

**CHAILEASE HOLDING COMPANY LIMITED
AND SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2020 and 2019**

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors of Chailease Holding Company Limited:

Introduction

We have reviewed the accompanying consolidated balance sheets of the Chailease Holding Company Limited (the "Company") and its subsidiaries (together referred to as the "Group") as of September 30, 2020 and 2019, the related consolidated statements of comprehensive income for the three months and the nine months ended September 30, 2020 and 2019, as well as the changes in equity and cash flows for the nine months ended September 30, 2020 and 2019, and notes to the consolidated financial statements, including a summary of significant accounting policies. The 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 Standards 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 review.

Scope of Review

We conducted our reviews in accordance with Statement of Auditing Standards 65, "Review of Financial Information Performed by the Independent Auditor of the Entity." A review of the 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 conducted in accordance with the generally accepted auditing standards 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.



Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2020 and 2019, and of its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2020 and 2019 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 audit review resulting in this independent auditors’ review report are Shu-Min Hsu and Wan-Wan Lin.

KPMG

Taipei, Taiwan (Republic of China)
November 9, 2020

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial statements of financial position, financial performance and cash flows in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards, International Accounting Standards, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally accepted and applied in the Republic of China.

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CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

September 30, 2020, December 31, 2019, and September 30, 2019

(Amounts Expressed in Thousands of New Taiwan Dollars)

Assets		2020.9.30		2019.12.31		2019.9.30		LIABILITIES AND EQUITY		2020.9.30		2019.12.31		2019.9.30			
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%		
Current assets :								Current Liabilities :									
1100	Cash and cash equivalents (Notes (6)(a) and (7))	\$	32,608,448	6	18,660,546	4	19,264,865	4	2100	Short-term borrowings (Notes (6)(k), (7) and (8))	\$	55,028,317	10	60,184,562	12	56,662,676	12
1110	Current financial assets at fair value through profit or loss (Note (6)(b))		643,560	-	232,658	-	270,347	-	2110	Short-term notes and bills payable (Notes (6)(j) and (8))		79,697,474	14	72,672,364	15	70,122,400	15
1136	Current financial assets at amortized cost (Note (6)(b))		13,289,448	2	10,799,119	2	9,997,537	2	2126	Current financial liabilities for hedging (Note (6)(c))		371,346	-	42,730	-	-	-
1139	Current financial assets for hedging (Notes (6)(b) and (6)(c))		281,347	-	465,101	-	821,392	-	2170	Accounts and notes payable		3,534,306	1	6,586,307	1	3,391,596	1
1170	Accounts receivable, net (Notes (6)(d), (7) and (8))		348,139,752	63	322,186,288	65	299,451,663	66	2230	Current tax liabilities		2,166,540	-	2,011,215	-	1,355,016	-
1476	Other current financial assets (Notes (7) and (8))		7,192,909	1	8,514,593	2	5,073,835	1	2280	Current lease liabilities (Note (6)(m) and (7))		951,370	-	928,133	-	908,512	-
1479	Other current assets (Notes (6)(e))		7,873,102	2	6,258,911	1	5,635,228	1	2305	Other current financial liabilities (Notes (7))		51,271,142	9	45,767,989	9	42,130,534	9
			410,028,566	74	367,117,216	74	340,514,867	74	2320	Long-term liabilities, current portion (Note (6)(k), (6)(l), (7) and (8))		159,519,701	29	132,600,997	27	122,744,181	27
Non-current assets :								2399	Other current liabilities		4,199,445	1	3,581,389	1	2,843,028	1	
1510	Non-current financial assets at fair value through profit or loss (Note (6)(b))		28,540	-	87,919	-	70,524	-			356,739,641	64	324,375,686	65	300,157,943	65	
1517	Non-current financial assets at fair value through other comprehensive income (Note (6)(b))		795,075	-	899,035	-	877,180	-	Non-current Liabilities :								
1535	Non-current financial assets at amortized cost (Note (6)(b))		2,954,859	1	2,769,750	1	1,627,496	-	2530	Bonds payable (Notes (6)(l))		19,078,115	3	17,297,324	3	18,240,391	4
1550	Investments accounted for using equity method (Note (6)(f) and (8))		1,754,446	-	1,786,090	-	1,603,268	-	2540	Long-term borrowings (Notes (6)(k), (7) and (8))		72,331,743	13	69,210,404	14	60,606,303	13
1600	Property, plant and equipment (Notes (6)(g), (7) and (8))		41,457,702	7	34,476,923	7	31,854,081	7	2570	Deferred tax liabilities (Note 6(o))		2,647,736	1	2,578,605	1	2,538,709	1
1755	Right-of-use assets (Notes(6)(h) and (7))		4,073,073	1	3,599,096	1	3,304,663	1	2580	Non-current lease liabilities (Note (6)(m) and (7))		3,152,741	1	2,668,312	1	2,411,581	1
1780	Intangible assets (Note (6)(i))		95,665	-	75,308	-	74,442	-	2600	Other non-current liabilities (Note (6)(n))		6,355,915	1	7,269,508	1	6,888,701	1
1840	Deferred tax assets (Note (6)(o))		3,359,726	1	3,428,945	1	2,743,424	1			103,566,250	19	99,024,153	20	90,685,685	20	
1930	Long-term accounts receivable, net (Notes (6)(d), (7) and (8))		88,814,248	16	82,026,218	16	77,383,900	17	Total Liabilities		460,305,891	83	423,399,839	85	390,843,628	85	
1995	Other non-current assets (Notes (7) and (8))		1,456,899	-	1,071,359	-	1,055,947	-	Equity attributable to owners of the Company : (Note (6)(p))								
			144,790,233	26	130,220,643	26	120,594,925	26	3110	Ordinary share		13,813,280	2	13,282,000	3	13,282,000	3
									3120	Preferred share		1,500,000	-	-	-	-	-
									3200	Capital surplus		30,869,251	6	17,379,467	4	17,379,467	4
									3320	Special reserve		3,283,275	1	2,095,945	-	2,095,945	-
									3350	Unappropriated retained earnings		44,836,171	8	40,287,825	8	36,419,227	8
									3400	Other equity items		(3,903,273)	(1)	(3,283,275)	(1)	(2,793,199)	(1)
										Total equity attributable to owners of the Company		90,398,704	16	69,761,962	14	66,383,440	14
									36XX	Non-controlling interests		4,114,204	1	4,176,058	1	3,882,724	1
										Total equity		94,512,908	17	73,938,020	15	70,266,164	15
TOTAL ASSETS		\$	554,818,799	100	497,337,859	100	461,109,792	100	TOTAL LIABILITIES AND EQUITY		\$	554,818,799	100	497,337,859	100	461,109,792	100

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

CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

For the three months ended September 30, 2020 and 2019 and for the nine months ended September 30, 2020 and 2019

(Amounts Expressed in Thousands of New Taiwan Dollars)

		For the three months ended September 30				For the nine months ended September 30,			
		2020		2019		2020		2019	
		Amount	%	Amount	%	Amount	%	Amount	%
Operating revenues: (Note (7))									
4111	Sales revenue	\$ 1,321,888	9	3,325,179	22	3,271,757	8	9,293,377	22
4810	Interest revenue - installment sales	2,760,188	18	2,449,771	16	8,036,026	18	7,014,551	16
4820	Interest revenue - capital leases	5,240,921	34	4,479,190	29	15,027,183	35	12,619,018	30
4300	Rental revenue - operating leases	967,925	6	853,643	6	2,783,586	6	2,510,477	6
4230	Interest revenue - loans	1,233,288	8	1,208,922	8	3,716,910	9	3,402,929	8
4240	Other interest revenue	1,602,698	10	1,273,415	8	4,561,152	10	3,566,372	8
4881	Other operating revenue	<u>2,231,376</u>	<u>15</u>	<u>1,694,615</u>	<u>11</u>	<u>6,203,107</u>	<u>14</u>	<u>4,347,613</u>	<u>10</u>
		<u>15,358,284</u>	<u>100</u>	<u>15,284,735</u>	<u>100</u>	<u>43,599,721</u>	<u>100</u>	<u>42,754,337</u>	<u>100</u>
Operating costs: (Note (7))									
5111	Cost of sales	681,783	4	2,728,529	18	1,736,322	4	7,622,409	18
5240	Interest expense	2,212,459	15	2,065,502	13	6,645,031	15	5,816,595	14
5300	Cost of rental revenue	671,642	4	581,534	4	1,941,681	5	1,760,517	4
5800	Other operating costs	<u>748,592</u>	<u>5</u>	<u>619,016</u>	<u>4</u>	<u>2,111,598</u>	<u>5</u>	<u>1,766,472</u>	<u>4</u>
		<u>4,314,476</u>	<u>28</u>	<u>5,994,581</u>	<u>39</u>	<u>12,434,632</u>	<u>29</u>	<u>16,965,993</u>	<u>40</u>
	Gross profit from operation	11,043,808	72	9,290,154	61	31,165,089	71	25,788,344	60
6400	Operating expenses (Note (7))	3,021,650	20	2,738,069	18	8,855,638	20	7,932,211	19
6450	Expected credit loss (Note (6)(d))	1,823,296	12	1,193,107	8	5,123,993	12	3,055,708	7
6500	Net other income and expenses (Note (6)(s))	<u>99,970</u>	<u>1</u>	<u>119,254</u>	<u>1</u>	<u>265,614</u>	<u>1</u>	<u>341,901</u>	<u>1</u>
	Operating profit	<u>6,298,832</u>	<u>41</u>	<u>5,478,232</u>	<u>36</u>	<u>17,451,072</u>	<u>40</u>	<u>15,142,326</u>	<u>35</u>
Non-operating income and expenses:									
7100	Interest income	48,534	-	34,386	-	153,781	-	95,392	-
7130	Dividend income	45,915	-	9,900	-	47,269	-	13,214	-
7020	Other gains and losses (Note (6)(t) and (7))	105,289	1	70,073	-	472,249	1	605,029	2
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method (Note (6)(f))	<u>(12,397)</u>	<u>-</u>	<u>(31,170)</u>	<u>-</u>	<u>(61,398)</u>	<u>-</u>	<u>115,367</u>	<u>-</u>
		<u>187,341</u>	<u>1</u>	<u>83,189</u>	<u>-</u>	<u>611,901</u>	<u>1</u>	<u>829,002</u>	<u>2</u>
7900	Profit before income tax	6,486,173	42	5,561,421	36	18,062,973	41	15,971,328	37
7950	Less: Income tax expenses (Note (6) (o))	<u>1,847,811</u>	<u>12</u>	<u>1,524,234</u>	<u>10</u>	<u>5,188,715</u>	<u>12</u>	<u>4,078,648</u>	<u>9</u>
	Profit for the period	<u>4,638,362</u>	<u>30</u>	<u>4,037,187</u>	<u>26</u>	<u>12,874,258</u>	<u>29</u>	<u>11,892,680</u>	<u>28</u>
Other comprehensive income (loss):									
8310	Components of other comprehensive income that will not be reclassified to profit or loss								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(42,342)	-	(19,225)	-	(102,601)	-	(25,757)	-
8349	Less: Income tax related to components that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total components of other comprehensive income that will not be reclassified to profit or loss	<u>(42,342)</u>	<u>-</u>	<u>(19,225)</u>	<u>-</u>	<u>(102,601)</u>	<u>-</u>	<u>(25,757)</u>	<u>-</u>
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss								
8361	Exchange differences on translation	225,920	1	(1,419,510)	(9)	(1,124,673)	(3)	(623,332)	(2)
8368	Gains (loss) on hedging instrument	425,890	3	(8,353)	-	350,453	1	(2,116)	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	8,050	-	1,086	-	15,777	-	(3,430)	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss (Note (6)(o))	<u>35,081</u>	<u>-</u>	<u>2,612</u>	<u>-</u>	<u>67,537</u>	<u>-</u>	<u>44,052</u>	<u>-</u>
	Total components of other comprehensive income that will be reclassified to profit or loss	<u>624,779</u>	<u>4</u>	<u>(1,429,389)</u>	<u>(9)</u>	<u>(825,980)</u>	<u>(2)</u>	<u>(672,930)</u>	<u>(2)</u>
	Other comprehensive income (net of tax)	<u>582,437</u>	<u>4</u>	<u>(1,448,614)</u>	<u>(9)</u>	<u>(928,581)</u>	<u>(2)</u>	<u>(698,687)</u>	<u>(2)</u>
8500	Total comprehensive income for the period	<u>\$ 5,220,799</u>	<u>34</u>	<u>2,588,573</u>	<u>17</u>	<u>11,945,677</u>	<u>27</u>	<u>11,193,993</u>	<u>26</u>
Profit attributable to:									
8610	Owners of the Company	\$ 4,487,351	29	3,863,474	25	12,376,676	28	11,482,298	27
8620	Non-controlling interests	<u>151,011</u>	<u>1</u>	<u>173,713</u>	<u>1</u>	<u>497,582</u>	<u>1</u>	<u>410,382</u>	<u>1</u>
		<u>\$ 4,638,362</u>	<u>30</u>	<u>4,037,187</u>	<u>26</u>	<u>12,874,258</u>	<u>29</u>	<u>11,892,680</u>	<u>28</u>
Comprehensive income attributable to:									
8710	Owners of the Company	\$ 5,166,691	34	2,591,365	17	11,756,678	27	10,781,222	25
8720	Non-controlling interests	<u>54,108</u>	<u>-</u>	<u>(2,792)</u>	<u>-</u>	<u>188,999</u>	<u>-</u>	<u>412,771</u>	<u>1</u>
		<u>\$ 5,220,799</u>	<u>34</u>	<u>2,588,573</u>	<u>17</u>	<u>11,945,677</u>	<u>27</u>	<u>11,193,993</u>	<u>26</u>
9750	Basic earnings per share (NT dollars) (Note (6)(q))	<u>\$ 3.25</u>		<u>2.79</u>		<u>8.96</u>		<u>8.31</u>	

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
 REVIEWED ONLY, NOT AUDITED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS
CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Nine Months Ended September 30, 2020 and 2019

(Amounts Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company										
						Other Equity Items					
						Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on hedging instruments	Total equity attributable to owners of the Company			
	Share Capital			Retained Earnings		Exchange differences on translation of foreign financial statements				Non-controlling interests	Total equity
	Ordinary share	Preferred share	Capital surplus	Special reserve	Unappropriated retained earnings						
Balance at January 1, 2019	\$ 12,895,146	-	17,367,796	1,397,823	31,649,405	(1,716,802)	(184,517)	(194,626)	61,214,225	2,848,874	64,063,099
Effects of retrospective application	-	-	-	-	(207,717)	-	-	-	(207,717)	-	(207,717)
Equity at beginning of period after adjustments	12,895,146	-	17,367,796	1,397,823	31,441,688	(1,716,802)	(184,517)	(194,626)	61,006,508	2,848,874	63,855,382
Profit for the nine months ended September 30, 2019	-	-	-	-	11,482,298	-	-	-	11,482,298	410,382	11,892,680
Other comprehensive income (loss) for the nine months ended September 30, 2019	-	-	-	-	-	(673,203)	(25,757)	(2,116)	(701,076)	2,389	(698,687)
Total comprehensive income (loss) for the nine months ended September 30, 2019	-	-	-	-	11,482,298	(673,203)	(25,757)	(2,116)	10,781,222	412,771	11,193,993
Earnings distribution and appropriation:											
Special reserve appropriated	-	-	-	698,122	(698,122)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(5,415,961)	-	-	-	(5,415,961)	-	(5,415,961)
Stock dividends of ordinary share	386,854	-	-	-	(386,854)	-	-	-	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	621,079	621,079
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(3,822)	-	3,822	-	-	-	-
Effects on the long-term equity investment not recognized based on shareholding ratios	-	-	11,671	-	-	-	-	-	11,671	-	11,671
Balance at September 30, 2019	\$ 13,282,000	-	17,379,467	2,095,945	36,419,227	(2,390,005)	(206,452)	(196,742)	66,383,440	3,882,724	70,266,164
Balance at January 1, 2020	\$ 13,282,000	-	17,379,467	2,095,945	40,287,825	(3,239,314)	(219,957)	175,996	69,761,962	4,176,058	73,938,020
Profit for the nine months ended September 30, 2020	-	-	-	-	12,376,676	-	-	-	12,376,676	497,582	12,874,258
Other comprehensive income (loss) for the nine months ended September 30, 2020	-	-	-	-	-	(867,850)	(102,601)	350,453	(619,998)	(308,583)	(928,581)
Total comprehensive income (loss) for the nine months ended September 30, 2020	-	-	-	-	12,376,676	(867,850)	(102,601)	350,453	11,756,678	188,999	11,945,677
Earnings distribution and appropriation:											
Special reserve appropriated	-	-	-	1,187,330	(1,187,330)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(6,109,720)	-	-	-	(6,109,720)	-	(6,109,720)
Stock dividends of ordinary share	531,280	-	-	-	(531,280)	-	-	-	-	-	-
Other changes in capital surplus	-	-	623	-	-	-	-	-	623	-	623
Issuance of preferred shares	-	1,500,000	13,489,161	-	-	-	-	-	14,989,161	-	14,989,161
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(250,853)	(250,853)
Balance at September 30, 2020	\$ 13,813,280	1,500,000	30,869,251	3,283,275	44,836,171	(4,107,164)	(322,558)	526,449	90,398,704	4,114,204	94,512,908

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
REVIEWED ONLY, NOT AUDITED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS
CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Nine Months Ended September 30, 2020 and 2019

(Amounts Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30,	
	2020	2019
Cash flows from operating activities:		
Profit before tax	\$ 18,062,973	15,971,328
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	3,231,917	2,738,591
Amortization expense	136,366	143,051
Expected credit loss	5,123,993	3,055,708
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	52,364	(17,242)
Interest expense	6,685,923	5,852,049
Interest income	(31,495,052)	(26,698,262)
Dividend income	(47,269)	(13,214)
Share of loss (gain) of associates and joint ventures accounted for using equity method	61,398	(115,367)
Gain on disposal of property, plant and equipment	(112,598)	(103,198)
Loss on disposal of foreclosed assets	151,088	113,437
Impairment loss on non-financial assets	233,141	178,735
Effect of changes in lease contract	474	(527)
Total adjustments to reconcile profit	(15,978,255)	(14,866,239)
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in financial assets at fair value through profit or loss, mandatorily measured at fair value	(407,376)	691,025
Increase in accounts receivable	(44,313,991)	(53,527,929)
Decrease (increase) in other current financial assets	1,404,710	(578,941)
Increase in other current assets	(1,850,093)	(720,170)
Proceeds from sales of operating lease assets and operating equipment	1,007,093	889,862
Purchase of operating lease assets and operating equipment	(10,846,215)	(9,246,321)
Increase in other operating assets	(530,530)	(208,315)
Total changes in operating assets	(55,536,402)	(62,700,789)
Changes in operating liabilities:		
Decrease in accounts and notes payable	(2,988,194)	(911,563)
Increase in long term and short-term debts	248,503,152	257,848,452
Repayment of long term and short-term debts	(208,954,152)	(213,526,578)
Increase in other current financial liabilities	5,856,380	5,214,664
(Decrease) increase in accrued pension liabilities	(6,066)	21,326
Increase in other current liabilities	644,841	1,507,182
(Decrease) increase in other non-current operating liabilities	(842,778)	1,278,935
Total changes in operating liabilities	42,213,183	51,432,418
Total changes in operating assets and liabilities	(13,323,219)	(11,268,371)
Total adjustments	(29,301,474)	(26,134,610)
Cash flows used in operations	(11,238,501)	(10,163,282)
Interest received	31,385,298	26,497,250
Dividends received	47,269	13,214
Interest paid	(6,638,635)	(5,757,654)
Income taxes paid	(4,851,923)	(3,860,676)
Net cash flows provided by operating activities	8,703,508	6,728,852
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	48,747
Acquisition of financial assets at amortized cost	(11,033,505)	(5,256,146)
Proceeds from disposal of financial assets at amortized cost	8,358,067	5,901,693
Acquisition of investments accounted for using equity method	(165,585)	(228,626)
Proceeds from capital reduction of investments accounted for using equity method	1,165	-
Acquisition of property, plant and equipment	(124,150)	(145,594)
Proceeds from disposal of property, plant and equipment	71,302	97,726
Acquisition of intangible assets	(8,221)	(865)
Proceeds from disposal of foreclosed assets	68,462	114,918
Acquisition of right-of-use assets	(31,570)	(59,317)
Proceeds from disposal of right-of-use assets	22,010	131,233
Net cash flows (used in) provided by investing activities	(2,842,025)	603,769
Cash flows from financing activities:		
Distribution of cash dividend	(6,109,712)	(5,415,906)
Increase capital in cash	14,989,161	-
Change in non-controlling interests	(250,853)	621,079
Payment of lease liabilities	(438,958)	(439,578)
Other financing activities	623	-
Net cash flows used in financing activities	8,190,261	(5,234,405)
Effect of exchange rate changes on cash and cash equivalents	(103,842)	(398,882)
Net increase in cash and cash equivalents	13,947,902	1,699,334
Cash and cash equivalents at beginning of period	18,660,546	17,565,531
Cash and cash equivalents at end of period	\$ 32,608,448	19,264,865

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

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(1) Company history

Chalease Holding Company Limited (the “Company”) is an investment holding company, which was founded on December 24, 2009 under the Company Act of Cayman Islands. The Company has been listed on the Main Board of the Taiwan Stock Exchange Corporation (TWSE) since December 13, 2011.

The Company and its subsidiaries (“the Group”) were engaged primarily in providing various services of leasing and financing.

(2) Approval date and procedures of the consolidated financial statements

The consolidated financial statements were approved by the chairman, reported to Board of Directors and issued on November 9, 2020.

(3) New standards, amendments and interpretations adopted:

- (a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. (“FSC”) which have already been adopted.

The following new standards, interpretations and amendments have been endorsed by the FSC and are effective for annual periods beginning on or after January 1, 2020.

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective date per IASB</u>
Amendments to IFRS 3 “Definition of a Business”	January 1, 2020
Amendments to IFRS 9, IAS39 and IFRS7 “Interest Rate Benchmark Reform”	January 1, 2020
Amendments to IAS 1 and IAS 8 “Definition of Material”	January 1, 2020
Amendments to IFRS 16 “Covid-19-Related Rent Concessions”	June 1, 2020

The Group assesses that the adoption of the abovementioned standards would not have any material impact on its consolidated financial statements.

- (b) The impact of IFRS issued by the FSC but not yet effective

The following new standards, interpretations and amendments have been endorsed by the FSC and are effective for annual periods beginning on or after January 1, 2021:

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective date per IASB</u>
Amendments to IFRS 4 “Extension of the Temporary Exemption from Applying IFRS 9”	January 1, 2021

The Group assesses that the adoption of the abovementioned amendments would not have any material impact on its consolidated financial statements.

