered by the company without physical registration may differ due to calculation basis.
- Notes 2: If the shares above are entrusted by the shareholders, the information thereto shall be disclosed by the individual trust account opened by the trustees. For information on shareholders, who declare to be insiders holding more than 10% of shares in accordance with the Securities and Exchange Act, and their shareholdings including their shareholdings plus their delivery of trust and shares with the right to make decisions on trust property, please refer to MOPS.