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- (c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

As of the date, the following IFRSs that have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

New, Revised or Amended Standards and Interpretations	Effective date per IASB
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”	Effective date to be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2023
Amendments to IAS 16 “Property, Plant and Equipment—Proceeds before Intended Use”	January 1, 2022
Amendments to IAS 37 “Onerous Contracts—Cost of Fulfilling a Contract”	January 1, 2022
Annual Improvements to IFRS Standards 2018-2020	January 1, 2022
Amendments to IFRS 3 “Reference to the Conceptual Framework”	January 1, 2022
Amendments to IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 9, IAS39, IFRS7, IFRS 4 and IFRS 16 “Interest Rate Benchmark Reform—Phase 2”	January 1, 2021

The Group is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on its consolidated financial position and consolidated financial performance. The results thereof will be disclosed when the Group completes its evaluation.

(4) Summary of significant accounting policies

- (a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2019. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2019.

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(b) Basis of consolidation

1. List of subsidiaries in the consolidated financial statements

Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			2020.9.30	2019.12.31	2019.9.30	
The Company	Chailease International Company (Malaysia) Limited	Investment	100.00 %	100.00 %	100.00 %	
"	Golden Bridge (B.V.I.) Corp.	Investment	100.00 %	100.00 %	100.00 %	
"	Chailease International Financial Services Co., Ltd.	Installment sales, leasing overseas and financial consulting	100.00 %	100.00 %	100.00 %	
"	Chailease International Company (Hong Kong) Limited	Investment	100.00 %	100.00 %	100.00 %	
"	Chailease International Financial Services (Liberia) Corp.	Leasing	100.00 %	100.00 %	100.00 %	
"	Chailease International Financial Services (Labuan) Co., Ltd.	Leasing	100.00 %	100.00 %	100.00 %	
"	Chailease International Fortune Corp. (Liberia)	Leasing	100.00 %	- %	- %	% The Company invested in this subsidiary on July 6, 2020.
Golden Bridge (B.V.I.) Corp.	My Leasing (Mauritius) Corp.	Investment	100.00 %	100.00 %	100.00 %	
My Leasing (Mauritius) Corp.	Chailease International Finance Corporation	Leasing	97.85 %	97.85 %	97.85 %	
"	Chailease International Financial Services (Singapore) Pte. Ltd.	Financing	100.00 %	100.00 %	- %	% My Leasing (Mauritius) Corp. invested in this subsidiary on December 18, 2019.
My Leasing (Mauritius) Corp. and Chailease International Finance Corporation	Chailease Finance International Corp.	Leasing	100.00 %	100.00 %	100.00 %	
Chailease International Finance Corporation	Chailease International Corp.	Trading	100.00 %	100.00 %	100.00 %	
"	Jirong Real Estate Co., Ltd.	House property leasing and management	100.00 %	100.00 %	100.00 %	

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Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			2020.9.30	2019.12.31	2019.9.30	
Chail ease International Finance Corporation	Chail ease International Commercial Factoring Corporation	Factoring	100.00 %	- %	- %	Chail ease International Finance Corporation invested in this subsidiary on April 10, 2020.
Chail ease International Company (Malaysia) Limited	Chail ease International (B.V.I.) Corp.	Investment	- %	100.00 %	100.00 %	Chail ease International (B.V.I.) Corp. was liquidated on April 14, 2020.
"	Chail ease International Company (UK) Limited	Consulting, aircraft leasing and investment	100.00 %	100.00 %	100.00 %	
"	Chail ease Berjaya Credit Sdn. Bhd.	Installment sales	70.00 %	70.00 %	70.00 %	
"	Chail ease Royal Leasing Plc.	Leasing	60.00 %	60.00 %	60.00 %	
"	Chail ease Berjaya Finance Corporation	Leasing and financing	60.00 %	60.00 %	60.00 %	
"	Chail ease Royal Finance Plc.	Financing	60.00 %	60.00 %	60.00 %	
"	Chail ease Capital (Thailand) Co., Ltd. (Former name: Chail ease JLK Capital Co., Ltd.)	Investment	49.00 %	- %	- %	Chail ease International Company (Malaysia) Limited invested in this subsidiary on January 22, 2020. The subsidiary changed its name on July 23, 2020.
Chail ease International Company (UK) Limited	Chail ease Finance Co., Ltd.	Installment sales, leasing, and factoring	100.00 %	100.00 %	100.00 %	
Chail ease International Company (Hong Kong) Limited	PT Chail ease Indonesia Finance (Former name: PT Chail ease Indosurye Finance)	Financing	75.00 %	75.00 %	- %	Chail ease International Company (Hong Kong) Limited invested in this subsidiary on October 14, 2019. The subsidiary changed its name on July 22, 2020.
"	Chail ease Management Consulting Co., Limited	Consulting	100.00 %	- %	- %	Chail ease International Company (Hong Kong) Limited invested in this subsidiary on February 12, 2020.

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			2020.9.30	2019.12.31	2019.9.30	
Chailease Berjaya Credit Sdn. Bhd.	Chailease Agency Sdn. Bhd.	Insurance brokers	100.00 %	100.00 %	100.00 %	
"	Chailease Services Sdn. Bhd.	Insurance brokers	100.00 %	100.00 %	100.00 %	
Chailease Finance Co., Ltd.	Fina Finance & Trading Co., Ltd.	Installment sales, trading, and factoring	100.00 %	100.00 %	100.00 %	
"	Chailease Specialty Finance Co., Ltd.	Installment sales	100.00 %	100.00 %	100.00 %	
"	My Leasing (B.V.I.) Corp.	Investment	100.00 %	100.00 %	100.00 %	
Chailease International Company (Malaysia) Limited, Chailease (Thailand) Capital Co., Ltd. and Chailease Finance Co., Ltd.	Asia Sermkij Leasing Public Co., Ltd.	Installment sales of automobiles	49.68 %	48.18 %	48.18 %	Please refer to Note (5) for the detailed disclosure of the judgment regarding the control of Asia SermKij Leasing Public Co., Ltd.
Chailease Finance Co., Ltd.	Chailease Finance (B.V.I.) Company, Ltd.	Installment sales, leasing overseas, and financial consulting	100.00 %	100.00 %	100.00 %	
"	Chailease International Leasing Company Limited (Vietnam)	Leasing	100.00 %	100.00 %	100.00 %	
"	Chailease International Trading Company Limited (Vietnam)	Trading	100.00 %	100.00 %	100.00 %	
"	Chailease Auto Rental Co., Ltd.	Leasing	100.00 %	100.00 %	100.00 %	
"	Apex Credit Solutions Inc.	Accounts receivable management, debt management, valuation, trading in financial instruments	- %	100.00 %	100.00 %	The subsidiary was merged by Chailease Consumer Finance Co., Ltd. on June 15, 2020.
"	Chailease Insurance Brokers Co., Ltd.	Personal and property insurance brokers	100.00 %	100.00 %	100.00 %	
"	Chailease Cloud Service Co., Ltd.	Software of cloud products, leasing, and installment sales	100.00 %	100.00 %	100.00 %	

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Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			2020.9.30	2019.12.31	2019.9.30	
Chailease Finance Co., Ltd.	Chailease Finance Securitization Trust 2016	Special Purpose Entity	- %	- %	- %	The subsidiary was established on August 24, 2016. (Note a)
"	Chailease Finance Securitization Trust 2019	Special Purpose Entity	- %	- %	- %	The subsidiary was established on December 11, 2019. (Note a)
"	Yun Tang Inc.	Solar Power business	100.00 %	100.00 %	100.00 %	
"	Chailease Energy Integration Co., Ltd	Solar Power business	100.00 %	100.00 %	100.00 %	
"	Chailease Power Technology Co., Ltd.	Solar Power business	100.00 %	100.00 %	100.00 %	
"	Chung Cheng Energy Integration Co., Ltd.	Solar Power business	100.00 %	100.00 %	- %	The subsidiary was established on October 25, 2019.
"	Ho Lien Energy Integration Co., Ltd.	Solar Power business	100.00 %	100.00 %	- %	The subsidiary was established on October 25, 2019.
"	Tai Yuan Energy Integration Co., Ltd.	Solar Power business	100.00 %	- %	- %	Chailease Finance Co., Ltd. invested in this subsidiary on January 9, 2020.
"	Chung Ho Energy Integration Co., Ltd.	Solar Power business	100.00 %	- %	- %	The subsidiary was established on April 9, 2020.
"	Chung Yen Energy Integration Co., Ltd.	Solar Power business	100.00 %	- %	- %	The subsidiary was established on April 15, 2020.
"	Tung Feng Inc.	Solar Power business	100.00 %	- %	- %	Chailease Finance Co., Ltd. invested in this subsidiary on June 1, 2020.
Fina Finance & Trading Co., Ltd.	Chailease Consumer Finance Co., Ltd	Factoring, trading-in, management, and valuation on accounts receivable; installment sales; financial instrument	100.00 %	100.00 %	100.00 %	
"	Chailease Credit Services Co., Ltd.	Installment sales and leasing	100.00 %	100.00 %	100.00 %	
The Company and Chailease Finance Co., Ltd.	Grand Pacific Holdings Corp.	Financing leasing, real estate, and mortgage	100.00 %	100.00 %	100.00 %	

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Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			2020.9.30	2019.12.31	2019.9.30	
Chailease Consumer Finance Co., Ltd. and Chailease Credit Services Co., Ltd.	Chuang Ju Limited Partnership	Installment sales and leasing	100.00 %	100.00 %	100.00 %	
Chailease Specialty Finance Co., Ltd. and Chailease Cloud Service Co., Ltd.	Sing Chuang Limited Partnership	Installment sales and leasing	100.00 %	100.00 %	100.00 %	
Grand Pacific Holdings Corp.	Grand Pacific Financing Corp. (California)	Financing, leasing and financial consulting	100.00 %	100.00 %	100.00 %	
"	Grand Pacific Main Street Development, Inc.	Real estate development	100.00 %	100.00 %	100.00 %	
Asia Sermkij Leasing Public Co., Ltd.	Bangkok Grand Pacific Lease Public Company Limited	Leasing and financing consulting	99.99 %	99.99 %	99.99 %	
"	SK Insurance Broker Co., Ltd.	Insurance brokers	100.00 %	100.00 %	100.00 %	

Note a: For purposes of trading and investment, the Group set up a number of special purpose entities (SPE) in which it does not have any direct or indirect shareholding.

These SPEs are consolidated if the substance of the Group's relationship with the SPEs and the assessment of their risks and rewards, disclosed that the Group has control over the SPEs. The control of an SPE by the Group may exists if:

- (i) the Group has power over the SPE;
- (ii) the Group has exposure, or rights, to variable returns from its involvement with the SPE;
- (iii) the Group has ability to use its power over to affect the amount of the SPE's returns.

2.List of subsidiaries which are not included in the consolidated financial statements: None.

(c) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period (and allocated to current and deferred taxes based on its proportionate size).

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Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

(d) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 “Interim Financial Reporting” and endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2019. For the related information, please refer to Note (5) of the consolidated financial statements for the year ended December 31, 2019.

Accounting policies involve significant judgment and it has no material impact on the consolidated financial statement.

(6) Explanation to Significant Accounts

(a) Cash and cash equivalents

	<u>2020.9.30</u>	<u>2019.12.31</u>	<u>2019.9.30</u>
Cash and bank deposits	\$ 31,189,177	17,504,337	18,504,896
Time deposits	1,419,271	725,720	636,004
Cash equivalents-repurchase bills	<u>-</u>	<u>430,489</u>	<u>123,965</u>
Cash and cash equivalents in consolidated statements of cash flows	<u>\$ 32,608,448</u>	<u>18,660,546</u>	<u>19,264,865</u>

The Group’s interest risk and sensitivity analysis of financial assets and liabilities were disclosed in Note (6)(u).

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(b) Financial instruments

1.The components of financial assets were as follows :

	<u>2020.9.30</u>	<u>2019.12.31</u>	<u>2019.9.30</u>
Financial assets designated at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss :			
Securities of listed companies	\$ 151,470	232,178	269,867
Private equity	480	480	480
Non-hedging derivatives	424,416	-	-
Convertible bonds	76,360	68,685	70,524
Convertible preferred stocks	19,374	19,234	-
Sub-total	<u>672,100</u>	<u>320,577</u>	<u>340,871</u>
Financial assets at fair value through other comprehensive income			
Securities of listed companies	672,098	774,491	768,746
Emerging stock	3,426	3,515	3,400
Private equity	119,551	121,029	105,034
Sub-total	<u>795,075</u>	<u>899,035</u>	<u>877,180</u>
Financial assets measured at amortized cost			
Investment in debt securities	16,244,307	13,568,869	11,625,033
Current financial assets for hedging	281,347	465,101	821,392
Total	<u>\$ 17,992,829</u>	<u>15,253,582</u>	<u>13,664,476</u>

1.Investments in equity instruments measured at fair value through other comprehensive income

These investments in equity instruments are held for long-term strategic purpose and therefore are accounted for as financial assets at fair value through other comprehensive income.

2.Financial assets measured at amortized cost

The Group purchased debt securities issued by real estate asset trust. These debt securities have maturity dates between 2020 and 2023, and bear effective annual interest rates ranging from 2.77%~7.76%.

3.Please refer to Note (6)(u) for information regarding credit risk and market risk.

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(c) Derivative instruments used for hedging

As of September 30, 2020, December 31, 2019, and September 30, 2019, the Group held derivative instruments qualified for hedge accounting as follows:

		2020.9.30			
	Nominal Amount	Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period
USD	12,000	USD to MYR	4.83%	90 Day LIBOR+ 1.35%	2019.03.20~
MYR	48,960				2022.03.21
USD	20,000	USD to MYR	3.28%	90 Day LIBOR+ 1.5%	2020.09.10~
MYR	83,360				2023.09.10
USD	50,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.10.23~
CNY	331,000				2020.10.23
USD	100,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.11.22~
CNY	665,200				2020.11.20
USD	50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~
CNY	332,250				2020.12.18
USD	50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~
CNY	331,400				2020.12.18
USD	50,000	USD to CNY	4.12%	90 Day LIBOR+ 1.4%	2019.01.22~
CNY	338,250				2022.01.21
USD	50,000	USD to CNY	4.21%	90 Day LIBOR+ 1.4%	2019.06.17~
CNY	345,500				2022.06.17
USD	50,000	USD to CNY	4.20%	90 Day LIBOR+ 1.4%	2019.07.15~
CNY	344,375				2022.07.15
USD	50,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2019.08.19~
CNY	352,650				2022.08.19
USD	50,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2019.08.26~
CNY	352,650				2022.08.26
USD	60,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2020.01.13~
CNY	418,200				2023.01.13
USD	60,000	USD to CNY	3.98%	90 Day LIBOR+ 1.4%	2020.02.18~
CNY	418,800				2023.02.17
USD	60,000	USD to CNY	3.88%	90 Day LIBOR+ 1.4%	2020.08.12~
CNY	417,900				2023.08.11

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		2020.9.30			
	Nominal Amount	Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period
USD	60,000	USD to CNY	3.78%	90 Day LIBOR+ 1.4%	2020.09.14~
CNY	414,300				2023.09.14
USD	60,000	USD to CNY	3.78%	90 Day LIBOR+ 1.4%	2020.09.21~
CNY	413,400				2023.09.21
JPY	4,100,000	JPY to CNY	5.02%	90 Day LIBOR+ 0.85%	2018.07.11~
CNY	246,410				2021.06.21
JPY	7,500,000	JPY to CNY	4.70%	90 Day LIBOR+ 0.85%	2018.08.15~
CNY	458,700				2021.06.23
JPY	8,000,000	JPY to CNY	3.68%	90 Day LIBOR+ 1%	2020.07.16~
CNY	524,400				2023.05.26
HKD	400,000	HKD to CNY	4.34%	90 Day HIBOR+ 1.4%	2019.11.25~
CNY	359,120				2022.11.25
HKD	300,000	HKD to CNY	4.16%	90 Day HIBOR+ 1.4%	2019.11.27~
CNY	269,400				2022.11.28
HKD	300,000	HKD to CNY	4.36%	90 Day HIBOR+ 1.4%	2019.12.09~
CNY	270,842				2022.12.09

		2019.12.31			
	Nominal Amount	Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period
USD	4,760	USD to MYR	4.83%	90 Day LIBOR+ 1.4%	2018.06.04~
MYR	18,969				2020.03.02
USD	12,000	USD to MYR	4.83%	90 Day LIBOR+ 1.35%	2019.03.20~
MYR	48,960				2022.03.21
USD	50,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.10.23~
CNY	331,000				2020.10.23
USD	100,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.11.22~
CNY	665,200				2020.11.20
USD	50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~
CNY	332,250				2020.12.18
USD	50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~
CNY	331,400				2020.12.18
USD	50,000	USD to CNY	4.12%	90 Day LIBOR+ 1.4%	2019.01.22~
CNY	338,250				2022.01.21

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		2019.12.31			
	Nominal Amount	Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period
USD	50,000	USD to CNY	4.21%	90 Day LIBOR+ 1.4%	2019.06.17~
CNY	345,500				2022.06.17
USD	50,000	USD to CNY	4.20%	90 Day LIBOR+ 1.4%	2019.07.15~
CNY	344,375				2022.07.15
USD	50,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2019.08.19~
CNY	352,650				2022.08.19
USD	50,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2019.08.26~
CNY	352,650				2022.08.26
JPY	4,100,000	JPY to CNY	5.02%	90 Day LIBOR+ 0.85%	2018.07.11~
CNY	246,410				2021.06.21
JPY	7,500,000	JPY to CNY	4.70%	90 Day LIBOR+ 0.85%	2018.08.15~
CNY	458,700				2021.06.23
HKD	400,000	HKD to CNY	4.34%	90 Day HIBOR+ 1.4%	2019.11.25~
CNY	359,120				2022.11.25
HKD	300,000	HKD to CNY	4.16%	90 Day HIBOR+ 1.4%	2019.11.27~
CNY	269,400				2022.11.28
HKD	300,000	HKD to CNY	4.36%	90 Day HIBOR+ 1.4%	2019.12.09~
CNY	270,842				2022.12.09

		2019.9.30			
	Nominal Amount	Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period
USD	4,760	USD to MYR	4.83%	90 Day LIBOR+ 1.4%	2018.06.04~
MYR	18,969				2020.03.02
USD	12,000	USD to MYR	4.83%	90 Day LIBOR+ 1.35%	2019.03.20~
MYR	48,960				2022.03.21
USD	50,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.10.23~
CNY	331,000				2020.10.23
USD	100,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.11.22~
CNY	665,200				2020.11.20
USD	50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~
CNY	332,250				2020.12.18
USD	50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~
CNY	331,400				2020.12.18

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		2019.9.30			
Nominal Amount		Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period
USD	50,000	USD to CNY	4.12%	90 Day LIBOR+ 1.4%	2019.01.22~
CNY	338,250				2022.01.21
USD	50,000	USD to CNY	4.21%	90 Day LIBOR+ 1.4%	2019.06.17~
CNY	345,500				2022.06.17
USD	50,000	USD to CNY	4.20%	90 Day LIBOR+ 1.4%	2019.07.15~
CNY	344,375				2022.07.15
USD	50,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2019.08.19~
CNY	352,650				2022.08.19
USD	50,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2019.08.26~
CNY	352,650				2022.08.16
JPY	4,100,000	JPY to CNY	5.02%	90 Day LIBOR+ 0.85%	2018.07.11~
CNY	246,410				2021.06.21
JPY	7,500,000	JPY to CNY	4.70%	90 Day LIBOR+ 0.85%	2018.08.15~
CNY	458,700				2021.06.23

1. Cash flow hedge

Subsidiaries entered into cross currency swap contract with a bank to hedge future cash flow out of foreign currency loans.

Hedged item	Hedge Instrument	Fair Value			Expected Cash flow Period	Hedge Period
		2020.9.30	2019.12.31	2019.9.30		
USD loans, JPY loans and HKD loans	Cross Currency Swap	\$ 281,347	465,101	821,392	2017~2022	2017~2022
USD loans, JPY loans and HKD loans	Cross Currency Swap	(371,346)	(42,730)	-	2018~2023	2018~2023
		For the three months ended September 30,		For the nine months ended September 30,		
Item		2020	2019	2020	2019	
The fair value adjustment to other comprehensive income		\$ 268,260	(43,189)	58,353	6,831	

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2. Hedge of net investment in foreign operation

The fair value of the equity investment in foreign investee, Golden Bridge (B.V.I.) Corp., may be influenced by the fluctuation of USD exchange rate. The Company designated its USD borrowings to hedge the exchange rate fluctuation risk from this investment. The details of net investment hedge in foreign operation and designated derivatives were as follows:

Hedged Item	Hedge Instrument	Designated Hedging Instrument		
		Fair Value		
		2020.9.30	2019.12.31	2019.9.30
Equity investment measured in USD	Foreign currency borrowings	\$ <u>3,928,500</u>	<u>7,405,060</u>	<u>6,890,880</u>

Item	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
The fair value adjustment to other comprehensive income \$	<u>157,630</u>	<u>34,836</u>	<u>292,100</u>	<u>(8,947)</u>

There were no effects of ineffectiveness recognized in profit or loss that arises from hedges of net investments in foreign operation, Golden Bridge (B.V.I.) Corp., for the nine months ended September 30, 2020 and 2019.

(d) Accounts receivable, net

	2020.9.30	2019.12.31	2019.9.30
Current			
Accounts receivable	\$ 36,533,365	32,248,866	30,282,967
Less: Allowance for impairment	<u>(824,664)</u>	<u>(801,482)</u>	<u>(783,250)</u>
	<u>35,708,701</u>	<u>31,447,384</u>	<u>29,499,717</u>
Installment sales receivable	100,802,972	96,199,615	95,093,702
Less: Unearned interests	<u>(10,772,830)</u>	<u>(9,730,301)</u>	<u>(9,609,237)</u>
Allowance for impairment	<u>(2,631,166)</u>	<u>(2,455,081)</u>	<u>(3,127,717)</u>
	<u>87,398,976</u>	<u>84,014,233</u>	<u>82,356,748</u>
Leases receivable (included operating leases)	190,840,484	173,598,276	157,795,060
Less: Unearned revenue	<u>(23,552,183)</u>	<u>(21,791,362)</u>	<u>(19,457,235)</u>
Allowance for impairment	<u>(4,473,222)</u>	<u>(3,643,773)</u>	<u>(3,684,273)</u>
	<u>162,815,079</u>	<u>148,163,141</u>	<u>134,653,552</u>
Loans receivable	63,330,123	59,546,532	53,919,965
Less: Allowance for impairment	<u>(1,113,127)</u>	<u>(985,002)</u>	<u>(978,319)</u>
	<u>62,216,996</u>	<u>58,561,530</u>	<u>52,941,646</u>
Sub-total of current accounts	<u>348,139,752</u>	<u>322,186,288</u>	<u>299,451,663</u>

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	<u>2020.9.30</u>	<u>2019.12.31</u>	<u>2019.9.30</u>
Non-Current			
Accounts receivable	19,775,385	17,171,744	15,295,784
Less: Allowance for impairment	<u>(296,726)</u>	<u>(264,062)</u>	<u>(214,224)</u>
	<u>19,478,659</u>	<u>16,907,682</u>	<u>15,081,560</u>
Installment sales receivable	56,498,713	53,784,629	50,292,721
Less: Unearned interests	<u>(6,661,297)</u>	<u>(6,541,589)</u>	<u>(5,879,681)</u>
Allowance for impairment	<u>(1,637,998)</u>	<u>(1,503,960)</u>	<u>(783,415)</u>
	<u>48,199,418</u>	<u>45,739,080</u>	<u>43,629,625</u>
Leases receivable	9,760,562	10,304,722	8,041,963
Less: Unearned revenue	<u>(939,295)</u>	<u>(1,012,452)</u>	<u>(763,691)</u>
Allowance for impairment	<u>(77,198)</u>	<u>(198,273)</u>	<u>(197,497)</u>
	<u>8,744,069</u>	<u>9,093,997</u>	<u>7,080,775</u>
Loans receivable	12,776,787	10,672,172	12,016,217
Less: Allowance for impairment	<u>(384,685)</u>	<u>(386,713)</u>	<u>(424,277)</u>
	<u>12,392,102</u>	<u>10,285,459</u>	<u>11,591,940</u>
Sub-total of non-current accounts	<u>88,814,248</u>	<u>82,026,218</u>	<u>77,383,900</u>
Total accounts receivable	<u><u>\$ 436,954,000</u></u>	<u><u>404,212,506</u></u>	<u><u>376,835,563</u></u>

1. The movements in the allowance for impairment with respect to accounts receivable during the period were as follows:

	For the nine months ended September 30,	
	<u>2020</u>	<u>2019</u>
Opening balance	\$ 10,238,346	9,847,823
Impairment loss recognized	5,123,993	3,055,708
Bad debts written off	<u>(3,705,258)</u>	<u>(2,715,252)</u>
Effect of exchange rate changes	<u>(218,295)</u>	<u>4,693</u>
Ending balance	<u><u>\$ 11,438,786</u></u>	<u><u>10,192,972</u></u>

2. Receivables arising from installment sales and capital leases transactions, which were partially pledged for the repayment or collaterals of bank loans, were discussed further in Note (8).

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3.A maturity analysis of capital lease payments, showing the undiscounted lease payments to be received after the reporting date is as follows:

	<u>2020.9.30</u>	<u>2019.12.31</u>	<u>2019.9.30</u>
Less than one year	\$ 108,648,412	93,847,529	85,835,267
One to two years	63,512,918	58,125,912	55,065,487
Two to three years	22,660,291	25,838,772	19,335,374
Three to four years	4,174,472	3,970,599	3,652,341
Four to five years	1,057,890	1,655,270	1,036,042
More than five years	<u>369,415</u>	<u>317,217</u>	<u>754,571</u>
Gross investment in the leases	200,423,398	183,755,299	165,679,082
Unearned revenue	<u>(24,491,478)</u>	<u>(22,803,814)</u>	<u>(20,220,926)</u>
Present value of minimum leases receivable	<u><u>\$ 175,931,920</u></u>	<u><u>160,951,485</u></u>	<u><u>145,458,156</u></u>

The Group entered into several electricity procurement agreements with Taiwan Power Company (Please refer to Note (9) for details of these agreements). Under these agreements, the electric power produced will be only sold to Taiwan Power Company from the day the power plants are put into commercial operation. The average lease term is approximately twenty years. The electricity procurement agreements are not applicable IFRIC4 "Determining whether an arrangement contains a Lease" under the new standard from January 1, 2019.

4.The Group's installment sales receivable and related accounts were as follows:

	<u>Gross investment in the installment sales</u>	<u>Unearned interests</u>	<u>Present value of installment sales receivable</u>
September 30, 2020			
Within operating cycle	\$ 100,802,972	(10,772,830)	90,030,142
Beyond one operating cycle to 5 years	54,109,550	(6,393,380)	47,716,170
Beyond 5 years	<u>2,389,163</u>	<u>(267,917)</u>	<u>2,121,246</u>
	<u><u>\$ 157,301,685</u></u>	<u><u>(17,434,127)</u></u>	<u><u>139,867,558</u></u>
December 31, 2019			
Within operating cycle	\$ 96,199,615	(9,730,301)	86,469,314
Beyond one operating cycle to 5 years	51,060,927	(6,200,971)	44,859,956
Beyond 5 years	<u>2,723,702</u>	<u>(340,618)</u>	<u>2,383,084</u>
	<u><u>\$ 149,984,244</u></u>	<u><u>(16,271,890)</u></u>	<u><u>133,712,354</u></u>

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	Gross investment in the installment sales	Unearned interest	Present value of installment sales receivable
September 30, 2019			
Within operating cycle	\$ 95,093,702	(9,609,237)	85,484,465
Beyond one operating cycle to 5 years	47,712,694	(5,552,490)	42,160,204
Beyond 5 years	2,580,027	(327,191)	2,252,836
	\$ 145,386,423	(15,488,918)	129,897,505

5. 2016 Securitization

In 2016, the Group securitized its financial assets, consisting of conditional sales receivable, installment sales receivable, fund loaning and capital leases receivable, with an aggregate carrying amount of \$4,973,789. Such securitization was made by way of offering the securities in the form of beneficiary certificates, with the Land Bank of Taiwan as the Trustee. Accordingly, the Group received \$4,093,200 in cash from issuing these beneficiary certificates. Because the Group acquired all of the subordinated beneficiary certificates, the Group had control over the SPEs. The SPEs are classified as "Investments accounted under equity method". The Group's downstream transactions are eliminated by the difference between the following two amounts.

- 1) The amount received from disposal of financial assets.
- 2) Adjusted book value of disposed financial assets.

The SPEs trusts are included in the consolidated financial statements and recognized as liabilities for cash obtained from issuing these beneficiary certificates.

These beneficiary certificates are redeemable for the period from August 24, 2016 to August 24, 2023. Specific terms and conditions of the beneficiary certificates are as follows:

Class of beneficiary certificates issued	Order of principal repayment	Issue amount /par value	Issue price	Interest rate	Payment frequency
twAAA	1st	3,750,000	3,750,000	1.90 %	Monthly
twA	2nd	343,200	343,200	2.45 %	Monthly
Subordinated	3rd	880,589	1,118,309	None	Monthly

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6. 2019 Securitization

In 2019, the Group securitized its financial assets, consisting of conditional sales receivable, installment sales receivable, fund loaning and capital leases receivable, with an aggregate carrying amount of \$5,330,149. Such securitization was made by way of offering the securities in the form of beneficiary certificates, with the Land Bank of Taiwan as the Trustee. Accordingly, the Group received \$4,285,000 in cash from issuing these beneficiary certificates. Because the Group acquired all of the subordinated beneficiary certificates, the Group had control over the SPEs. The SPEs are classified as "Investments accounted under equity method". The Group's downstream transactions are eliminated by the difference between the following two amounts.

- 1) The amount received from disposal of financial assets.
- 2) Adjusted book value of disposed financial assets.

The SPEs trusts are included in the consolidated financial statements and recognized as liabilities for cash obtained from issuing these beneficiary certificates.

These beneficiary certificates are redeemable for the period from December 11, 2019 to December 11, 2026. Specific terms and conditions of the beneficiary certificates are as follows:

Class of beneficiary certificates issued	Order of principal repayment	Issue amount /par value	Issue price	Interest rate	Payment frequency
twAAA	1st	3,840,000	3,840,000	1.30 %	Monthly
twA	2nd	445,000	445,000	1.70 %	Monthly
Subordinated	3rd	1,045,149	1,242,765	None	Monthly

(e) Other current assets

	2020.9.30	2019.12.31	2019.9.30
Prepayments	\$ 4,871,007	3,578,867	3,255,751
Prepaid expenses	2,855,027	2,444,645	2,145,585
Foreclosed assets	142,173	227,621	224,895
Others	4,895	7,778	8,997
	\$ 7,873,102	6,258,911	5,635,228

As of September 30, 2020, December 31, 2019, and September 30, 2019, foreclosed assets held by the Group were as follows:

	2020.9.30	2019.12.31	2019.9.30
Foreclosed assets	\$ 200,359	287,047	301,225
Less: Accumulated impairment	(58,186)	(59,426)	(76,330)
	\$ 142,173	227,621	224,895

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For the three months and the nine months ended September 30, 2020 and 2019, the Group recognized an impairment gain of \$10,887, loss of \$4,637, loss of \$3,905 and gain of \$3,552, respectively, for foreclosed assets. Certain foreclosed assets were disposed to non-related parties and a disposal loss of \$48,208, \$36,389, \$151,088 and \$113,437 for the three months and the nine months ended September 30, 2020 and 2019, respectively.

(f) Investments accounted under equity method

1. The financial information of individually non-significant equity method associates included in the consolidated financial statements was as follows:

	<u>2020.9.30</u>		<u>2019.12.31</u>	<u>2019.9.30</u>
Investments in associates	\$ <u>1,754,446</u>		<u>1,786,090</u>	<u>1,603,268</u>
	<u>For the three months ended September 30,</u>		<u>For the nine months ended September 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Comprehensive income attributable to the Group				
Gain (loss) for the period	\$ (12,397)	(31,170)	(61,398)	115,367
Other comprehensive income	8,050	1,086	15,777	(3,430)
Total comprehensive income	\$ <u>(4,347)</u>	<u>(30,084)</u>	<u>(45,621)</u>	<u>111,937</u>

2. Portion of the investments in associates was provided as collaterals for the issuance of short-term bills payable, as well as long and short-term debts, which were discussed further in Note (8).

(g) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group as of and for the nine months ended September 30, 2020 and 2019, were as follows:

	<u>Land and buildings</u>	<u>Transportation equipment</u>	<u>Machinery and miscellaneous equipment</u>	<u>Leasehold improvements</u>	<u>Total</u>
Cost or deemed cost:					
Balance at January 1, 2020	\$ 2,901,960	12,977,026	26,888,279	235,263	43,002,528
Additions	1,996	4,033,187	6,913,117	22,065	10,970,365
Disposals	(7,778)	(2,277,436)	(600,029)	(6,845)	(2,892,088)
Effect of movements in exchange rate	(23,106)	(47,064)	(27,674)	4,738	(93,106)
Balance at September 30, 2020	\$ <u>2,873,072</u>	<u>14,685,713</u>	<u>33,173,693</u>	<u>255,221</u>	<u>50,987,699</u>

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	Land and buildings	Transportation equipment	Machinery and miscellaneous equipment	Leasehold improvements	Total
Balance at January 1, 2019	\$ 2,940,418	11,878,781	1,710,588	189,261	16,719,048
Effects of retrospective application	-	-	16,568,910	-	16,568,910
Additions	-	2,784,244	6,582,438	25,233	9,391,915
Disposals	-	(2,125,281)	(256,067)	(4,398)	(2,385,746)
Effect of movements in exchange rate	(30,379)	17,644	8,616	736	(3,383)
Balance at September 30, 2019	<u>\$ 2,910,039</u>	<u>12,555,388</u>	<u>24,614,485</u>	<u>210,832</u>	<u>40,290,744</u>
Depreciation and impairment losses:					
Balance at January 1, 2020	\$ 642,249	4,926,997	2,792,858	163,501	8,525,605
Depreciation	39,538	1,768,298	924,098	17,768	2,749,702
Impairment loss	-	195,552	33,684	-	229,236
Disposals	(69)	(1,539,793)	(379,583)	(6,846)	(1,926,291)
Effect of movements in exchange rate	(4,222)	(28,378)	(21,502)	5,847	(48,255)
Balance at September 30, 2020	<u>\$ 677,496</u>	<u>5,322,676</u>	<u>3,349,555</u>	<u>180,270</u>	<u>9,529,997</u>
Balance at January 1, 2019	\$ 594,863	4,418,460	1,207,996	148,428	6,369,747
Effects of retrospective application	-	-	1,014,796	-	1,014,796
Depreciation	41,123	1,596,854	710,628	11,921	2,360,526
Impairment loss	-	168,878	13,409	-	182,287
Disposals	-	(1,418,356)	(82,194)	(806)	(1,501,356)
Effect of movements in exchange rate	(4,608)	9,342	5,619	310	10,663
Balance at September 30, 2019	<u>\$ 631,378</u>	<u>4,775,178</u>	<u>2,870,254</u>	<u>159,853</u>	<u>8,436,663</u>
Carrying amounts:					
Balance at January 1, 2020	<u>\$ 2,259,711</u>	<u>8,050,029</u>	<u>24,095,421</u>	<u>71,762</u>	<u>34,476,923</u>
Balance at September 30, 2020	<u>\$ 2,195,576</u>	<u>9,363,037</u>	<u>29,824,138</u>	<u>74,951</u>	<u>41,457,702</u>
Balance at January 1, 2019	<u>\$ 2,345,555</u>	<u>7,460,321</u>	<u>502,592</u>	<u>40,833</u>	<u>10,349,301</u>
Balance at September 30, 2019	<u>\$ 2,278,661</u>	<u>7,780,210</u>	<u>21,744,231</u>	<u>50,979</u>	<u>31,854,081</u>

Recognition and reversal of impairment losses were charged to the cost of rental revenue.

For the impairment test of its leasing asset, management estimated the recoverable amount based on its value in use, which was determined by using the cost of capital 1.15%~5.71% and 1.18%~5.87% for the nine months ended September 30, 2020 and 2019, respectively, to reflect the specific risk associated with its cash generating units.

Assets held for lease, which were partially pledged for the Group's long-term debts and short-term debts, were discussed further in Note (8).

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(h) Right-of-use assets

The Group leases many assets including land and buildings and transportation equipment. Information about leases for which the Group as a lessee is presented below:

	Land and buildings	Transportation equipment	Total
Cost:			
Balance as of January 1, 2020	\$ 4,023,828	133,517	4,157,345
Additions	1,068,674	29,735	1,098,409
Disposal and termination of contract prior to maturity	(253,708)	(587)	(254,295)
Effect of changes in foreign exchange rates	(15,784)	(1,600)	(17,384)
Balance as of September 30, 2020	<u><u>\$ 4,823,010</u></u>	<u><u>161,065</u></u>	<u><u>4,984,075</u></u>
Balance as of January 1, 2019	\$ 2,793,602	86,122	2,879,724
Additions	1,875,368	37,998	1,913,366
Disposal and termination of contract prior to maturity	(993,805)	(2,807)	(996,612)
Effect of changes in foreign exchange rates	(10,861)	(4,268)	(15,129)
Balance as of September 30, 2019	<u><u>\$ 3,664,304</u></u>	<u><u>117,045</u></u>	<u><u>3,781,349</u></u>
Accumulated depreciation and impairment losses:			
Balance as of January 1, 2020	\$ 513,934	44,315	558,249
Depreciation	441,775	40,440	482,215
Disposal and termination of contract prior to maturity	(124,021)	(582)	(124,603)
Effect of changes in foreign exchange rates	(4,527)	(332)	(4,859)
Balance as of September 30, 2020	<u><u>\$ 827,161</u></u>	<u><u>83,841</u></u>	<u><u>911,002</u></u>
Balance as of January 1, 2019	\$ 728,391	-	728,391
Depreciation	344,064	34,001	378,065
Disposal and termination of contract prior to maturity	(626,412)	(1,003)	(627,415)
Effect of changes in foreign exchange rates	(1,141)	(1,214)	(2,355)
Balance as of September 30, 2019	<u><u>\$ 444,902</u></u>	<u><u>31,784</u></u>	<u><u>476,686</u></u>
Carrying amount:			
Balance as of January 1, 2020	<u><u>\$ 3,509,894</u></u>	<u><u>89,202</u></u>	<u><u>3,599,096</u></u>
Balance as of September 30, 2020	<u><u>\$ 3,995,849</u></u>	<u><u>77,224</u></u>	<u><u>4,073,073</u></u>
Balance as of January 1, 2019	<u><u>\$ 2,065,211</u></u>	<u><u>86,122</u></u>	<u><u>2,151,333</u></u>
Balance as of September 30, 2019	<u><u>\$ 3,219,402</u></u>	<u><u>85,261</u></u>	<u><u>3,304,663</u></u>

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(i) Intangible assets

	<u>Goodwill</u>	<u>Software</u>	<u>Total</u>
Carrying amounts:			
Balance at January 1, 2020	\$ <u>60,701</u>	<u>14,607</u>	<u>75,308</u>
Balance at September 30, 2020	\$ <u>77,630</u>	<u>18,035</u>	<u>95,665</u>
Balance at January 1, 2019	\$ <u>61,051</u>	<u>14,695</u>	<u>75,746</u>
Balance at September 30, 2019	\$ <u>61,205</u>	<u>13,237</u>	<u>74,442</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the nine months ended September 30, 2020 and 2019. Information on amortization for the period is discussed in Note (12)(b). Please refer to Note (6)(i) of the 2019 annual consolidated financial statements for other related information.

(j) Short-term notes and bills payable

The Group's short-term notes and bills payable were as follows:

2020.9.30			
	Guarantee or Acceptance Agency	Annual Interest Rate	Amount
Commercial paper payables	Bank	0.57%~1.08%	\$ 54,680,000
	Bills Finance Company	0.41%~1.19%	25,280,000
Less: Discount on short-term notes and bills payable			(262,526)
Total			<u>\$ 79,697,474</u>
2019.12.31			
	Guarantee or Acceptance Agency	Annual Interest Rate	Amount
Commercial paper payables	Bank	0.75%~1.17%	\$ 47,720,000
	Bills Finance Company	0.74%~1.24%	25,230,000
Less: Discount on short-term notes and bills payable			(277,636)
Total			<u>\$ 72,672,364</u>
2019.9.30			
	Guarantee or Acceptance Agency	Annual Interest Rate	Amount
Commercial paper payables	Bank	0.69%~1.15%	\$ 43,770,000
	Bills Finance Company	0.69%~1.24%	26,600,000
Less: Discount on short-term notes and bills payable			(247,600)
Total			<u>\$ 70,122,400</u>

Please refer to Note (8) for the Group's short-term notes and bills payable collateral.

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(k) Long-term and short-term borrowings

The significant terms and conditions of long-term borrowings and short-term borrowings were as follows:

2020.9.30				
	Currency	Annual Interest Rate	Years of Maturity	Amount
Secured bank loans	TWD	1.20%	2025	\$ 165,000
"	USD	1.68%~3.75%	2020~2022	861,742
"	THB	1.31%~3.30%	2020~2023	10,540,496
"	CNY	3.39%~6.17%	2020~2029	52,751,285
"	VND	1.88%~4.94%	2020~2021	7,229,966
"	MYR	3.00%~4.00%	2022	2,849,200
Unsecured bank loans	TWD	0.71%~2.11%	2020~2027	105,100,237
"	USD	0.80%~5.50%	2020~2024	47,159,132
"	THB	1.33%~3.25%	2020~2023	15,312,663
"	CNY	3.50%~5.94%	2020~2023	13,285,048
"	EUR	0.75%~1.30%	2020~2022	3,005,201
"	JPY	0.75%~1.06%	2020~2023	5,595,469
"	HKD	1.84%~2.10%	2020~2022	3,859,081
"	SGD	1.60%~1.85%	2020	180,709
"	MYR	3.00%~5.00%	2020~2021	4,424,640
"	PHP	6.07%~8.78%	2020~2022	539,401
"	AUD	1.80%	2020	207,151
"	KHR	7.00%	2020~2021	137,894
Unsecured other loans	THB	1.60%~2.90%	2020	2,102,413
Notes payable from securitization	TWD	1.30%~2.45%	2020~2026	4,285,000
"	CNY	4.30%~4.60%	2020~2021	1,499,166
Total				\$ 281,090,894
Current				\$ 208,759,151
Non-current				72,331,743
Total				\$ 281,090,894

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2019.12.31				
	Currency	Interest Rate	Years of Maturity	Amount
Secured bank loans	TWD	1.04%	2022	\$ 360,000
"	USD	2.70%~5.75%	2020~2022	15,946,589
"	THB	1.96%~3.15%	2020~2021	8,258,325
"	CNY	4.05%~6.17%	2020~2029	12,037,028
"	VND	3.80%~5.90%	2020	6,768,906
"	MYR	5.00%~5.10%	2020~2022	3,164,850
"	JPY	0.85%	2021	3,216,007
"	HKD	3.75%	2022	3,867,964
Unsecured bank loans	TWD	0.80%~2.11%	2020~2027	86,191,163
"	USD	2.25%~6.60%	2020~2024	29,278,729
"	THB	1.55%~3.25%	2020~2022	8,491,845
"	CNY	4.35%~5.70%	2020~2022	48,522,712
"	EUR	1.20%	2020~2022	2,653,601
"	JPY	1.06%~1.25%	2020	202,886
"	HKD	4.10%~4.32%	2020	107,776
"	SGD	3.95%	2020	155,960
"	MYR	4.40%~4.80%	2020	3,375,840
"	PHP	6.68%~7.76%	2020	488,224
"	AUD	2.65%	2020	231,054
"	KHR	6.50%~7.00%	2020	165,775
Unsecured other loans	THB	1.75%~2.25%	2020	12,167,631
Notes payable from securitization	TWD	1.30%~2.45%	2022~2026	6,508,569
Total				\$ 252,161,434
Current				\$ 182,951,030
Non-current				69,210,404
Total				\$ 252,161,434

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2019.9.30				
	Currency	Interest Rate	Years of Maturity	Amount
Secured bank loans	TWD	1.04%	2022	\$ 360,000
"	USD	3.00%~5.75%	2019~2022	16,524,806
"	THB	2.02%~3.15%	2019~2021	6,192,379
"	CNY	4.05%~6.17%	2019~2029	9,786,727
"	JPY	0.85%	2021	3,350,998
"	VND	3.30%~6.20%	2019~2020	6,359,140
"	MYR	4.90%~5.10%	2020~2022	3,204,900
Unsecured bank loans	TWD	0.80%~2.11%	2019~2027	80,719,853
"	USD	2.71%~5.00%	2019~2022	24,838,447
"	THB	1.72%~3.25%	2019~2022	8,418,098
"	CNY	4.51%~5.70%	2019~2022	48,588,084
"	EUR	0.75%~1.25%	2019	1,901,200
"	JPY	1.10%	2019	281,986
"	HKD	3.00%~3.05%	2019	142,485
"	SGD	3.35%	2019	89,879
"	MYR	4.40%~4.80%	2019~2020	2,706,360
"	PHP	4.90%~5.74%	2019~2020	407,681
"	AUD	2.75%	2019	251,581
"	KHR	6.00%~7.30%	2019~2020	52,294
Unsecured other loans	THB	1.95%~2.25%	2019~2020	13,311,813
Notes payable from securitization	TWD	1.90%~2.45%	2019~2021	3,562,770
Total				\$ 231,051,481
Current				\$ 170,445,178
Non-current				60,606,303
Total				\$ 231,051,481

For information on the Group's interest risk, currency risk, and liquidity risk, please refer to Note (6)(u). For information on the debts of related parties, please refer to Note (7).

1. Securities for bank loans

Certain assets of the Group which were pledged for the repayment of aforementioned loans were disclosed in Note (8).

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2. Financial covenants of significant loans and borrowings

- 1) The Company, entered into a syndicated credit agreement with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. equity ratio, interest coverage ratio, tangible net worth, etc.) Otherwise, the loans are due and payable immediately.
- 2) A subsidiary, Chailease Finance Co., Ltd., entered into several syndicated credit agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. equity ratio, interest coverage ratio, tangible net worth, self-owned asset ratio, etc.) Otherwise, the loans are due and payable immediately.
- 3) A subsidiary, Asia Sermkij Leasing Public Co., Ltd., likewise entered into several credit/loan agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, etc.) Otherwise, the loans are due and payable immediately.
- 4) A subsidiary, Grand Pacific Financing Corp. (California), entered into a syndicated credit agreement with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. interest coverage ratio, tangible net worth, etc.) Otherwise, the loan is due and payable immediately.
- 5) A subsidiary, Fina Finance & Trading Co., Ltd., entered into several syndicated credit/loan agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. current ratio, interest coverage ratio, tangible net worth, etc.) Otherwise, the loans are due and payable immediately.
- 6) A subsidiary, Chailease International Finance Corporation entered into several credit/loan agreements with financial institutions. Under these agreements, the Company and this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, equity ratio, interest coverage ratio, total risk assets to net assets ratio, overdue leased assets to leased assets ratio, leasing rental recovery ratio, etc.) Otherwise, the loans are due and payable immediately.
- 7) A subsidiary, Chailease Finance International Corp., entered into several credit/loan agreements with financial institutions. Under these agreements, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, risk assets to net assets ratio, etc.) Otherwise, the loans are due and payable immediately.
- 8) A subsidiary, Chailease International Corp., entered into several credit/loan agreements with financial institutions. Under these agreements, the Company shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, recovery of account receivable, etc.) Otherwise, the loans are due and payable immediately.
- 9) A subsidiary, Chailease Consumer Finance Co., Ltd., entered into several credit/loan agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. current ratio, interest coverage ratio, tangible net worth, etc.) Otherwise, the loans are due and payable immediately.

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- 10) A subsidiary, Chailease International Financial Services Co., Ltd., entered into several credit/loan agreements with financial institutions, under which, Chailease Finance Co., Ltd., shall maintain certain parent only financial ratios on balance sheet date. (i.e. interest coverage ratio, tangible net worth, etc.) Otherwise, the loans are due and payable immediately.
- 11) A subsidiary, Chailease Berjaya Credit Sdn Bhd., entered into several credit/loan agreements with financial institutions, under which, the Company and Chailease Berjaya Credit Sdn Bhd., shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, etc.) Otherwise, the loans are due and payable immediately.
- 12) A subsidiary, Chailease International Financial Service (Singapore) Pte. Ltd. entered into several credit/loan agreements with financial institutions, under which, Chailease Finance Co., Ltd., shall maintain certain financial ratios on balance sheet date. (i.e. interest coverage ratio and tangible net worth ratio, etc.) Otherwise, the loans are due and payable immediately.

As of December 31, 2019, the Group was in compliance with the financial covenants mentioned above.

(l) Bonds payable

Period	Annual Interest Rate	Principal Amount	Repayment Terms	2020.9.30		Collateral
				Within Operating Cycle	Beyond Operating Cycle	
2014.10.30~ 2021.10.30	2.050%	900,000	Payable in lump sum. Interest rate is fixed. Interest is payable annually.	900,000	-	None
2014.10.30~ 2024.10.30	2.300%	1,100,000	"	-	1,100,000	"
2016.06.28~ 2021.06.28	1.000%	1,350,000	"	1,350,000	-	"
2016.06.28~ 2023.06.28	1.250%	300,000	"	-	300,000	"
2017.05.17~ 2022.05.17	1.350%	1,700,000	"	1,700,000	-	"
2017.05.17~ 2024.05.17	1.700%	500,000	"	-	500,000	"
2017.11.09~ 2022.11.09	1.100%	1,000,000	"	-	1,000,000	"
2018.09.26~ 2023.09.26	0.980%	1,600,000	"	-	1,600,000	"
2018.09.26~ 2025.09.26	1.260%	700,000	"	-	700,000	"
2019.05.09~ 2024.05.09	0.980%	2,950,000	"	-	2,950,000	"

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Period	Annual Interest Rate	Principal Amount		Repayment Terms	2020.9.30		Collateral
					Within Operating Cycle	Beyond Operating Cycle	
2019.05.09~ 2026.05.09	1.150%	500,000		Payable in lump sum. Interest rate is fixed. Interest is payable annually.	-	500,000	None
2019.05.29~ 2024.05.29	0.980%	2,850,000		"	-	2,850,000	"
2020.04.22~ 2025.04.22	0.660%	3,500,000		"	-	3,500,000	"
2019.07.26~ 2022.07.26	3.150%	THB	500,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	-	462,100	"
2019.08.16~ 2022.08.16	3.150%	THB	200,000	"	-	184,840	"
2020.08.28~ 2023.11.28	3.750%	THB	602,500	"	-	556,831	"
2020.08.28~ 2022.08.28	3.250%	THB	721,500	"	-	666,810	"
2018.02.15~ 2021.02.15	2.860%	THB	1,000,000	Payable in lump sum. Interest rate is fixed. Interest is payable quarterly.	924,200	-	"
2018.03.20~ 2021.03.25	2.860%	THB	500,000	"	462,100	-	"
2019.01.30~ 2021.02.05	3.000%	THB	290,000	"	268,018	-	"
2019.02.28~ 2022.01.31	3.200%	THB	100,000	"	-	92,420	"
2019.05.17~ 2022.05.17	3.150%	THB	200,000	"	-	184,840	"
2019.06.19~ 2022.06.30	3.150%	THB	270,000	"	-	249,534	"
2019.07.12~ 2021.07.23	2.950%	THB	200,000	"	184,840	-	"
2019.08.08~ 2022.08.08	3.150%	THB	800,000	"	-	739,360	"
2020.02.17~ 2023.02.17	0%	THB	600,000	Payable at par value	-	554,520	"
2020.03.26~ 2023.03.26	0%	THB	500,000	"	-	462,100	"
Bonds payable (Gross)					5,789,158	19,153,355	
Discounts on bonds payable					(291)	(75,240)	
					<u>\$ 5,788,867</u>	<u>19,078,115</u>	

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Period	Annual Interest Rate	Principal Amount		Repayment Terms	2019.12.31		Collateral
					Within Operating Cycle	Beyond Operating Cycle	
2014.10.30~ 2021.10.30	2.050%	900,000		Payable in lump sum. Interest rate is fixed. Interest is payable annually.	900,000	-	None
2014.10.30~ 2024.10.30	2.300%	1,100,000		"	-	1,100,000	"
2015.06.29~ 2020.06.29	1.550%	3,000,000		Principal amount is payable in two equal installments at the end of the fourth and fifth year. Interest rate is fixed. Interest is payable annually.	1,500,000	-	"
2016.06.28~ 2021.06.28	1.000%	1,350,000		Payable in lump sum. Interest rate is fixed. Interest is payable annually.	1,350,000	-	"
2016.06.28~ 2023.06.28	1.250%	300,000		"	-	300,000	"
2017.05.17~ 2022.05.17	1.350%	1,700,000		"	-	1,700,000	"
2017.05.17~ 2024.05.17	1.700%	500,000		"	-	500,000	"
2017.09.26~ 2020.09.26	1.050%	3,500,000		"	3,500,000	-	"
2017.11.09~ 2022.11.09	1.100%	1,000,000		"	-	1,000,000	"
2018.09.26~ 2023.09.26	0.980%	1,600,000		"	-	1,600,000	"
2018.09.26~ 2025.09.26	1.260%	700,000		"	-	700,000	"
2019.05.09~ 2024.05.09	0.980%	2,950,000		"	-	2,950,000	"
2019.05.09~ 2026.05.09	1.150%	500,000		"	-	500,000	"
2019.05.29~ 2024.05.29	0.980%	2,850,000		"	-	2,850,000	"
2016.06.28~ 2020.06.29	3.250%	THB	200,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	201,960	-	"
2019.07.26~ 2022.07.26	3.150%	THB	500,000	"	-	504,900	"
2019.08.16~ 2022.08.16	3.150%	THB	200,000	"	-	201,960	"

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<u>Period</u>	<u>Annual Interest Rate</u>	<u>Principal Amount</u>		<u>Repayment Terms</u>	<u>2019.12.31</u>		<u>Collateral</u>
					<u>Within Operating Cycle</u>	<u>Beyond Operating Cycle</u>	
2017.02.24~ 2020.02.28	2.950%	THB	100,000	Payable in lump sum. Interest rate is fixed. Interest is payable quarterly.	100,980	-	None
2017.04.27~ 2020.05.15	2.960%	THB	150,000	"	151,470	-	"
2017.07.07~ 2020.07.07	2.980%	THB	110,000	"	111,078	-	"
2017.08.08~ 2020.08.10	2.930%	THB	1,500,000	"	1,514,700	-	"
2018.02.15~ 2021.02.15	2.860%	THB	1,000,000	"	-	1,009,800	"
2018.03.20~ 2021.03.25	2.860%	THB	500,000	"	-	504,900	"
2018.09.13~ 2020.09.13	2.980%	THB	500,000	"	504,900	-	"
2019.01.30~ 2021.02.05	3.000%	THB	290,000	"	-	292,842	"
2019.02.28~ 2022.01.31	3.200%	THB	100,000	"	-	100,980	"
2019.05.17~ 2022.05.17	3.150%	THB	200,000	"	-	201,960	"
2019.06.19~ 2022.06.30	3.150%	THB	270,000	"	-	272,646	"
2019.07.12~ 2021.07.23	2.950%	THB	200,000	"	-	201,960	"
2019.08.08~ 2022.08.08	3.150%	THB	800,000	"	-	807,840	"
Bonds payable (Gross)					9,835,088	17,299,788	
Discounts on bonds payable					(559)	(2,464)	
					<u>\$ 9,834,529</u>	<u>17,297,324</u>	

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Period	Annual Interest Rate	Principal Amount		Repayment Terms	2019.9.30		Collateral
					Within Operating Cycle	Beyond Operating Cycle	
2014.10.30~ 2021.10.30	2.050%	900,000		Payable in lump sum. Interest rate is fixed. Interest is payable annually.	-	900,000	None
2014.10.30~ 2024.10.30	2.300%	1,100,000		"	-	1,100,000	"
2015.06.29~ 2020.06.29	1.550%	3,000,000		Principal amount is payable in two equal installments at the end of the fourth and fifth year. Interest rate is fixed. Interest is payable annually.	1,500,000	-	"
2016.06.28~ 2021.06.28	1.000%	1,350,000		Payable in lump sum. Interest rate is fixed. Interest is payable annually.	1,350,000	-	"
2016.06.28~ 2023.06.28	1.250%	300,000		"	-	300,000	"
2017.05.17~ 2022.05.17	1.350%	1,700,000		"	-	1,700,000	"
2017.05.17~ 2024.05.17	1.700%	500,000		"	-	500,000	"
2017.11.09~ 2022.11.09	1.100%	1,000,000		"	-	1,000,000	"
2018.09.26~ 2023.09.26	0.980%	1,600,000		"	-	1,600,000	"
2018.09.26~ 2025.09.26	1.260%	700,000		"	-	700,000	"
2017.09.26~ 2020.09.26	1.05%	3,500,000		"	3,500,000	-	"
2019.05.09~ 2024.05.09	0.98%	2,950,000		"	-	2,950,000	"
2019.05.09~ 2026.05.09	1.150%	500,000		"	-	500,000	"
2019.05.29~ 2024.05.29	0.98%	2,850,000		"	-	2,850,000	"
2016.06.28~ 2020.06.29	3.250%	THB	200,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	204,100	-	"
2019.07.26~ 2022.07.26	3.150%	THB	500,000	"	-	510,250	"
2019.08.16~ 2022.08.16	3.150%	THB	200,000	"	-	204,100	"

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<u>Period</u>	<u>Annual Interest Rate</u>	<u>Principal Amount</u>		<u>Repayment Terms</u>	<u>2019.9.30</u>		<u>Collateral</u>
					<u>Within Operating Cycle</u>	<u>Beyond Operating Cycle</u>	
2017.02.24~ 2020.02.28	2.950%	THB	100,000	Payable in lump sum. Interest rate is fixed. Interest is payable quarterly.	102,050	-	None
2017.04.27~ 2020.05.15	2.960%	THB	150,000	"	153,075	-	"
2017.07.07~ 2020.07.07	2.980%	THB	110,000	"	112,255	-	"
2017.08.08~ 2020.08.10	2.930%	THB	1,500,000	"	1,530,750	-	"
2018.02.15~ 2021.02.15	2.860%	THB	1,000,000	"	-	1,020,500	"
2018.03.20~ 2021.03.25	2.860%	THB	500,000	"	-	510,250	"
2018.09.13~ 2020.09.13	2.980%	THB	500,000	"	510,250	-	"
2019.01.30~ 2021.02.05	3.000%	THB	290,000	"	-	295,945	"
2019.02.28~ 2022.01.31	3.200%	THB	100,000	"	-	102,050	"
2019.05.17~ 2022.05.17	3.150%	THB	200,000	"	-	204,100	"
2019.06.19~ 2022.06.30	3.150%	THB	270,000	"	-	275,535	"
2019.07.12~ 2021.07.23	2.950%	THB	200,000	"	-	204,100	"
2019.08.08~ 2022.08.08	3.150%	THB	800,000	"	-	816,400	"
Bonds payable (Gross)					8,962,480	18,243,230	
Discounts on bonds payable					(801)	(2,839)	
					<u><u>\$ 8,961,679</u></u>	<u><u>18,240,391</u></u>	

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(m) Lease liabilities

The Group's lease liabilities were as follows:

	<u>2020.9.30</u>	<u>2019.12.31</u>	<u>2019.9.30</u>
Current	\$ <u>951,370</u>	<u>928,133</u>	<u>908,512</u>
Non-current	\$ <u>3,152,741</u>	<u>2,668,312</u>	<u>2,411,581</u>

For the maturity analysis, please refer to Note (6)(u).

The amounts recognized in profit or loss were as follows:

	<u>For the three months ended September 30,</u>		<u>For the nine months ended September 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Interest on lease liabilities	\$ <u>11,520</u>	<u>13,093</u>	<u>40,892</u>	<u>35,454</u>
Variable lease payments not included in the measurement of lease liabilities	\$ <u>52,961</u>	<u>30,508</u>	<u>136,505</u>	<u>75,668</u>
Expenses relating to short-term leases	\$ <u>104,271</u>	<u>93,358</u>	<u>253,175</u>	<u>259,626</u>

The amounts recognized in the statement of cash flows for the Group were as follows

	<u>For the nine months ended September 30,</u>	
	<u>2020</u>	<u>2019</u>
Total cash outflow for leases	\$ <u>869,530</u>	<u>810,326</u>

1. Real estate leases

As of September 30, 2020, the Group leases land and buildings for its office and solar power station. The leases of office and solar power station typically run for two to twenty-eight years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases contain extension options exercisable by the Group. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. In which lease is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

2. Other leases

The Group leases transportation equipment, with lease terms of two to three years.

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(n) Employee benefits

1. Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, pension cost in the accompanying interim consolidated financial statements was measured and disclosed according to the actuarial report as of December 31, 2019 and 2018.

The Group's pension costs recognized in profit or loss were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Operating expenses	\$ 17,469	18,273	52,392	76,647

2. Defined contribution plans

The pension costs incurred from the contributions were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Operating costs	\$ -	484	458	1,555
Operating expenses	53,508	64,349	163,130	187,467
Total	\$ 53,508	64,833	163,588	189,022

(o) Income taxes

The components of income tax were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Total income tax expense from continuing operations	\$ 1,847,811	1,524,234	5,188,715	4,078,648

The components of income tax recognized in other comprehensive income were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Components that may be reclassified to profit or loss:				
Foreign currency translation differences for foreign operations	\$ 35,081	2,612	67,537	44,052

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(p) Share capital and other equity accounts

Except for the following, there were no significant changes in capital and other equity for the nine months ended September 30, 2020 and 2019. Please refer to Note (6)(q) of the 2019 annual, consolidated financial statements for other related information.

1. Share capital

- 1) As of September 30, 2020 and 2019, the Company's authorized capital consisted of 2,500,000 thousand shares and 1,500,000 thousand shares with a par value of \$10 (NT dollars) per share, which includes common stock and preferred stock. As of September 30, 2020 and 2019, the issued common shares worth \$13,813,280 and \$13,282,000, respectively, and issued Series A Preferred Shares worth \$1,500,000 and \$0, respectively. All the issued shares were fully paid, and the preferred shares were recognized as equity.

Due to the capital needs for future development (including operating capital, investing in the subsidiaries and repaying bank loans...etc.) the Board of Directors of the Company resolved to increase the Company's capital by issuing common shares of stock through the offering of global depositary receipts (GDRs) overseas on August 10, 2017, and the offering was approved by the Financial Supervisory Commission (FSC) on September 27, 2017. As of October 17, 2017, these global depositary receipts were priced at US\$12.28 per unit, and the Company issued 125,000,000 common shares of stock from the conversion of 25,000,000 units of global depositary receipts. Each unit of global depositary receipts represents 5 common shares of stock. The Company has listed global depositary receipts on the Euro multilateral trading facility market (Euro MTF market) of the Luxembourg Stock Exchange.

Due to the capital needs for investing in subsidiaries and repaying bank loans, the board of directors of the Company resolved to increase the Company's capital by issuing common shares of stock through the offering of GDRs overseas, and the offering was approved by the Financial Supervisory Commission (FSC) on August 3, 2012. As of October 9, 2012, these GDRs were priced at US\$8.59 per unit, and the Company issued 120,000,000 common shares of stock from the conversion of 24,000,000 units of GDRs. Each unit of GDRs represents 5 common shares of stock. As of September 30, 2020, December 31, 2019, and September 30, 2019, the Company has listed 160,880, 835,692 and 836,652 units of GDRs, respectively, on the Euro MTF market of the Luxembourg Stock Exchange. Major terms and conditions for GDRs were as follows:

A. Exercise of voting rights

Holders of GDRs may exercise voting rights with respect to the common shares in the manner set out in "Terms and Conditions of the Global Depositary Shares-Voting Rights," as such provisions may be amended from time to time to comply with applicable ROC law.

B. Dividend distributions, pre-emptive rights and other rights

Holders of GDRs have same rights on dividend distribution and share distribution as the Company's existing common shareholders.

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2) Issuance of preferred shares:

The shareholders' meeting has approved the amended Articles of Incorporation on rights and obligations of preferred shares on May 27, 2020. The Board of Directors approved the details issuing Series A Preferred Shares on July 29, 2020. The Company issued 150,000 thousand Series A Preferred Shares with a par value of \$10 per share, which amounted to \$15,000,000. The capital injection was approved by Financial Supervisory Commission R.O.C. (Taiwan). The subscription date was September 7, 2020. All the share price of the issued shares have been received and all issued shares were registered and recognized as equity.

The rights and obligations of Series A Preferred Shares Issuance are listed as follows:

- A. Due date: Perpetual,
- B. Dividends: 3.8% per annum for Series A Preferred Shares (5-year IRS 0.605%+3.195%) calculated pursuant to issue price per share. Interest rate per annum will be reset on the day after the 5th anniversary of the issue date ("Issue Date") and the day after each subsequent 5-year period hereafter. The pricing base date shall be the first previous business day for financial institutions in Taipei. Record date for interest reset shall be the second previous business day for financial institutions in Taipei. The 5-year IRS rate shall be the arithmetic mean of 5-year IRS quotations as published by Reuter, TAFXIRS and COSMOS3 at 11:00 a.m. of the day of the pricing base date and reset record date (must be a business day for Taipei's financial institutions). If the above quotations cannot be obtained on reset record date, interest rate shall be decided by the issuer in good faith and taken into account of reasonable market rate;
- C. Dividend Distributions: Cash dividends shall be distributed annually at one time. Once the Company's audited financial reports have been acknowledged in the annual general meeting, the Board of Directors shall set the record date for the distribution of Preferred Dividends of such financial year. Dividend distribution for the years of issuance and redemption shall be calculated pursuant to actual outstanding days of the given year;
- D. Upon the final settlement of the Company's annual accounts, if there are profits, the Company shall set aside out of the profits for each financial year: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; and (iii) a special surplus reserve as required by the applicable securities authority under the Applicable Public Company Rules, and the remaining profits shall be allocated first as the dividends of the Series A Preferred Shares ("Preferred Dividends") payable in such financial year;
- E. The Company has sole discretion on the distribution of Series A Preferred Dividends. In the event that there are no profits or insufficient profits for distributing Preferred Dividends, or due to other necessary considerations, the suspension of distributing Preferred Dividends shall not be deemed as an event of default under any agreements and directions in relation to the issuance of such Preferred Shares;
- F. The Series A Preferred Shares issued by the Company shall be non-cumulative preferred shares. Any undistributed Preferred Dividends or shortfalls in Preferred Dividends distributed shall not be cumulative and shall cease to accrue and be payable, therefore no deferred payment will be paid in subsequent years where there are earnings;

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- G. Excess Dividends Distribution: Except for the foregoing Preferred Dividends, the holders of the Series A Preferred Shares ("Preferred Shareholders") are not entitled to participate in the distribution of cash or stock dividends derived from earnings or capital reserves;
- H. Priority of Claims in liquidation: Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, any surplus assets of the Company available for distribution to Series A Preferred Shareholders shall be first distributed to the Series A Preferred Shareholders. All Preferred Shareholders shall rank pari passu and such distribution shall be capped at the respective issue amount;
- I. Voting Rights and Election right: The Series A Preferred Shareholders shall have no voting rights and no rights to vote on election of directors in a general meeting. Notwithstanding the foregoing, the Series A Preferred Shareholders shall have voting rights in a separate meeting of the Series A Preferred Shares;
- J. Conversion right: Series A Preferred Shares are not convertible to ordinary shares;
- K. Redemption of preferred shares: The Series A Preferred Shareholders have no right to request the Company to redeem the preferred shares they hold; Notwithstanding the foregoing, subject to compliance with the Companies Law, the Company may, upon the approval by the Board of Directors, redeem all or a part of the outstanding issued Series A Preferred Shares, at any time on the next business day after five years of issuance, at the original issue price and on such terms as the Board of Directors may approve. The rights and obligations set forth in the foregoing paragraphs shall remain unchanged to the unredeemed Series A Preferred Shareholders.

2.Capital surplus

The components of capital surplus were as follows:

	<u>2020.9.30</u>	<u>2019.12.31</u>	<u>2019.9.30</u>
Share capital	\$ 30,852,945	17,363,784	17,363,784
Changes in equity of associates and joint ventures accounted for using equity method	15,683	15,683	15,683
Others	<u>623</u>	<u>-</u>	<u>-</u>
	<u>\$ 30,869,251</u>	<u>17,379,467</u>	<u>17,379,467</u>

3.Retained earnings

According to the Articles of Association, the Company is required to appropriate earnings every accounting year. The after-tax earnings are initially used to offset cumulative losses, and then a special reserve and preferred dividends are appropriated from the remainder. Without necessarily violating the Cayman Islands Companies Law, the Company is able to retain reasonable amount of earnings for Company development. Dividends of at least 25% of such remaining amount of which cash dividends shall not be less than 30% of the total amount of dividends.

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1) Special reserve

In accordance with Permit No. 1010012865 as issued by the Financial Supervisory Commission on April 6, 2012, a special reserve equal to the debit balance of unrealized loss on financial instruments in the stockholders' equity, is appropriated from unappropriated retained earnings pursuant to Article No.41 of the Securities and Exchange Act. When appropriating a special reserve for the first time, it is initially appropriated from current earnings and any deficiency is appropriated from the undistributed earnings of prior years. For the second year and years thereafter, the increase or decrease in the balance of unrealized loss on financial instruments in subsequent year, as shown in the statement of changes in stockholders' equity, is either subject to further appropriation for special reserve, or reversed to retained earnings.

2) Earnings distribution

During the shareholders' meetings on May 27, 2020 and May 24, 2019, the shareholders resolved to distribute the 2019 and 2018 earnings. These earnings were appropriated as follows:

	2019		2018	
	Dividend per share (\$)	Amount	Dividend per share (\$)	Amount
Dividends distributed to common shareholders				
Cash	\$ 4.60	6,109,720	4.20	5,415,961
Stock	0.40	<u>531,280</u>	0.30	<u>386,854</u>
Total		<u>\$ 6,641,000</u>		<u>5,802,815</u>

The information on prior year's distribution of the Company's earnings can be accessed from the Market Observation Post System on the internet.

(q) Earnings per share

The basic and diluted earnings per share were calculated as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Profit attributable to common stockholders of the Company	<u>\$ 4,487,351</u>	<u>3,863,474</u>	<u>12,376,676</u>	<u>11,482,298</u>
Weighted average number of ordinary shares	<u>\$ 1,381,328</u>	<u>1,381,328</u>	<u>1,381,328</u>	<u>1,381,328</u>
Weighted average number of ordinary shares (Diluted)	<u>\$ 1,381,350</u>	<u>1,381,347</u>	<u>1,381,350</u>	<u>1,381,347</u>

Note: Potential ordinary shares have no dilutive effects.

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(r) Employee and board of directors compensation

According to the Articles of Association, if there are surplus profits, the annual surplus profits shall be allocated in accordance with the following sequence and manner; however, if the Company has accumulated losses, such accumulated losses shall first be offset against the annual profits:

- a) Between 0.01% and 1% of the surplus profits before tax of each financial years as employees' compensation;
- b) Not to exceed 0.1% of the surplus profits before tax of each financial year as directors' compensation.

For the three months and the nine months ended September 30, 2020 and 2019, the Company estimated its employees' remuneration amounting to \$673, \$580, \$1,857 and \$1,724, and directors' remuneration amounting to \$3,142, \$2,706, \$8,665 and \$8,043, respectively. These estimated amounts were calculated based on the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Company's articles. These remunerations were expensed under operating costs or operating expenses during 2020 and 2019. If there are any subsequent adjustments to the actual remuneration amounts after the annual shareholders' meeting, the adjustment will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year.

For 2019 and 2018, the Company recognized employees' remuneration amounting to \$2,320 and \$2,010, and directors' remuneration amounting to \$15,389 and \$12,562, respectively. The amounts, as stated in the condensed interim consolidated financial statements, are identical to those of the actual distributions for 2019 and 2018. Related information would be available at the Market Observation Post System website.

(s) Net other income and expenses

The components of net other income and expenses were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Net losses on disposal of foreclosed assets	\$ (48,208)	(36,389)	(151,088)	(113,437)
Net impairment (losses) gains on foreclosed assets	10,887	(4,637)	(3,905)	3,552
Gain on doubtful debt recoveries	137,197	160,790	420,850	451,765
Effect of changes in lease contract	94	(530)	(246)	1
Others	-	20	3	20
	<u>\$ 99,970</u>	<u>119,254</u>	<u>265,614</u>	<u>341,901</u>

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(t) Other gains and losses

The components of other gains and losses were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Interest on lease liabilities \$	(11,520)	(13,093)	(40,892)	(35,454)
Net foreign exchange (losses) gains	(20,785)	(55,146)	(110,635)	(44,611)
Net (losses) gains on disposal of property, plant and equipment	(3)	-	(1,376)	(955)
Net (losses) gains on valuation of financial assets measured at fair value through profit or loss	(140)	10,810	(52,364)	17,242
Others	137,737	127,502	677,516	668,807
	<u>\$ 105,289</u>	<u>70,073</u>	<u>472,249</u>	<u>605,029</u>

(u) Financial instruments

1. Credit risks

1) Credit risks exposure

The carrying amounts of financial assets represented the maximum credit risk exposure of the Group. As of September 30, 2020, December 31, 2019, and September 30, 2019, the maximum exposure to credit risks amounted to \$505,213,499, \$455,998,780 and \$423,872,639, respectively.

The non-performing loans (net of allowance for doubtful accounts) amounted to \$84,308, \$107,118 and \$89,246 as of September 30, 2020, December 31, 2019, and September 30, 2019, respectively.

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The loans and receivables originated by the Group and their related allowance for impairment at the reporting date by geographic regions were as follows:

	<u>Taiwan</u>	<u>China</u>	<u>ASEAN</u>	<u>Others</u>	<u>Total</u>
<u>September 30, 2020</u>					
Gross loans and receivables:					
Neither past due nor impaired					
12-month ECL	\$ 211,262,456	156,691,949	37,639,594	1,957,613	407,551,612
Lifetime ECL	429,269	359,085	19,947,816	2,064,593	22,800,763
Past due or monitored					
Lifetime ECL	1,485,447	76,571	3,337,038	515,734	5,414,790
Impaired					
Lifetime ECL	<u>5,984,700</u>	<u>3,695,819</u>	<u>2,705,495</u>	<u>117,857</u>	<u>12,503,871</u>
Gross carrying amounts	<u>\$ 219,161,872</u>	<u>160,823,424</u>	<u>63,629,943</u>	<u>4,655,797</u>	<u>448,271,036</u>
Allowance for losses	<u>4,501,753</u>	<u>4,315,403</u>	<u>2,459,100</u>	<u>125,088</u>	<u>11,401,344</u>
Carrying amount	<u>\$ 214,660,119</u>	<u>156,508,021</u>	<u>61,170,843</u>	<u>4,530,709</u>	<u>436,869,692</u>

Taiwan

	<u>For the nine months ended September 30, 2020</u>			
	<u>12-month ECL</u>	<u>Lifetime ECL- not credit impaired</u>	<u>Lifetime ECL- credit impaired</u>	<u>Total</u>
Balance at January 1, 2020	\$ 1,752,730	42,829	2,271,108	4,066,667
Impairment loss recognized	357,472	8,418	1,708,242	2,074,132
Bad debts written-off	(5,393)	-	(1,620,539)	(1,625,932)
Others	<u>(4,611)</u>	<u>(219)</u>	<u>(8,284)</u>	<u>(13,114)</u>
Balance at September 30, 2020	<u>\$ 2,100,198</u>	<u>51,028</u>	<u>2,350,527</u>	<u>4,501,753</u>

China

	<u>For the nine months ended September 30, 2020</u>			
	<u>12-month ECL</u>	<u>Lifetime ECL- not credit impaired</u>	<u>Lifetime ECL- credit impaired</u>	<u>Total</u>
Balance at January 1, 2020	\$ 2,391,671	7,418	1,332,790	3,731,879
Impairment loss (profit) recognized	2,061,497	(4,564)	103,659	2,160,592
Transfer to lifetime ECL-not credit impaired	(8,849)	8,849	-	-
Transfer to lifetime ECL- credit impaired	(1,615,120)	-	1,615,120	-
Bad debts written-off	-	-	(1,547,415)	(1,547,415)
Others	<u>(18,890)</u>	<u>(52)</u>	<u>(10,711)</u>	<u>(29,653)</u>
Balance at September 30, 2020	<u>\$ 2,810,309</u>	<u>11,651</u>	<u>1,493,443</u>	<u>4,315,403</u>

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ASEAN

	For the nine months ended September 30, 2020			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2020	\$ 224,911	538,921	1,489,476	2,253,308
Impairment loss recognized	304,196	131,571	461,313	897,080
Transfer to lifetime ECL-not credit impaired	(98,287)	98,287	-	-
Transfer to lifetime ECL- credit impaired	(69,585)	(57,052)	126,637	-
Bad debts written-off	-	(1,267)	(518,350)	(519,617)
Others	(21,312)	(33,962)	(116,397)	(171,671)
Balance at September 30, 2020	<u>\$ 339,923</u>	<u>676,498</u>	<u>1,442,679</u>	<u>2,459,100</u>

Others

	For the nine months ended September 30, 2020			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2020	\$ -	141,263	-	141,263
Impairment loss (profit) recognized	-	(12,683)	-	(12,683)
Others	-	(3,492)	-	(3,492)
Balance at September 30, 2020	<u>\$ -</u>	<u>125,088</u>	<u>-</u>	<u>125,088</u>

December 31, 2019

Gross loans and receivables:

	Taiwan	China	ASEAN	Others	Total
Neither past due nor impaired					
12-month ECL	\$ 194,185,146	143,306,415	37,977,656	1,817,345	377,286,562
Lifetime ECL	-	255,496	19,282,470	2,507,144	22,045,110
Past due or monitored					
Lifetime ECL	472,366	32,478	3,494,509	204,588	4,203,941
Impaired					
Lifetime ECL	5,366,842	2,756,480	2,639,570	-	10,762,892
Gross carrying amounts	<u>\$ 200,024,354</u>	<u>146,350,869</u>	<u>63,394,205</u>	<u>4,529,077</u>	<u>414,298,505</u>
Allowance for losses	4,066,667	3,731,879	2,253,308	141,263	10,193,117
Carrying amount	<u>\$ 195,957,687</u>	<u>142,618,990</u>	<u>61,140,897</u>	<u>4,387,814</u>	<u>404,105,388</u>

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Taiwan

	For the year ended December 31, 2019			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2019	\$ 1,520,799	46,825	2,207,602	3,775,226
Impairment loss (profit) recognized	235,759	(3,976)	1,995,005	2,226,788
Bad debts written-off	-	-	(1,924,256)	(1,924,256)
Others	(3,828)	(20)	(7,243)	(11,091)
Balance at December 31, 2019	<u>\$ 1,752,730</u>	<u>42,829</u>	<u>2,271,108</u>	<u>4,066,667</u>

China

	For the year ended December 31, 2019			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2019	\$ 2,366,636	10,518	1,794,930	4,172,084
Impairment loss (profit) recognized	4,288,409	244,157	(3,307,935)	1,224,631
Transfer to lifetime ECL-not credit impaired	(164,317)	164,317	-	-
Transfer to lifetime ECL- credit impaired	(4,006,368)	(411,285)	4,417,653	-
Bad debts written-off	-	-	(1,519,844)	(1,519,844)
Others	(92,689)	(289)	(52,014)	(144,992)
Balance at December 31, 2019	<u>\$ 2,391,671</u>	<u>7,418</u>	<u>1,332,790</u>	<u>3,731,879</u>

ASEAN

	For the year ended December 31, 2019			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2019	\$ 188,884	378,709	1,060,757	1,628,350
Impairment loss recognized	343,861	78,697	441,923	864,481
Transfer to lifetime ECL-not credit impaired	(140,801)	140,801	-	-
Transfer to lifetime ECL- credit impaired	(178,440)	(56,923)	235,363	-
Bad debts written-off	-	(7,866)	(303,272)	(311,138)
Others	11,407	5,503	54,705	71,615
Balance at December 31, 2019	<u>\$ 224,911</u>	<u>538,921</u>	<u>1,489,476</u>	<u>2,253,308</u>

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Others

	For the year ended December 31, 2019				Total
	12-month ECL	Lifetime ECL-not credit impaired	Lifetime ECL-credit impaired		
Balance at January 1, 2019	\$ -	218,295	183		218,478
Impairment profit recognized	-	(74,217)	(339)		(74,556)
Others	-	(2,815)	156		(2,659)
Balance at December 31, 2019	<u>\$ -</u>	<u>141,263</u>	<u>-</u>		<u>141,263</u>
	<u>Taiwan</u>	<u>China</u>	<u>ASEAN</u>	<u>Others</u>	<u>Total</u>
September 30, 2019					
Gross loans and receivables:					
Neither past due nor impaired					
12-month ECL	\$ 184,429,195	128,498,096	37,197,351	1,535,533	351,660,175
Lifetime ECL	-	275,495	17,727,982	2,559,876	20,563,353
Past due or monitored					
Lifetime ECL	508,289	151,507	3,140,713	83,384	3,883,893
Impaired					
Lifetime ECL	5,642,421	2,523,161	2,627,948	-	10,793,530
Gross carrying amounts	<u>\$ 190,579,905</u>	<u>131,448,259</u>	<u>60,693,994</u>	<u>4,178,793</u>	<u>386,900,951</u>
Allowance for losses	3,990,733	3,817,015	2,178,299	168,587	10,154,634
Carrying amount	<u>\$ 186,589,172</u>	<u>127,631,244</u>	<u>58,515,695</u>	<u>4,010,206</u>	<u>376,746,317</u>

Taiwan

	For the nine months ended September 30, 2019				Total
	12-month ECL	Lifetime ECL-not credit-impaired	Lifetime ECL-credit-impaired		
Balance at January 1, 2019	\$ 1,520,799	46,825	2,207,602		3,775,226
Impairment loss (profit) recognized	105,823	(7,279)	1,521,867		1,620,411
Bad debts written-off	-	-	(1,409,377)		(1,409,377)
Others	1,587	-	2,886		4,473
Balance at September 30, 2019	<u>\$ 1,628,209</u>	<u>39,546</u>	<u>2,322,978</u>		<u>3,990,733</u>

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China

	For the nine months ended September 30, 2019			
	12-month ECL	Lifetime ECL- not credit- impaired	Lifetime ECL- credit-impaired	Total
Balance at January 1, 2019	\$ 2,366,636	10,518	1,794,930	4,172,084
Impairment loss (profit) recognized	2,886,372	101,208	(2,159,461)	828,119
Transfer to lifetime ECL-not credit impaired	(173,570)	173,570	-	-
Transfer to lifetime ECL- credit impaired	(2,664,273)	(272,673)	2,936,946	-
Bad debts written-off	-	-	(1,078,704)	(1,078,704)
Others	(66,372)	(365)	(37,747)	(104,484)
Balance at September 30, 2019	<u>\$ 2,348,793</u>	<u>12,258</u>	<u>1,455,964</u>	<u>3,817,015</u>

ASEAN

	For the nine months ended September 30, 2019			
	12-month ECL	Lifetime ECL- not credit- impaired	Lifetime ECL- credit-impaired	Total
Balance at January 1, 2019	\$ 188,884	378,709	1,060,757	1,628,350
Impairment loss recognized	323,715	43,109	273,765	640,589
Transfer to lifetime ECL-not credit impaired	(149,057)	149,057	-	-
Transfer to lifetime ECL- credit impaired	(144,315)	(67,555)	211,870	-
Bad debts written-off	-	(1,010)	(191,737)	(192,747)
Others	14,039	14,720	73,348	102,107
Balance at September 30, 2019	<u>\$ 233,266</u>	<u>517,030</u>	<u>1,428,003</u>	<u>2,178,299</u>

Others

	For the nine months ended September 30, 2019			
	12-month ECL	Lifetime ECL- not credit- impaired	Lifetime ECL- credit-impaired	Total
Balance at January 1, 2019	\$ -	218,295	183	218,478
Impairment profit recognized	-	(52,235)	(254)	(52,489)
Others	-	2,527	71	2,598
Balance at September 30, 2019	<u>\$ -</u>	<u>168,587</u>	<u>-</u>	<u>168,587</u>

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2) Loans and receivables which were neither past due nor impaired

The credit quality of the portfolio classified as loans and receivables neither past due nor impaired is under the circumstances that borrowers are with good credit rate and have no overdue records.

3) Loans and receivables which were past due or monitored

Loans and receivables that were past due or monitored, includes loans and receivables with renegotiated terms. Loans with renegotiated terms are due to the borrower's deteriorating financial position and where the Group has made concessions that it would not otherwise consider. Such activities include extended payment arrangements, approved external debt management plans, deferring foreclosure, modification, loan rewrites and/or deferral of payments pending a change in circumstances.

When loans and receivables of contractual interest or principal payments are past due, the Group considers that impairment loss has not been incurred, because the level of collateral available exceeds the amounts owed to the Group, or the overdue repayments are considered temporary issues.

The following table sets forth the aging of loans and receivables past due:

	2020.9.30	2019.12.31	2019.9.30
Past due up to 30 days	\$ 563,399	511,478	688,649
Past due from 31 to 90 days	4,155,325	3,494,301	3,045,148
Past due from 91 to 180 days	114,820	43,852	1,618
Past due over 180 days	581,246	154,310	148,478
	\$ 5,414,790	4,203,941	3,883,893

4) Impaired loans and receivables

Impaired loans and receivables are loans and receivables for which the Group determine that it will be unable to collect part of principal and interest due according to the contracted terms of the loans and receivables.

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2. Liquidity risks

The following are the contractual maturities of financial liabilities of the Group, including estimated interest payments and excluding the impact of netting arrangements:

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Less than 1 month</u>	<u>1 to 3 months</u>	<u>3 months to 1 year</u>	<u>1 to 5 years</u>	<u>More than 5 years</u>	<u>On demand</u>
September 30, 2020								
Non-derivative financial liabilities								
Secured bank loans	\$ 74,397,689	76,716,682	4,411,398	9,911,024	33,750,048	28,451,051	193,161	-
Unsecured bank and other loans	200,909,039	207,816,886	22,064,511	23,758,817	36,934,108	121,145,764	3,913,686	-
Notes payable from securitization	5,784,166	6,215,513	11,081	200,469	1,388,424	287,425	4,328,114	-
Short-term notes and bills payable	79,697,474	79,960,000	10,900,000	13,690,000	55,370,000	-	-	-
Bonds payables	24,866,982	25,963,675	45,124	32,902	3,455,306	21,924,593	505,750	-
Other payables	13,133,404	13,144,726	7,031,798	701,969	2,231,231	926,628	-	2,253,100
Deposits relating to collateral of customers	51,241,719	51,289,936	446,415	753,806	8,944,845	39,858,879	44,862	1,241,129
Lease liabilities	4,104,111	4,767,139	56,528	110,327	486,376	1,203,582	2,910,326	-
Derivative financial liabilities								
Current financial liabilities for hedging	371,346	371,346	-	-	371,346	-	-	-
	<u>\$ 454,505,930</u>	<u>466,245,903</u>	<u>44,966,855</u>	<u>49,159,314</u>	<u>142,931,684</u>	<u>213,797,922</u>	<u>11,895,899</u>	<u>3,494,229</u>
December 31, 2019								
Non-derivative financial liabilities								
Secured bank loans	\$ 53,619,669	56,895,628	3,433,788	3,818,738	24,878,537	24,533,939	230,626	-
Unsecured bank and other loans	192,033,196	197,682,870	36,541,365	20,142,859	43,338,708	97,415,547	244,391	-
Notes payable from securitization	6,508,569	6,755,229	9,546	16,937	76,215	6,652,531	-	-
Short-term notes and bills payable	72,672,364	72,950,000	9,330,000	15,350,000	48,270,000	-	-	-
Bonds payables	27,131,853	28,287,530	11,745	143,841	7,854,925	19,056,699	1,220,320	-
Other payables	15,944,274	16,028,277	10,213,736	1,387,720	1,238,144	823,304	-	2,365,373
Deposits relating to collateral of customers	46,256,803	46,304,547	267,795	700,136	7,718,158	36,506,776	120,867	990,815
Lease liabilities	3,596,445	4,091,394	56,258	111,075	458,838	1,191,171	2,274,052	-
Derivative financial liabilities								
Current financial liabilities for hedging	42,730	42,730	-	-	42,730	-	-	-
	<u>\$ 417,805,903</u>	<u>429,038,205</u>	<u>59,864,233</u>	<u>41,671,306</u>	<u>133,876,255</u>	<u>186,179,967</u>	<u>4,090,256</u>	<u>3,356,188</u>

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	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Less than 1 month</u>	<u>1 to 3 months</u>	<u>3 months to 1 year</u>	<u>1 to 5 years</u>	<u>More than 5 years</u>	<u>On demand</u>
September 30, 2019								
Non-derivative financial liabilities								
Secured bank loans	\$ 45,778,950	48,725,210	2,953,736	3,272,331	13,506,847	28,746,957	245,339	-
Unsecured bank and other loans	181,709,761	186,103,506	23,339,969	22,917,820	45,036,287	94,392,448	416,982	-
Notes payable from securitization	3,562,770	4,285,708	6,638	13,276	59,744	4,206,050	-	-
Short-term notes and bills payable	70,122,400	70,370,003	12,700,003	15,550,000	42,120,000	-	-	-
Bonds payables	27,202,070	28,465,139	47,583	55,985	7,959,303	18,056,648	2,345,620	-
Other payables	10,776,218	10,812,235	5,965,459	605,988	1,766,025	737,364	-	1,737,399
Deposits relating to collateral of customers	43,629,612	43,656,798	358,036	727,968	7,490,238	34,009,112	4,724	1,066,720
Lease liabilities	3,320,093	3,756,216	50,271	90,745	418,893	1,114,853	2,081,454	-
	<u>\$ 386,101,874</u>	<u>396,174,815</u>	<u>45,421,695</u>	<u>43,234,113</u>	<u>118,357,337</u>	<u>181,263,432</u>	<u>5,094,119</u>	<u>2,804,119</u>

The Group is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

3. Currency risks

1) Exposure to currency risks

The Group's significant exposure to foreign currency risks was as follows:

		2020.9.30		
		Foreign currency (In thousands)	Exchange rate	Functional currency
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$	88,056.38	USD : TWD	2,562,441
		70,400.76	USD : GBP	2,048,662
		4,109.77	USD : VND	119,594
JPY		793,739.02	JPY : USD	218,754
EUR		98,014.75	EUR : USD	3,347,204
HKD		45,375.38	HKD : USD	170,339
SGD		6,571.64	SGD : USD	139,713
AUD		10,000.00	AUD : USD	207,151

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2020.9.30				
	Foreign currency (In thousands)		Exchange rate	Functional currency
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	3,763.14	USD : VND	25,752	109,507
	70,400.76	USD : GBP	0.7802	2,048,662
JPY	540,000.00	JPY : USD	0.0095	148,812
EUR	84,000.00	EUR : USD	1.1735	2,868,601
HKD	21,000.00	HKD : USD	0.1290	78,832
AUD	10,000.00	AUD : USD	0.7119	207,151
SGD	6,500.00	SGD : USD	0.7306	138,189
2019.12.31				
	Foreign currency (In thousands)		Exchange rate	Functional currency
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 149,319.02	USD : TWD	29.9800	4,476,584
	61,944.36	USD : GBP	0.7617	1,857,092
	4,909.59	USD : VND	25,624	147,189
JPY	921,153.18	JPY : USD	0.0092	254,238
EUR	93,501.35	EUR : USD	1.1204	3,140,710
HKD	54,726.64	HKD : USD	0.1284	210,643
AUD	11,672.04	AUD : USD	0.7006	245,171
SGD	7,457.69	SGD : USD	0.7432	166,157
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	456.94	USD : TWD	29.9800	13,699
	4,126.55	USD : VND	25,624	123,714
	61,944.36	USD : GBP	0.7617	1,857,092
JPY	700,000.00	JPY : USD	0.0092	193,281
EUR	79,000.00	EUR : USD	1.1204	2,653,601
HKD	28,000.00	HKD : USD	0.1284	107,776
AUD	11,000.00	AUD : USD	0.7006	231,054
SGD	7,000.00	SGD : USD	0.7432	155,960

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		2019.9.30			
		Foreign currency (In thousands)	Exchange rate	Functional currency	
<u>Financial assets</u>					
<u>Monetary items</u>					
USD	\$	7,377.50	USD : TWD	31.0400	228,998
		51,673.86	USD : GBP	0.8126	1,603,957
		5,130.40	USD : VND	25,653	159,248
JPY		1,238,285.90	JPY : USD	0.0093	356,379
EUR		62,058.27	EUR : USD	1.0938	2,106,878
HKD		63,274.94	HKD : USD	0.1275	250,442
AUD		12,050.24	AUD : USD	0.6754	252,633
SGD		4,279.98	SGD : USD	0.7239	96,171
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD		3,405.44	USD : VND	25,653	105,705
		51,673.86	USD : GBP	0.8126	1,603,957
JPY		980,000.00	JPY : USD	0.0093	281,986
EUR		56,000.00	EUR : USD	1.0938	1,901,200
HKD		36,000.00	HKD : USD	0.1275	142,485
AUD		12,000.00	AUD : USD	0.6754	251,580
SGD		4,000.00	SGD : USD	0.7239	89,879

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from foreign currency exchange fluctuations on cash and cash equivalents, account receivables, and loans and borrowings. A 5% depreciation or appreciation of the TWD against the USD and CNY on balance sheet date would have decreased or increased the net profit after tax by \$231,467 and \$94,604, for the nine months ended September 30, 2020 and 2019, respectively. The analysis is performed on the same basis for both years.

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3) The foreign currency gain or loss on monetary items

Since the Group uses multiple functional currencies, the amounts for foreign currency gain or loss are consolidated for presentation. For the nine months ended September 30, 2020 and 2019, the foreign currency gain (loss), including realized and unrealized, amounted to \$(110,635) and \$(44,611), respectively.

4. Interest analysis

The Group's financial assets and financial liabilities with interest rate exposure risk were as follows:

Ending balance as of September 30, 2020	Effective interest rate	Total	Floating rate	Fixed rate			Non-interest bearing
				Within 1 year	1~5 years	More than 5 years	
Financial assets							
Cash and cash equivalents	0.87 %	\$ 32,608,448	27,352,486	3,505,481	-	-	1,750,481
Debt securities	5.25 %	16,320,667	-	5,565,216	10,755,451	-	-
Non-hedging derivatives	3.95 %	424,414	202,768	221,646	-	-	-
Total accounts receivables	9.72 %	448,392,786	44,030,432	202,881,474	191,003,062	2,187,199	8,290,619
Current financial assets for hedging	2.87 %	281,347	-	281,347	-	-	-
		498,027,662	71,585,686	212,455,164	201,758,513	2,187,199	10,041,100
Financial liabilities							
Secured bank loans	4.39 %	74,397,689	63,070,754	5,042,666	6,284,269	-	-
Unsecured bank and other loans	2.41 %	200,909,039	65,773,988	56,644,273	78,281,195	209,583	-
Short-term notes and bills payable	0.81 %	79,697,474	4,789,981	74,907,493	-	-	-
Bonds payables	1.61 %	24,866,982	-	3,188,867	21,178,115	500,000	-
Current financial liabilities for hedging	2.84 %	371,346	-	371,346	-	-	-
Notes payable from securitization	2.54 %	5,784,166	-	1,556,651	287,425	3,940,090	-
Deposits relating to collateral of customers	0.07 %	51,241,719	-	3,841,519	7,015,007	44,713	40,340,480
Lease liabilities	1.47 %	4,104,111	-	594,272	1,064,812	2,445,027	-
		441,372,526	133,634,723	146,147,087	114,110,823	7,139,413	40,340,480
Net exposure		\$ 56,655,136	(62,049,037)	66,308,077	87,647,690	(4,952,214)	(30,299,380)

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Ending balance as of December 31, 2019	Effective interest rate	Total	Floating rate	Fixed rate			Non-interest bearing
				Within 1 year	1~5 years	More than 5 years	
Financial assets							
Cash and cash equivalents	0.73 %	\$ 18,660,546	14,277,910	2,997,086	-	-	1,385,550
Debt securities	5.49 %	13,637,554	-	4,413,483	9,224,071	-	-
Total accounts receivables	9.85 %	414,450,852	42,569,947	186,303,211	176,278,615	2,610,878	6,688,201
Current financial assets for hedging	1.64 %	465,101	-	465,101	-	-	-
		447,214,053	56,847,857	194,178,881	185,502,686	2,610,878	8,073,751
Financial liabilities							
Secured bank loans	4.79 %	53,619,669	46,583,202	4,746,060	2,290,407	-	-
Unsecured bank and other loans	2.90 %	192,033,196	122,767,781	36,940,768	32,092,564	232,083	-
Short-term notes and bills payable	0.90 %	72,672,364	13,504,169	59,168,195	-	-	-
Bonds payables	1.67 %	27,131,853	-	7,584,529	18,347,324	1,200,000	-
Current financial liabilities for hedging	1.62 %	42,730	-	42,730	-	-	-
Notes payable from securitization	1.92 %	6,508,569	-	2,589,401	3,828,165	91,003	-
Deposits relating to collateral of customers	0.12 %	46,256,803	-	4,976,114	7,299,084	1,813	33,979,792
Lease liabilities	1.69 %	3,596,445	-	550,122	1,075,126	1,971,197	-
		401,861,629	182,855,152	116,597,919	64,932,670	3,496,096	33,979,792
Net exposure		\$ 45,352,424	(126,007,295)	77,580,962	120,570,016	(885,218)	(25,906,041)

Ending balance as of September 30, 2019	Effective interest rate	Total	Floating rate	Fixed rate			Non-interest bearing
				Within 1 year	1~5 years	More than 5 years	
Financial assets							
Cash and cash equivalents	0.69 %	\$ 19,264,865	14,005,085	3,257,797	-	-	2,001,983
Debt securities	5.83 %	11,695,557	-	4,274,382	7,421,175	-	-
Total accounts receivables	9.74 %	387,028,535	41,831,214	174,494,584	161,614,631	2,483,886	6,604,220
Current financial assets for hedging	1.52 %	821,392	-	821,392	-	-	-
		418,810,349	55,836,299	182,848,155	169,035,806	2,483,886	8,606,203
Financial liabilities							
Secured bank loans	4.87 %	45,778,950	39,501,295	3,277,666	2,999,989	-	-
Unsecured bank and other loans	2.90 %	181,709,761	118,568,778	31,396,402	31,504,998	239,583	-
Short-term notes and bills payable	0.91 %	70,122,400	18,659,675	51,462,725	-	-	-
Bonds payables	1.68 %	27,202,070	-	7,611,679	17,290,391	2,300,000	-
Notes payable from securitization	1.95 %	3,562,770	-	-	3,562,770	-	-
Deposits relating to collateral of customers	0.12 %	43,629,612	-	4,321,944	7,505,024	2,262	31,800,382
Lease liabilities	1.65 %	3,320,093	-	520,333	1,002,485	1,797,275	-
		375,325,656	176,729,748	98,590,749	63,865,657	4,339,120	31,800,382
Net exposure		\$ 43,484,693	(120,893,449)	84,257,406	105,170,149	(1,855,234)	(23,194,179)

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The Group's sensitivity analysis in interest rates is based on the risk exposure to interest rates on the derivative and non-derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities are outstanding for the whole year on the reporting date. The Group's accounting and financial department reported that the increases or decreases in interest rates and the change in interest rate of 25 basis points has been determined as management's benchmark in assessing the reasonableness of the changes in the interest rates.

If the interest rate increases or decreases by 0.25%, the Group's profit will decrease or increase by \$186,767 and \$175,357 for the nine months ended September 30, 2020 and 2019, respectively. This analysis assumes that all other variables remain constant.

5. Sensitivity analysis — equity price risk :

If the equity price changes, the impact to other comprehensive income, using the sensitivity analysis based on the same variables except for the price index for both period, will be as follows:

	For the nine months ended September 30,			
	2020		2019	
	After-tax other comprehensive income	After-tax profit (loss)	After-tax other comprehensive income	After-tax profit (loss)
Equity price at reporting date				
Increase 7%	\$ <u>55,715</u>	<u>40,346</u>	<u>61,469</u>	<u>23,861</u>
Decrease 7%	\$ <u>(55,715)</u>	<u>(40,346)</u>	<u>(61,469)</u>	<u>(23,861)</u>

6. Fair value information

1) The Categories and Fair Values of Financial Instruments

The fair value of financial assets and liabilities at fair value through profit or loss, derivative financial instruments used for hedging, and financial assets at fair value through other comprehensive income is measured on a recurring basis. The following are the carrying amount and the fair value of the Group's financial assets and financial liabilities (including fair value hierarchy information). However, for financial instruments not measured at fair value but whose carrying amount is estimated to be reasonably close to the fair value, and lease liabilities cannot be reliably measured, disclosure of fair value information is not required:

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	September 30, 2020				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Financial assets at fair value through profit or loss, mandatorily measured at fair value	\$ 672,100	151,470	-	520,630	672,100
Financial assets for hedging	281,347	-	281,347	-	281,347
Financial assets at fair value through other comprehensive income					
Domestic and foreign market (OTC) equity securities	675,524	672,098	3,426	-	675,524
Measure the fair value of unquoted equity instruments	119,551	-	-	119,551	119,551
Sub-total	795,075	672,098	3,426	119,551	795,075
Financial assets at amortized cost	16,244,307	-	-	-	-
Loans and receivable					
Cash and cash equivalents	32,608,448	-	-	-	-
Accounts receivable	436,954,000	-	-	-	-
Other financial assets	2,959,751	-	-	-	-
Refundable deposits	545,187	-	-	-	-
Restricted bank deposits	4,815,830	-	-	-	-
Sub-total	477,883,216	-	-	-	-
Total	\$ 495,876,045	823,568	284,773	640,181	1,748,522
Financial liabilities for hedging	\$ 371,346	-	371,346	-	371,346
Measurement of financial liabilities at amortized cost					
Secured bank loans	74,397,689	-	-	-	-
Unsecured bank and other loans	200,909,039	-	-	-	-
Notes payable from securitization	5,784,166	-	-	-	-
Short-term notes and bills payable	79,697,474	-	-	-	-
Bonds payables	24,866,982	-	-	-	-
Other payables	13,133,404	-	-	-	-
Deposits relating to collateral of customers	51,241,719	-	-	-	-
Lease liabilities	4,104,111	-	-	-	-
Sub-total	454,134,584	-	-	-	-
Total	\$ 454,505,930	-	371,346	-	371,346

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	December 31, 2019				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Financial assets at fair value through profit or loss, mandatorily measured at fair value	\$ 320,577	232,178	-	88,399	320,577
Financial assets for hedging	465,101	-	465,101	-	465,101
Financial assets at fair value through other comprehensive income					
Domestic and foreign market (OTC) equity securities	778,006	774,491	3,515	-	778,006
Measure the fair value of unquoted equity instruments	121,029	-	-	121,029	121,029
Sub-total	899,035	774,491	3,515	121,029	899,035
Financial assets at amortized cost	13,568,869	-	-	-	-
Loans and receivable					
Cash and cash equivalents	18,660,546	-	-	-	-
Accounts receivable	404,212,506	-	-	-	-
Other financial assets	2,360,913	-	-	-	-
Refundable deposits	341,246	-	-	-	-
Restricted bank deposits	6,488,008	-	-	-	-
Sub-total	432,063,219	-	-	-	-
Total	\$ 447,316,801	1,006,669	468,616	209,428	1,684,713
Financial liabilities for hedging	\$ 42,730	-	42,730	-	42,730
Measurement of financial liabilities at amortized cost					
Secured bank loans	53,619,669	-	-	-	-
Unsecured bank and other loans	192,033,196	-	-	-	-
Notes payable from securitization	6,508,569	-	-	-	-
Short-term notes and bills payable	72,672,364	-	-	-	-
Bonds payables	27,131,853	-	-	-	-
Other payables	15,944,274	-	-	-	-
Deposits relating to collateral of customers	46,256,803	-	-	-	-
Lease liabilities	3,596,445	-	-	-	-
Sub-total	417,763,173	-	-	-	-
Total	\$ 417,805,903	-	42,730	-	42,730

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	September 30, 2019				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Financial assets at fair value through profit or loss, mandatorily measured at fair value	\$ 340,871	269,867	-	71,004	340,871
Financial assets for hedging	821,392	-	821,392	-	821,392
Financial assets at fair value through other comprehensive income					
Domestic and foreign market (OTC) equity securities	772,146	768,746	3,400	-	772,146
Measure the fair value of unquoted equity instruments	105,034	-	-	105,034	105,034
Sub-total	877,180	768,746	3,400	105,034	877,180
Financial assets at amortized cost	11,625,033	-	-	-	-
Loans and receivable					
Cash and cash equivalents	19,264,865	-	-	-	-
Accounts receivable	376,835,563	-	-	-	-
Other financial assets	2,202,232	-	-	-	-
Refundable deposits	338,025	-	-	-	-
Restricted bank deposits	3,220,855	-	-	-	-
Sub-total	401,861,540	-	-	-	-
Total	\$ 415,526,016	1,038,613	824,792	176,038	2,039,443
Measurement of financial liabilities at amortized cost					
Secured bank loans	\$ 45,778,950	-	-	-	-
Unsecured bank and other loans	181,709,761	-	-	-	-
Notes payable from securitization	3,562,770	-	-	-	-
Short-term notes and bills payable	70,122,400	-	-	-	-
Bonds payables	27,202,070	-	-	-	-
Other payables	10,776,218	-	-	-	-
Deposits relating to collateral of customers	43,629,612	-	-	-	-
Lease liabilities	3,320,093	-	-	-	-
Sub-total	386,101,874	-	-	-	-
Total	\$ 386,101,874	-	-	-	-

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2) Valuation Techniques for Financial Instruments not Measured at Fair Value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

A. Financial assets at amortized cost

If the quoted prices in active markets are available, the market price is established as the fair value. However, if quoted prices in active markets are not available, the estimated valuation or prices used by competitors are adopted.

B. Financial assets at amortized cost and financial liabilities measured at amortized cost

If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

3) Valuation Techniques for Financial Instruments Measured at Fair Value

A. Non-derivative Financial Instruments

If quoted prices in active markets are available, the prices are established as fair values. For the Group's financial instruments that have no active markets, the fair values are determined as follows:

Beneficiary Certificate that Has No Quoted Prices: The discounted cash flow model is used to estimate fair values. The main assumption for the model is to discount expected future cash flows by using a discount rate that reflects the time value of money and risks.

Equity Instrument that Has No Quoted Prices: The net asset value method is used to estimate fair values. The main assumption for the model is to use the net asset value per share as the measuring basis.

B. Derivative Financial Instruments

Derivative financial instruments are measured by using common valuation models such as discounted cash flow model and Black-Scholes model.

4) Change in Level 3 of the fair value's ledger

	<u>At fair value through profit or loss</u>	<u>At fair value through others comprehensive income</u>	
	<u>Non-derivative financial assets</u>	<u>Unquoted equity instruments</u>	<u>Total</u>
Opening balance, January 1, 2020	\$ 88,399	121,029	209,428
Total gains and losses recognized:			
In profit or loss	6,749	-	6,749
In other comprehensive income	-	(119)	(119)
Purchase	558,141	-	558,141
Disposal	(129,827)	-	(129,827)
Effect of movements in exchange rate	(2,832)	(1,359)	(4,191)
Ending balance, September 30, 2020	<u>\$ 520,630</u>	<u>119,551</u>	<u>640,181</u>

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	At fair value through profit or loss Non-derivative financial assets	At fair value through others comprehensive income Unquoted equity instruments	Total
Opening balance, January 1, 2019	\$ 750,336	105,466	855,802
Total gains and losses recognized:			
In profit or loss	8,449	-	8,449
In other comprehensive income	-	1,474	1,474
Purchase	62,118	-	62,118
Disposal / Liquidate	(758,254)	(2,754)	(761,008)
Effect of movements in exchange rate	8,355	848	9,203
Ending balance, September 30, 2019	<u>\$ 71,004</u>	<u>105,034</u>	<u>176,038</u>

For the nine months ended September 30, 2020 and 2019, total gains and losses arising from the valuation of investments under Level 3 of the fair value hierarchy that were included in “other gains and losses” and “unrealized gains and losses from financial assets measured at fair value through other comprehensive” were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Total gains and losses recognized:				
In profit or loss, and presented in “other gains and losses”	\$ 3,759	(196)	6,749	8,449
In other comprehensive income, and presented in “unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income”	2,071	2,517	(119)	1,474

5) The Quantified Information for Significant Unobservable Inputs (Level 3) Used in Fair Value Measurement

The Group’s financial instruments that use Level 3 inputs to measure fair values include fair value through other comprehensive income-equity investments and financial assets at fair value through profit or loss. Most of these financial instruments using Level 3 inputs to measure fair values have only one significant unobservable input.

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Quantified information of significant unobservable inputs was as follows:

<u>Item</u>	<u>Valuation Technique</u>	<u>Significant Non-observable Input</u>	<u>The Relationship between Significant Non-observable Input and Fair Value</u>
Financial assets at fair value through other comprehensive income - investments in equity instruments without active market	Net Asset Value Method	Net Asset Value	Not applicable
Financial assets at fair value through profit or loss without active market	Black-Scholes Model	Stock Return Volatility (2.85%~5.10% on September 30, 2020)	The higher stock return volatility, the higher the fair value
"	Discounted Cash Flow Method	Discount Rate (0.76%~4.70% on September 30, 2020)	The higher the discount rate, the lower the fair value

6) Fair value measurements in Level 3 - sensitivity analysis of reasonably possible alternative assumptions

For fair value measurements in Level 3, changing one or more of the assumptions to reflect reasonably possible alternative assumptions would have the following effects:

			Impact or Fair Value Change on Net income or loss	
	<u>Input</u>	<u>Variation</u>	<u>Favorable Change</u>	<u>Unfavorable Change</u>
September 30, 2020				
Financial asset at fair value through profit or loss				
Financial instruments without active market	Discount Rate	10%	\$ 97	(97)
"	Stock Return Volatility	10%	-	-
December 31, 2019				
Financial asset at fair value through profit or loss				
Financial instruments without active market	Discount Rate	10%	\$ 234	(234)
"	Stock Return Volatility	10%	-	-

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			Impact or Fair Value Change on Net income or loss	
			Favorable Change	Unfavorable Change
September 30, 2019	Input	Variation		
Financial asset at fair value through profit or loss				
Financial instruments without active market	Discount Rate	10%	\$ 106	(106)
"	Stock Return Volatility	10%	-	-

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

(v) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in Note (6)(x) of the consolidated financial statements for the year ended December 31, 2019.

(w) Capital Management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2019. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2019. Please refer to Note (6)(y) of the consolidated financial statements for the year ended December 31, 2019 for further details.

(x) Financing activities not affecting current cash flow

For the nine months ended September 30, 2020 and 2019, the Group's investing and financing activities not affecting current cash flow were as follows:

Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2020	Cash flows	Non-cash adjustments	September 30, 2020
Lease liabilities	\$ 3,596,445	(438,958)	946,624	4,104,111
Total liabilities from financing activities	<u>\$ 3,596,445</u>	<u>(438,958)</u>	<u>946,624</u>	<u>4,104,111</u>
	January 1, 2019	Cash flows	Non-cash adjustments	September 30, 2019
Lease liabilities	\$ 2,156,050	(439,578)	1,603,621	3,320,093
Total liabilities from financing activities	<u>\$ 2,156,050</u>	<u>(439,578)</u>	<u>1,603,621</u>	<u>3,320,093</u>

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(7) Related Party Transactions

(a) The Company is the ultimate controlling party of the Group.

(b) Names and relationship of related parties

The followings are entities that have had related parties transactions during the periods covered in the consolidated financial statements.

<u>Name of related parties</u>	<u>Relationship with the Group</u>
Chung Hung Corp.	Associates
DMC Energy Management Services (Shenzhen) Co., Ltd.	"
C&E Engine Leasing Limited	"
CL Investment Partners Company Limited	"
Grand Pacific Investment & Development Co., Ltd.	Other related party
Chailease Construction & Development Corp.	"
Chaico Investment Corporation	"
Yellowstone Security Co., Ltd.	"
Yellowstone Service Co., Ltd.	"
Chailease Resources Technology Co., Ltd.	"
CITC Enterprise (Thai) Co., Ltd.	"
Chailease Business Co., Ltd.	"
Yellowstone Interior Design Company Limited (Former name: Bosser Design Engineering Co., Ltd.)	"
Global Hospitality Group Inc.	"
Global Property Management Co., Ltd.	"
Chailease Youngster Foundation	"
Advance Rental Care Co., Ltd.	"
Qin An Investment Consulting (Shanghai) Co., Ltd.	"
Shanghai Jiasheng Decoration Engineering Co., Ltd.	"
Yujia Investment Management Consulting (Shanghai) Co., Ltd.	"
Anywhere 2 Go Company Limited	"
Bangkok Bank Public Company Limited	"
Bangkok Granden Property Fund	"

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<u>Name of related parties</u>	<u>Relationship with the Group</u>
Bangkok Insurance Public Company Limited	Other related party
Enrich Management Consultants Ltd.	"
Grand Pacific Finance Corp. (N.Y.)	"
Sathorn City Tower Property Fund	"
Chailease Enterprise Co., Ltd.	"
Chailease Biofund Company Limited	"
Chun An Investment Co., Ltd.	"
Chun An Technology Co., Ltd.	"
Li Cheng Investment Co., Ltd.	"
Jen Chung Co., Ltd.	"
Ezfund Securities Investment Consulting Enterprise Ltd.	"
Shenyang Putai Hemodialysis Center Co., Ltd.	"
Qiqihar Zhongtai Nephrotic Hospital Co., Ltd.	"
Tonghua Zhongyi Hemodialysis Co., Ltd.	"

(c) Related-party transactions

1. Operating revenue

Operating revenue of the Group from the related parties was as follows:

	<u>For the three months ended September 30,</u>		<u>For the nine months ended September 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Associates	\$ -	-	-	34
Other related parties	5,428	18,395	17,503	25,741
	<u>\$ 5,428</u>	<u>18,395</u>	<u>17,503</u>	<u>25,775</u>

2. Receivables from related parties

Receivables of the Group from related parties were as follows :

<u>Account</u>	<u>Categories of related parties</u>	<u>2020.9.30</u>	<u>2019.12.31</u>	<u>2019.9.30</u>
Capital leases receivable	Other related parties \$	101,666	43,883	48,437
Other receivables	Other related parties	557	19,288	13,853
Other non-current financial assets	Other related parties	2,609	2,020	-
		<u>\$ 104,832</u>	<u>65,191</u>	<u>62,290</u>

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3. Payable to related parties

Payable to related parties was as follows :

Account	Categories of related parties	2020.9.30	2019.12.31	2019.9.30
Account payable	Other related parties	\$ -	865	-
Other current financial liabilities	Other related parties	2,947	2,153	2,073
		<u>\$ 2,947</u>	<u>3,018</u>	<u>2,073</u>

4. Asset transactions

The Group purchased leasehold improvements from other related parties amounting to \$15,282 and \$58,201 for the nine months ended September 30, 2020 and 2019, respectively.

5. Related-Party Financing

Financing to associates and related parties was as follows :

	2020.9.30	2019.12.31	2019.9.30
Associates	\$ 1,608,416	1,817,346	1,535,534
Other related parties	2,918	30,426	22,141
	<u>\$ 1,611,334</u>	<u>1,847,772</u>	<u>1,557,675</u>

The loans receivable from associates bear interest at rates ranging from 2.04% to 5.65%. As of September 30, 2020, December 31, 2019, and September 30, 2019, interest receivable from the loans receivable from associates amounted to \$13,294, \$14,654 and \$9,955, respectively. For the three months and the nine months ended September 30, 2020 and 2019, interest revenue from the loans receivable from associates amounted to \$17,269, \$16,878, \$58,140 and \$49,477, respectively.

The loans receivable from other related parties bear interest at rates ranging from 5.53% to 10.00%. As of September 30, 2020, December 31, 2019, and September 30, 2019, interest receivable from the loans receivable from other related parties amounted to \$10, \$124 and \$86, respectively. For the three months and the nine months ended September 30, 2020 and 2019, interest revenue from the loans receivable from other related parties amounted to \$75, \$309, \$519 and \$835, respectively.

6. Interest bearing borrowings

Borrowings of the Group from related parties were as follows :

	2020.9.30	2019.12.31	2019.9.30
Other related parties	\$ <u>5,360,360</u>	<u>4,402,728</u>	<u>4,388,150</u>

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The borrowings from other related parties bear interest at rates ranging from 3.25%. As of September 30, 2020, December 31, 2019, and September 30, 2019, interest payable from the interest-bearing borrowings from other related parties amounted to \$465, \$404 and \$381, respectively. For the three months and the nine months ended September 30, 2020 and 2019, interest expense from the interest-bearing borrowing from other related parties amounted to \$36,216, \$31,358, \$107,001 and \$89,789, respectively.

7. Guarantee

As of December 31, 2019, and September 30, 2019, the Group had provided a guarantee for loans taken out by associates and the credit limit of the guarantee was \$96,863 and \$97,875, and the actual drawn amount was \$9,682 and \$10,758, respectively.

8. Leases

- 1) In November 2017, the Group rented an office building from other related parties. A four and half years lease contract was signed, in which the rental fee was determined based on nearby office rental rates. The total value of the contract was \$80,141. For the nine months ended September 30, 2020 and 2019, the Group recognized the amount of \$942 and \$943 as interest expense. As of September 30, 2020, December 31, 2019, and September 30, 2019, the balance of lease liabilities amounted to \$36,685, \$55,246 and \$29,501.
- 2) For the three months and the nine months ended September 30, 2020 and 2019, rent expense is not included in rent liabilities that from other related parties amounted to \$1,466, \$473, \$4,408 and \$3,110, respectively.

9. Others

- 1) As of September 30, 2020, December 31, 2019, and September 30, 2019 bank deposits in financial institutions which are other related parties of the Group amounted to \$244,914, \$477,266 and \$430,915, respectively. For the three months and the nine months ended September 30, 2020 and 2019, interest revenue from the deposits in other related parties amounted to \$0, \$3, \$903 and \$237, respectively.
- 2) The Group purchased from its other related party debt securities-real estate asset trust, with rates ranging from 3.00% to 4.25% and due date in 2022. The investment balance and interest revenue from debt securities amounted to \$383,000 and \$3,443 and \$4,277 as of and for the nine months ended September 30, 2020, respectively.
- 3) Other expense with related parties :

Other related parties	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Other operating costs and expenses	\$ 53,125	54,064	91,271	130,694
Other operating revenue	2	-	2	-
	\$ 53,127	54,064	91,273	130,694

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(d) Key management personnel compensation

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Short-term employee benefits \$	50,818	79,312	216,761	239,730
Post-employment benefits	569	597	19,639	1,813
\$	51,387	79,909	236,400	241,543

(8) Pledged Assets

The carrying values of pledged assets were as follows:

Pledged assets	Object	2020.9.30	2019.12.31	2019.9.30
Restricted cash in banks				
Restricted account for loans repayment	Issuance of short-term notes and bills, and as guarantee for short-term and long-term borrowings; as well as performance guarantee for alliance contracts(Note)	\$ 4,592,756	2,216,241	3,206,612
Property, plant and equipment	As guarantee for short-term and long-term borrowings	2,108,083	2,150,785	2,173,865
Equity securities	Issuance of short-term notes and bills and as guarantee for short-term and long-term borrowings	-	-	1,190
Refundable deposits	Provincial court seizure etc.	73,046	63,401	65,577
Accounts receivable and notes receivable	Issuance of short-term notes and bills and as guarantee for short-term and long-term borrowings	136,658,904	112,324,266	117,301,378
Total		\$ 143,432,789	116,754,693	122,748,622

Note: The Group issued discount coupons for car rental services and opened a trust account with Sunny Bank in accordance with mandatory and prohibitory provisions of the standard contracts for coupons.

(9) Commitments and Contingencies

- (a) The Group entered into alliances with several commercial banks for which the banks will provide direct financing loans to the Group's corporate and individual customers. Should these corporate and individual customers default on their payments, the Group is required to assume their loan obligations and pay these loans on behalf of these customers. As of September 30, 2020, December 31, 2019, and September 30, 2019, the balance of unexpired payments from these alliance transactions amounted to \$9,337,454, \$8,101,667 and \$7,972,486, respectively.

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- (b) The Group entered into several electricity procurement agreements with Taiwan Power Company and all of these agreements will expire on twenty years after the date the electricity generating sets are launched. Under these agreements, reselling to third parties of electric power from the renewable energy system is prohibited.

(10) Losses Due to Major Disasters: None.

(11) Subsequent Events

The Board of Directors of Chailease International Finance Corporation approved to issue offshore bonds on June 4, 2020, for effectively improving ability to obtain working capital and expanding business scale. The bonds have been guaranteed by the Company and issued on October 22, 2020. The bonds were listed on Hong Kong Exchanges and Clearing Limited with the issued price of USD300,000.

(12) Other

- (a) Liquidity analysis of assets and liabilities :

	2020.9.30		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current assets</u>			
Cash and cash equivalents	\$ 32,608,448	-	32,608,448
Current financial assets at fair value through profit or loss	643,560	-	643,560
Current financial assets at amortized cost	5,498,022	7,791,426	13,289,448
Current financial assets for hedging	281,347	-	281,347
Accounts receivable, net	219,563,669	128,576,083	348,139,752
Other current financial assets	7,132,180	60,729	7,192,909
Other current assets	7,873,102	-	7,873,102
	<u>\$ 273,600,328</u>	<u>136,428,238</u>	<u>410,028,566</u>

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	2020.9.30		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current liabilities</u>			
Short-term borrowings	\$ 55,028,317	-	55,028,317
Short-term notes and bills payable	79,697,474	-	79,697,474
Current financial liabilities for hedging	371,346	-	371,346
Accounts and notes payable	3,534,229	77	3,534,306
Current tax liabilities	2,166,540	-	2,166,540
Current lease liabilities	594,272	357,098	951,370
Other current financial liabilities	18,700,206	32,570,936	51,271,142
Long-term liabilities, current portion	77,815,343	81,704,358	159,519,701
Other current liabilities	4,199,445	-	4,199,445
	<u>\$ 242,107,172</u>	<u>114,632,469</u>	<u>356,739,641</u>
	2019.12.31		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current assets</u>			
Cash and cash equivalents	\$ 18,660,546	-	18,660,546
Current financial assets at fair value through profit or loss	232,658	-	232,658
Current financial assets at amortized cost	4,413,483	6,385,636	10,799,119
Current financial assets for hedging	465,101	-	465,101
Accounts receivable, net	209,091,600	113,094,688	322,186,288
Other current financial assets	8,443,841	70,752	8,514,593
Other current assets	6,258,911	-	6,258,911
	<u>\$ 247,566,140</u>	<u>119,551,076</u>	<u>367,117,216</u>

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	2019.12.31		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current liabilities</u>			
Short-term borrowings	\$ 60,184,562	-	60,184,562
Short-term notes and bills payable	72,672,364	-	72,672,364
Current financial liability for hedging	42,730	-	42,730
Accounts and notes payable	6,586,231	76	6,586,307
Current tax liabilities	2,011,215	-	2,011,215
Current lease liabilities	550,122	378,011	928,133
Other current financial liabilities	17,721,503	28,046,486	45,767,989
Long-term liabilities, current portion	73,509,810	59,091,187	132,600,997
Other current liabilities	3,581,389	-	3,581,389
	<u>\$ 236,859,926</u>	<u>87,515,760</u>	<u>324,375,686</u>
	2019.9.30		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current assets</u>			
Cash and cash equivalents	\$ 19,264,865	-	19,264,865
Current financial assets at fair value through profit or loss	270,347	-	270,347
Current financial assets at amortized cost	4,274,382	5,723,155	9,997,537
Current financial assets for hedging	821,392	-	821,392
Accounts receivable, net	194,823,205	104,628,458	299,451,663
Other current financial assets	4,972,788	101,047	5,073,835
Other current assets	5,635,228	-	5,635,228
	<u>\$ 230,062,207</u>	<u>110,452,660</u>	<u>340,514,867</u>

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	2019.9.30		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current liabilities</u>			
Short-term borrowings	\$ 56,662,676	-	56,662,676
Short-term notes and bills payable	70,122,400	-	70,122,400
Accounts and notes payable	3,390,686	910	3,391,596
Current tax liabilities	1,355,016	-	1,355,016
Current lease liabilities	520,333	388,179	908,512
Other current financial liabilities	16,023,785	26,106,749	42,130,534
Long-term liabilities, current portion	58,800,791	63,943,390	122,744,181
Other current liabilities	2,843,028	-	2,843,028
	<u>\$ 209,718,715</u>	<u>90,439,228</u>	<u>300,157,943</u>

- (b) The employee benefits, depreciation and amortization expenses categorized by nature were as follows:

By item	For the three months ended September 30, 2020			For the three months ended September 30, 2019		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salary	-	1,763,434	1,763,434	13,467	1,549,412	1,562,879
Labor and health insurance	-	87,416	87,416	1,011	94,738	95,749
Pension	-	70,977	70,977	484	82,622	83,106
Others	-	105,826	105,826	-	122,940	122,940
Depreciation	945,683	173,530	1,119,213	806,722	139,858	946,580
Amortization	-	42,984	42,984	-	46,410	46,410

By item	For the nine months ended September 30, 2020			For the nine months ended September 30, 2019		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salary	17,917	5,228,377	5,246,294	42,930	4,515,119	4,558,049
Labor and health insurance	955	272,110	273,065	3,259	289,247	292,506
Pension	458	215,522	215,980	1,555	264,114	265,669
Others	-	298,466	298,466	-	333,995	333,995
Depreciation	2,710,486	521,431	3,231,917	2,324,100	414,491	2,738,591
Amortization	-	136,366	136,366	-	143,051	143,051

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(13) Other disclosures

(a) Information on significant transactions

The information on significant transactions of the Group, which is required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, for the nine months ended September 30, 2020 was as follows :

1. Fund loaning to other parties:

(Amounts Expressed in Thousands of New Taiwan Dollars)

No.	Financing company	Counter-party (Note 4)	Account	Related party	Maximum balance for the year	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 1)	Transaction amount	Reasons for financing	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 2)	Financing company's total financing amount limits (Note 3)
													Item	Value		
1	Chalease Finance Co., Ltd.	A	Accounts receivable	No	1,079,200	871,200	871,200	0.01%-19.83%	2	-	Working Capital	10,280	None	-	3,535,500	56,568,005
"	"	B	Accounts receivable	No	462,370	462,370	462,370	0.01%-19.83%	2	-	Working Capital	5,456	None	-	3,535,500	56,568,005
"	"	C	Accounts receivable	No	479,057	411,604	411,604	0.01%-19.83%	2	-	Working Capital	4,857	None	-	3,535,500	56,568,005
"	"	D	Accounts receivable	No	463,690	298,177	172,017	0.01%-19.83%	2	-	Working Capital	2,030	None	-	3,535,500	56,568,005
"	"	E	Accounts receivable	No	280,000	280,000	-	0.01%-19.83%	2	-	Working Capital	-	None	-	3,535,500	56,568,005
"	"	F	Accounts receivable	No	211,370	211,370	211,370	0.01%-19.83%	2	-	Working Capital	2,494	None	-	3,535,500	56,568,005
"	"	G	Accounts receivable	No	207,700	207,700	207,700	0.01%-19.83%	2	-	Working Capital	2,451	None	-	3,535,500	56,568,005
"	"	H	Accounts receivable	No	193,000	193,000	135,340	0.01%-19.83%	2	-	Working Capital	1,597	None	-	3,535,500	56,568,005
"	"	I	Accounts receivable	No	210,000	180,393	180,393	0.01%-19.83%	1	513,020		2,129	Properties	46,940	3,535,500	56,568,005
"	"	J	Accounts receivable	No	217,177	139,999	114,799	0.01%-19.83%	2	-	Working Capital	1,355	None	-	3,535,500	56,568,005
"	"	K	Accounts receivable	No	-	-	-	0.01%-19.83%	1	193,927		-	None	-	3,535,500	56,568,005
"	"	K-1	Accounts receivable	No	222,195	139,602	67,602	0.01%-19.83%	2	-	Working Capital	798	None	-	3,535,500	56,568,005
"	"	L	Accounts receivable	No	138,728	138,700	138,700	0.01%-19.83%	2	-	Working Capital	1,637	None	-	3,535,500	56,568,005
"	"	M	Accounts receivable	No	14,000	1,353	1,353	0.01%-19.83%	1	174,512		16	None	-	3,535,500	56,568,005
"	"	M-1	Accounts receivable	No	179,750	136,066	136,066	0.01%-19.83%	2	-	Working Capital	1,606	None	-	3,535,500	56,568,005
"	"	N	Accounts receivable	No	130,000	130,000	130,000	0.01%-19.83%	2	-	Working Capital	1,534	None	-	3,535,500	56,568,005
"	"	O	Accounts receivable	No	320,000	130,000	112,594	0.01%-19.83%	2	-	Working Capital	1,329	None	-	3,535,500	56,568,005
"	"	P	Accounts receivable	No	60,000	51,753	51,753	0.01%-19.83%	1	240,000		611	None	-	3,535,500	56,568,005
"	"	P-1	Accounts receivable	No	286,323	72,141	72,141	0.01%-19.83%	2	-	Working Capital	851	None	-	3,535,500	56,568,005
"	"	Q	Accounts receivable	No	121,000	121,000	121,000	0.01%-19.83%	2	-	Working Capital	1,428	None	-	3,535,500	56,568,005
"	"	R	Accounts receivable	No	217,450	117,300	117,300	0.01%-19.83%	2	-	Working Capital	1,384	None	-	3,535,500	56,568,005

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No.	Financing company	Counter-party (Note 4)	Account	Related party	Maximum balance for the year	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 1)	Transaction amount	Reasons for financing	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 2)	Financing company's total financing amount limits (Note 3)
													Item	Value		
1	Chailase Finance Co., Ltd.	S	Accounts receivable	No	108,360	108,360	108,360	0.01%-19.83%	2	-	Working Capital	1,279	None	-	3,535,500	56,568,005
"	"	T	Accounts receivable	No	142,900	107,138	77,138	0.01%-19.83%	2	-	Working Capital	910	None	-	3,535,500	56,568,005
"	"	Summary of other clients	Accounts receivable	No	10,582,657	5,652,173	5,438,673	0.01%-19.83%	1	34,496,483		64,176	Bank Deposits/ Stocks Properties	1,125,455	3,535,500	56,568,005
"	"	Summary of other clients	Accounts receivable	No	34,183,227	20,001,254	18,350,004	0.01%-19.83%	2	-	Working Capital	396,934	Bank Deposits/ Stocks Fund/ Beneficiary certificate/ Machinery Equipment/ Properties	2,960,667	3,535,500	56,568,005
"	"	Chuang Ju Limited Partnership	Accounts receivable	Yes	1,000,000	500,000	500,000	0.01%-19.83%	2	-	Working Capital	5,900	None	-	3,535,500	56,568,005
2	Fina Finance & Trading Co., Ltd.	A	Accounts receivable	No	226,979	226,978	226,978	1.6037%-19.8633%	2	-	Working Capital	-	Properties	195,049	1,471,708	23,547,320
"	"	B	Accounts receivable	No	295,000	224,984	224,984	1.6037%-19.8633%	2	-	Working Capital	2,250	Properties	198,255	1,471,708	23,547,320
"	"	C	Accounts receivable	No	322,942	172,917	172,917	1.6037%-19.8633%	2	-	Working Capital	1,729	None	-	1,471,708	23,547,320
"	"	D	Accounts receivable	No	125,000	125,000	125,000	1.6037%-19.8633%	2	-	Working Capital	1,250	Properties	118,483	1,471,708	23,547,320
"	"	E	Accounts receivable	No	162,478	88,416	88,416	1.6037%-19.8633%	2	-	Working Capital	884	None	-	1,471,708	23,547,320
"	"	F	Accounts receivable	No	77,382	77,357	77,357	1.6037%-19.8633%	1	38,800		774	Properties	126,289	1,471,708	23,547,320
"	"	G	Accounts receivable	No	118,672	72,143	72,143	1.6037%-19.8633%	2	-	Working Capital	721	None	-	1,471,708	23,547,320
"	"	H	Accounts receivable	No	89,467	64,624	64,624	1.6037%-19.8633%	1	55,000		646	None	-	1,471,708	23,547,320
"	"	I	Accounts receivable	No	62,875	62,296	62,296	1.6037%-19.8633%	2	-	Working Capital	623	Properties	54,170	1,471,708	23,547,320
"	"	J	Accounts receivable	No	58,000	57,998	57,998	1.6037%-19.8633%	2	-	Working Capital	580	Properties	54,731	1,471,708	23,547,320
"	"	Summary of other clients	Accounts receivable	No	2,067,767	1,172,536	1,148,536	1.6037%-19.8633%	1	2,131,536		28,758	Properties/ Ships	143,520	1,471,708	23,547,320
"	"	Summary of other clients	Accounts receivable	No	9,088,481	5,391,400	5,345,800	1.6037%-19.8633%	2	-	Working Capital	84,569	Bank Deposits/ Stocks Properties/ Vehicles/ Machinery Equipment	1,241,244	1,471,708	23,547,320
"	"	Chuang Ju Limited Partnership	Accounts receivable	Yes	1,200,000	800,000	800,000	1.6037%-19.8633%	2	-	Working Capital	-	None	-	1,471,708	23,547,320
3	Chailase Consumer Finance Co., Ltd.	A	Accounts receivable	No	5,000	1,307	1,307	2%-19%	2	-	Working Capital	5	None	-	409,308	4,093,080
"	"	B	Accounts receivable	No	462	286	286	2%-19%	2	-	Working Capital	1	None	-	409,308	4,093,080
"	"	C	Accounts receivable	No	1,000	265	265	2%-19%	2	-	Working Capital	1	None	-	409,308	4,093,080
"	"	D	Accounts receivable	No	1,000	258	258	2%-19%	1	21,515		1	None	-	409,308	4,093,080
"	"	E	Accounts receivable	No	512	246	246	2%-19%	2	-	Working Capital	1	None	-	409,308	4,093,080
"	"	F	Accounts receivable	No	330	139	139	2%-19%	2	-	Working Capital	-	None	-	409,308	4,093,080
"	"	G	Accounts receivable	No	299	98	98	2%-19%	2	-	Working Capital	-	None	-	409,308	4,093,080

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No.	Financing company	Counter-party (Note 4)	Account	Related party	Maximum balance for the year	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 1)	Transaction amount	Reasons for financing	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 2)	Financing company's total financing amount limits (Note 3)
													Item	Value		
3	Chailase Consumer Finance Co., Ltd.	H	Accounts receivable	No	217	82	82	2%-19%	2	-	Working Capital	-	None	-	409,308	4,093,080
"	"	Summary of other clients	Accounts receivable	No	657	-	-	2%-19%	1	9,006	-	-	None	-	409,308	4,093,080
"	"	Summary of other clients	Accounts receivable	No	6,192	-	-	2%-19%	2	-	Working Capital	-	None	-	409,308	4,093,080
"	"	Chuang Ju Limited Partnership	Accounts receivable	Yes	300,000	-	-	2%-19%	2	-	Working Capital	-	None	-	409,308	4,093,080
4	Chailase International Finance Corporation	A	Receivable-short term financing	No	51,228	51,228	29,883	4.35%-17%	2	-	Working Capital	422	None	-	1,320,602	10,564,814
"	"	B	Receivable-short term financing	No	42,690	42,690	-	4.35%-17%	2	-	Working Capital	-	None	-	1,320,602	10,564,814
"	"	C	Receivable-short term financing	No	42,690	42,690	-	4.35%-17%	2	-	Working Capital	-	None	-	1,320,602	10,564,814
"	"	D	Receivable-short term financing	No	29,883	29,883	-	4.35%-17%	2	-	Working Capital	-	None	-	1,320,602	10,564,814
"	"	E	Receivable-short term financing	No	27,749	26,326	26,326	4.35%-17%	2	-	Working Capital	229	Vehicles/ Real estate	14,715	1,320,602	10,564,814
"	"	F	Receivable-short term financing	No	38,421	25,614	25,614	4.35%-17%	2	-	Working Capital	333	None	-	1,320,602	10,564,814
"	"	G	Receivable-short term financing	No	25,614	25,614	-	4.35%-17%	2	-	Working Capital	-	None	-	1,320,602	10,564,814
4	Chailase International Finance Corporation	H	Receivable-short term financing	No	23,693	23,693	23,693	4.35%-17%	2	-	Working Capital	-	None	-	1,320,602	10,564,814
"	"	I	Receivable-short term financing	No	25,614	23,480	23,480	4.35%-17%	2	-	Working Capital	180	None	-	1,320,602	10,564,814
"	"	J	Receivable-short term financing	No	26,752	22,673	22,673	4.35%-17%	2	-	Working Capital	195	None	-	1,320,602	10,564,814
"	"	Chailase Commercial Factoring Corporation	Receivables from related party	Yes	853,800	853,800	-	4.35%-17%	2	-	Working Capital	-	None	-	6,603,009	10,564,814
"	"	Chailase International Corp.	Receivables from related party	Yes	2,561,400	2,561,400	-	4.35%-17%	2	-	Working Capital	-	None	-	6,603,009	10,564,814
"	"	Chailase Finance International Corp.	Receivables from related party	Yes	1,280,700	1,280,700	-	4.35%-17%	2	-	Working Capital	-	None	-	6,603,009	10,564,814
"	"	JonRuei Finance Corporation	Receivables from related party	Yes	29,883	29,883	-	4.35%-17%	2	-	Working Capital	-	None	-	6,603,009	10,564,814
"	"	Summary of other clients	Receivables-business relationship	No	79,734	54,975	54,975	4.35%-17%	1	120,386	-	831	Vehicles/ Equipment	18,062	1,320,602	10,564,814
"	"	Summary of other clients	Receivable-short term financing	No	2,230,682	1,715,556	1,553,334	4.35%-17%	2	-	Working Capital	35,748	Vehicles/ Real estate/ Equipment/ Properties	139,848	1,320,602	10,564,814

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													Item	Value		
5	Chalease Specialty Finance Co., Ltd.	A	Accounts receivable	No	150,000	150,000	150,000	0.75%~13.08%	2	-	Working Capital	1,365	None	-	539,235	5,392,353
"	"	B	Accounts receivable	No	150,000	127,500	127,500	0.75%~13.08%	2	-	Working Capital	1,160	None	-	539,235	5,392,353
"	"	C	Accounts receivable	No	108,500	108,500	78,020	0.75%~13.08%	2	-	Working Capital	710	None	-	539,235	5,392,353
"	"	D	Accounts receivable	No	157,500	97,500	66,375	0.75%~13.08%	2	-	Working Capital	604	None	-	539,235	5,392,353
"	"	E	Accounts receivable	No	92,000	88,780	88,780	0.75%~13.08%	2	-	Working Capital	808	None	-	539,235	5,392,353
"	"	F	Accounts receivable	No	80,000	80,000	80,000	0.75%~13.08%	2	-	Working Capital	728	None	-	539,235	5,392,353
"	"	G	Accounts receivable	No	55,000	55,000	55,000	0.75%~13.08%	2	-	Working Capital	501	None	-	539,235	5,392,353
"	"	H	Accounts receivable	No	65,000	54,461	54,461	0.75%~13.08%	2	-	Working Capital	496	None	-	539,235	5,392,353
"	"	I	Accounts receivable	No	75,000	52,191	52,191	0.75%~13.08%	2	-	Working Capital	475	None	-	539,235	5,392,353
"	"	J	Accounts receivable	No	50,000	50,000	50,000	0.75%~13.08%	2	-	Working Capital	455	None	-	539,235	5,392,353
"	"	Summary of other clients	Accounts receivable	No	1,307,257	598,545	583,045	0.75%~13.08%	2	-	Working Capital	11,000	Properties	19,482	539,235	5,392,353
6	Chalease Finance Securitization Trust 2016	A	Accounts receivable	No	4,198	1,730	1,730	6.76%~11.99%	1	8,000		14	Bank Deposits	800	49,738	880,589
"	"	B	Accounts receivable	No	8,395	1,723	1,723	6.76%~11.99%	1	20,729		14	Bank Deposits	2,000	49,738	880,589
"	"	C	Accounts receivable	No	1,449	1,424	1,424	6.76%~11.99%	2	-	Working Capital	1,240	None	-	49,738	880,589
"	"	D	Accounts receivable	No	830	190	190	6.76%~11.99%	1	20,035		1	None	-	49,738	880,589
"	"	Summary of other clients	Accounts receivable	No	5,619	-	-	6.76%~11.99%	1	-		-	None	-	49,738	880,589
"	"	Summary of other clients	Accounts receivable	No	10,782	-	-	6.76%~11.99%	2	-	Working Capital	-	None	-	49,738	880,589
7	Chalease International Corp.	Chalease Finance International Corp.	Receivables from related party	Yes	426,900	426,900	-	4.35%	2	-	Working Capital	-	None	-	1,088,058	1,740,892
"	"	Chalease International Finance Corporation	Receivables from related party	Yes	853,800	853,800	640,350	4.35%	2	-	Working Capital	-	None	-	1,088,058	1,740,892
8	Chalease International Corp.	Chalease International Corp.	Receivables from related party	Yes	426,900	426,900	-	4.35%	2	-	Working Capital	-	None	-	1,071,530	1,714,449
"	"	Chalease International Finance Corporation	Receivables from related party	Yes	853,800	853,800	469,590	4.35%	2	-	Working Capital	-	None	-	1,071,530	1,714,449
9	Chalease Finance Securitization Trust 2019	A	Accounts receivable	No	20,799	15,206	15,206	4.35%~12.88%	2	-	Working Capital	122	None	-	53,301	1,045,149
"	"	B	Accounts receivable	No	16,523	14,541	14,541	4.35%~12.88%	2	-	Working Capital	116	None	-	53,301	1,045,149

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No.	Financing company	Counter-party (Note 4)	Account	Related party	Maximum balance for the year	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 1)	Transaction amount	Reasons for financing	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 2)	Financing company's total financing amount limits (Note 3)
													Item	Value		
9	Chailase Finance Securitization Trust 2019	C	Accounts receivable	No	13,407	11,276	11,276	4.35%~12.88%	2	-	Working Capital	90	None	-	53,301	1,045,149
"	"	D	Accounts receivable	No	17,929	9,780	9,780	4.35%~12.88%	1	80,000		78	Bank Deposits	5,000	53,301	1,045,149
"	"	E	Accounts receivable	No	13,015	8,554	8,554	4.35%~12.88%	2	-	Working Capital	68	None	-	53,301	1,045,149
"	"	F	Accounts receivable	No	21,094	8,286	8,286	4.35%~12.88%	2	-	Working Capital	66	None	-	53,301	1,045,149
"	"	G	Accounts receivable	No	16,110	8,218	8,218	4.35%~12.88%	1	39,600		66	Bank Deposits	2,550	53,301	1,045,149
"	"	H	Accounts receivable	No	13,475	8,151	8,151	4.35%~12.88%	1	26,993		65	None	-	53,301	1,045,149
"	"	I	Accounts receivable	No	9,087	7,912	7,912	4.35%~12.88%	2	-	Working Capital	63	None	-	53,301	1,045,149
"	"	J	Accounts receivable	No	18,380	7,332	7,332	4.35%~12.88%	2	-	Working Capital	59	Bank Deposits	9,000	53,301	1,045,149
"	"	Summary of other clients	Accounts receivable	No	340,482	154,231	154,231	4.35%~12.88%	1	1,062,314		1,234	Bank Deposits	42,900	53,301	1,045,149
"	"	Summary of other clients	Accounts receivable	No	524,415	169,159	169,159	4.35%~12.88%	2	-	Working Capital	2,316	Bank Deposits	59,000	53,301	1,045,149

Note 1: (1)Those with business relationship please fill in 1;

(2)Those necessary for short-term financing please fill in 2.

Note 2: Limit on the amount for loaning fund to individual counter-party

- (1)Subsidiary— The maximum fund loaning provided by Chailase Finance Co., Ltd. for individual entity cannot exceed \$3,535,500, which is 10% of the net worth.
- (2)Subsidiary— The maximum fund loaning provided by Fina Finance & Trading Co., Ltd. for individual entity cannot exceed \$1,471,708, which is 10% of the net worth.
- (3)Subsidiary— The maximum fund loaning provided by Chailase Consumer Finance Co., Ltd. for individual entity cannot exceed \$409,308, which is 10% of the net worth.
- (4)Subsidiary— The maximum fund loaning provided by Chailase International Finance Corporation for individual entity cannot exceed \$1,320,602, which is 5% of the net worth. The maximum fund loaning cannot exceed \$6,603,009, which is 25% of the net worth to individual associate.
- (5)Subsidiary— The maximum fund loaning provided by Chailase Specialty Finance Co., Ltd. for individual entity cannot exceed \$539,235, which is 10% of the net worth.
- (6)Special purpose entities — The maximum fund loaning provided by Chailase Finance Securitization Trust 2016 for an individual entity cannot exceed \$49,738, which is 1% of the securitized financial assets approved by the competent authority.
- (7)Special purpose entities — The maximum fund loaning provided by Chailase Finance Securitization Trust 2019 for an individual entity cannot exceed \$53,301, which is 1% of the securitized financial assets approved by the competent authority.
- (8)Subsidiary— The maximum fund loaning provided by Chailase International Corp. for individual entity cannot exceed \$217,612, which is 5% of the net worth. The maximum fund loaning cannot exceed \$1,088,058, which is 25% of the net worth to individual associate.
- (9)Subsidiary— The maximum fund loaning provided by Chailase Finance International Corp. for individual entity cannot exceed \$214,306, which is 5% of the net worth. The maximum fund loaning cannot exceed \$1,071,530, which is 25% of the net worth to individual associate.

Note 3: Limit on the amount for loaning fund

- (1)Subsidiary— The total amount of fund loaning provided by Chailase Finance Co., Ltd. cannot exceed \$56,568,005, which is 160% of the net worth; the total amount of fund loaning for short-term financing cannot exceed \$35,355,003, which is the net worth of the most recent financial statement.
- (2)Subsidiary— The total amount of fund loaning provided by Fina Finance & Trading Co., Ltd. cannot exceed \$23,547,320, which is 160% of the net worth; the total amount of fund loaning for short-term financing cannot exceed \$14,717,075, which is the net worth of the most recent financial statement.
- (3)Subsidiary— The total amount of fund loaning provided by Chailase Consumer Finance Co., Ltd. cannot exceed \$4,093,080, which is the net worth; the total amount of fund loaning for short-term financing cannot exceed \$1,637,232, which is 40% of the net worth of the most recent financial statement.
- (4)Subsidiary— The total amount of fund loaning provided by Chailase International Finance Corporation cannot exceed \$10,564,814, which is 40% of the net worth of the most recent financial statement.

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- (5)Subsidiary— The total amount of fund loaning provided by Chailease Specialty Finance Co., Ltd. cannot exceed \$5,392,353, which is the net worth; the total amount of fund loaning for short-term financing cannot exceed \$2,156,941, which is 40% of the net worth of the most recent financial statement.
- (6)Special purpose entities— The total amount of fund loaning provided by Chailease Finance Securitization Trust 2016 cannot exceed \$880,589, which is the book value of the subordinated debt securities; the total amount of fund loaning for short-term financing cannot exceed \$497,379, which is 10% of the securitized financial assets approved by the competent authority.
- (7)Special purpose entities— The total amount of fund loaning provided by Chailease Finance Securitization Trust 2019 cannot exceed \$1,045,149, which is the book value of the subordinated debt securities; the total amount of fund loaning for short-term financing cannot exceed \$533,015, which is 10% of the securitized financial assets approved by the competent authority.
- (8)Subsidiary— The total amount of fund loaning provided by Chailease International Corp. cannot exceed \$1,740,892, which is 40% of the net worth of the most recent financial statement.
- (9)Subsidiary— The total amount of fund loaning provided by Chailease Finance International Corp. cannot exceed \$1,714,449, which is 40% of the net worth of the most recent financial statement.

Note 4: Counter parties

- (1)Subsidiary— Chailease Finance Co., Ltd.: There are 5,467 counter parties altogether during the period, the above table only disclosed the related parties and the top 20 counter parties.
- (2)Subsidiary— Fina Finance & Trading Co., Ltd.: There are 911 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.
- (3)Subsidiary— Chailease Consumer Finance Co., Ltd.: There are 19 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.
- (4)Subsidiary— Chailease International Finance Corporation: There are 193 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.
- (5)Subsidiary— Chailease Specialty Finance Co., Ltd.: There are 94 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.
- (6)Special purpose entities— Chailease Finance Securitization Trust 2016: There are 4 counter parties altogether during the period.
- (7)Special purpose entities— Chailease Finance Securitization Trust 2019: There are 140 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.
- (8)Subsidiary— Chailease International Corp.: There is 2 counter party during the period.
- (9)Subsidiary— Chailease Finance International Corp.: There is 2 counter party during the period.

Note 5: Subject to the contracts, we use letters instead of the real name of counter parties.

2. Guarantees and endorsements for other parties:

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No.	Endorsement/ guarantee provider	Counter-party		Limitation on endorsement/ guarantee amount provided to each guaranteed party	Maximum balance for the year	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 allowance	Guarantee provided by parent company	Guarantee provided by a subsidiary	Guarantee provided to subsidiaries in Mainland China
		Name	Nature of relationship (Note1)										
0	The Company	Chailease International Finance Corporation	2	180,797,408	64,364,025	64,364,025	38,134,021	-	71.20 %	451,993,520	Y		Y
"	"	Chailease International Leasing Company Limited	2	180,797,408	2,238,500	116,400	115,476	-	0.13 %	451,993,520	Y		
"	"	Chailease International Company (Malaysia) Limited	2	180,797,408	605,000	582,000	-	-	0.64 %	451,993,520	Y		
"	"	Chailease Berjaya Credit Sdn. Bhd.	2	45,199,352	10,030,951	9,210,640	8,205,040	-	10.19 %	451,993,520	Y		
"	"	Chailease Royal Leasing Plc.	2	45,199,352	2,702,005	2,619,000	981,107	-	2.90 %	451,993,520	Y		
"	"	Chailease Royal Finance Plc.	2	45,199,352	1,916,850	1,891,500	814,800	-	2.09 %	451,993,520	Y		
"	"	Chailease Berjaya Finance Corporation	2	45,199,352	2,056,600	1,691,190	539,401	-	1.87 %	451,993,520	Y		

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		Name	Nature of relationship (Note1)										
1	Chailase Finance Co., Ltd.	Chailase Finance (B.V.I.) Co., Ltd.	2	70,710,006	149,900	-	-	-	- %	176,775,015	Y		
"	"	Chailase Auto Rental Co., Ltd.	2	70,710,006	5,174,700	5,063,000	3,430,000	-	14.32 %	176,775,015	Y		
"	"	Chailase Consumer Finance Co., Ltd.	2	70,710,006	5,670,000	5,670,000	1,245,000	-	16.04 %	176,775,015	Y		
"	"	Chailase Specialty Finance Co., Ltd.	2	70,710,006	300,000	200,000	-	-	0.57 %	176,775,015	Y		
"	"	Apex Credit Solutions Inc.	2	70,710,006	160,000	-	-	-	- %	176,775,015	Y		
"	"	Chailase International Leasing Company Limited	2	70,710,006	13,310,388	13,310,388	7,528,961	-	37.65 %	176,775,015	Y		
"	"	Chailase International Trading Company Limited	2	70,710,006	1,270,075	1,133,900	230,373	-	3.21 %	176,775,015	Y		
"	"	Yun Tang Inc.	2	70,710,006	1,109,000	1,091,000	841,000	-	3.09 %	176,775,015	Y		
"	"	Chailase Credit Services Co., Ltd.	2	70,710,006	36,000	36,000	4	-	0.10 %	176,775,015	Y		
"	"	Chailase Energy Integration Co., Ltd.	2	70,710,006	730,000	430,000	-	-	1.22 %	176,775,015	Y		
"	"	Chailase Power Technology Co., Ltd.	2	70,710,006	1,200,000	1,200,000	500,000	-	3.39 %	176,775,015	Y		
"	"	Grand Pacific Financing Corp.	2	70,242,802	3,267,000	3,142,800	752,235	-	8.89 %	176,775,015			
"	"	Chailase International Financial Services Co., Ltd.	2	70,242,802	33,469,835	29,147,488	16,868,724	-	82.44 %	176,775,015			
"	"	Chailase International Financial Services (Singapore) Pte. Ltd.	2	70,242,802	6,649,350	6,649,350	3,186,523	-	18.81 %	176,775,015			
2	Asia Sermkij Leasing Public Co., Ltd.	Bangkok Grand Pacific Lease Public Company Limited	2	9,649,482	252,450	231,050	175,598	-	4.79 %	24,123,705	Y		
3	Chailase International Finance Corporation	Chailase International Corp.	2	52,824,071	9,158,270	7,832,804	4,505,652	-	29.66 %	132,060,177	Y		Y
"	"	Chailase Finance International Corp.	2	52,824,071	8,894,266	8,395,543	4,009,451	-	31.79 %	132,060,177	Y		Y
"	"	DMC Energy Management Services (Shenzhen) Co., Ltd.	4	52,824,071	97,290	-	-	-	- %	132,060,177			Y
4	Grand Pacific Holding Corp.	Grand Pacific Financing Corp.	2	1,120,437	151,250	87,300	87,300	-	3.94 %	1,120,437	Y		

Note 1: (1)The Company has business with the receiving parties.

(2)The Company holds directly or indirectly more than 50% of the common stock of the subsidiaries.

(3)The Company hold directly or indirectly more than 50% by the investee.

(4)The stockholders of the Company provide guarantee for the investee to their stockholding percentage.

(5)Others: According to the Regulations Governing Loaning of Funds and Making of guarantees and endorsements by Public Companies article 5, paragraph 2, guarantees made between companies in which the public company holds, directly or indirectly, 100% of the voting shares have no restriction on the guarantees amount.

Note 2: If the financial statements included contingent loss, the amount stated shall be indicated.

Note 3: The maximum guarantees and endorsements cannot exceed five times of net worth of the Company. The maximum guarantees and endorsements for individual counter party cannot exceed 50% of net worth of the Company. The amount of guarantees and endorsements for the subsidiaries in which be hold more than 80% of its outstanding common shares cannot exceed double of net worth of the Company.

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- Note 4: Subsidiary— The total amount of guarantees and endorsements provided by Chalease Finance Co., Ltd.(CFC) cannot exceed five times of its net worth, and guarantees for a individual entity cannot exceed 50% of its net worth. The amount of guarantees and endorsements for subsidiaries in which be hold more than 80% of its outstanding common shares cannot exceed double of its net worth; and if the guarantees and endorsements are for business purpose, the amount cannot exceed the transaction amount during last year. The total amount of guarantees and endorsements for the Company holds directly or indirectly 100% of the investee cannot exceed the net worth of the Company, the maximum guarantees and endorsements cannot exceed five times of net worth of CFC.
- Note 5: Subsidiary— The total amount of guarantees and endorsements provided by Chalease Finance Co., Ltd. for Chalease International Financial Services Co., Ltd., Chalease International Financial Services (Singapore) Pte. Ltd., Chalease Specialty Finance Co., Ltd. and Chalease Auto Rental Co., Ltd. is \$9,877,158. The total amount has been adjusted.
- Note 6: Subsidiary— The maximum guarantees and endorsements provided by Asia Sermkij Leasing Public Company Limited cannot exceed five times of its net worth. The maximum of guarantees and endorsements for individual counter party cannot exceed double of its net worth.
- Note 7: Subsidiary— The maximum and the total amount of guarantees and endorsements provided by Grand Pacific Holding Corp. cannot exceed five times of its capital.
- Note 8: Subsidiary— The maximum guarantees and endorsements provided by Chalease International Finance Corporation cannot exceed five times of net worth of the most recent financial statement. The maximum guarantees and endorsements for individual counter party cannot exceed 50% of its net worth. The individual counter party holding shares to the company are exceed 50% and the maximum guarantees and endorsements cannot exceed double of its net worth.
- Note 9: The total amount of guarantees and endorsements provided by the Company for Chalease International Finance Corporation and Chalease International Corp. is CNY110,000 thousand (\$469,590). The total amount has been disclosed in the balance of guarantees and endorsements for Chalease International Corp.
- Note 10: The total amount of guarantees and endorsements provided by the Company for Chalease International Finance Corporation and Chalease Finance International Corp. is CNY100,000 thousand (\$426,900). The total amount has been disclosed in the balance of guarantees and endorsements for Chalease Finance International Corp.
- Note 11: The total amount of guarantees and endorsements provided by the Company for Golden Bridge (B.V.I.) Corp. and Chalease International Company (Malaysia) Limited is USD10,000 thousand (\$291,000). The total amount has been adjusted.
- Note 12: The total amount of guarantees and endorsements provided by the Company for Chalease Royal Finance Plc. and Chalease Royal Leasing Plc. is USD10,000 thousand (\$291,000). The total amount has been adjusted.

3.Securities held at the end of the period (excluding investment in subsidiaries, associates and joint ventures) :

(Amounts Expressed in Thousands of New Taiwan Dollars)

Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Ta Chen Stainless Pipe Co., Ltd.	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	410	8,056	- %	8,056	
"	United Microelectronics Corporation	"	"	185	5,282	- %	5,282	
"	Taiwan Semiconductor Manufacturing Co., Ltd.	"	"	30	12,990	- %	12,990	
"	Topco Scientific Co., Ltd.	"	"	50	5,700	- %	5,700	
"	Forcera Materials Co., Ltd.	"	"	130	480	- %	480	
"	Taiwan Cement Corp.	"	"	189	7,825	- %	7,825	
"	Far Eastern New Century Co.	"	"	300	7,590	- %	7,590	
"	Makalot Industrial Co., Ltd	"	"	30	5,130	- %	5,130	
"	Taiwan Semiconductor Manufacturing Co., Ltd.	"	"	20	8,660	- %	8,660	
"	Episil-Precision Inc.	"	"	80	5,328	- %	5,328	
"	Taiwan Mask Corp.	"	"	170	4,777	- %	4,777	
"	Quanta Computer Inc.	"	"	100	7,560	- %	7,560	
"	EPISTAR Corporation	"	"	200	7,070	- %	7,070	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chailease Finance Co., Ltd.	MediaTek Inc.	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	10	6,070	- %	6,070	
"	Highwealth Construction Corp.	"	"	120	5,160	- %	5,160	
"	Cathay Financial Holdings Co., Ltd.	"	"	130	5,018	- %	5,018	
"	LARGAN Precision Co., Ltd.	"	"	2	6,720	- %	6,720	
"	Novatek Microelectronics Corp.	"	"	25	6,638	- %	6,638	
"	Advanced Ceramic X Corporation	"	"	25	9,800	- %	9,800	
"	AURAS Technology Co., Ltd.	"	"	25	5,987	- %	5,987	
"	Global Unichip Corp.	"	"	20	5,200	- %	5,200	
"	Wafer Works Corporation	"	"	130	4,439	- %	4,439	
"	Tong Hsing Electronic Industries ,LTD.	"	"	40	5,320	- %	5,320	
"	Webi &Net Internet Services Inc.	"	"	250	-	10.53 %	-	(Note 2)
"	Skanhex Technology Inc.	"	"	5,273	-	4.53 %	-	(Note 2)
"	Rosun Technologies Inc.	"	"	182	-	- %	-	(Note 2) percentage of ownership less than 0.01%
"	EastWest Pharmaceuticals	"	"	242	-	5.84 %	-	(Note 2)
"	Azanda Network Devices	"	"	714	-	- %	-	(Note 2) percentage of ownership less than 0.01%
"	Sampotech Co., Ltd.	"	"	369	-	0.10 %	-	(Note 2)
"	Deerport Aviation Corp.	"	"	-	-	-	-	(Note 2) percentage of ownership less than 0.01%
"	Yuanta Securities—Structured Convertible Bonds	"	"	-	10,021	- %	10,021	
"	Yuanta Securities—Structured Convertible Bonds	"	"	-	116,432	- %	116,432	
"	Yuanta Securities—Structured Convertible Bonds	"	"	-	15,032	- %	15,032	
"	Yuanta Securities—Structured Convertible Bonds	"	"	-	9,510	- %	9,510	
"	Yuanta Securities—Structured Convertible Bonds	"	"	-	35,058	- %	35,058	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Yuanta Securities—Structured Convertible Bonds	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	-	35,004	- %	35,004	
"	MasterLink Securities—Structured Convertible Bonds	"	"	-	20,063	- %	20,063	
"	MasterLink Securities—Structured Convertible Bonds	"	"	-	10,099	- %	10,099	
"	SinoPac Securities—Structured Convertible Bonds	"	"	-	1,006	- %	1,006	
"	SinoPac Securities—Structured Convertible Bonds	"	"	-	5,067	- %	5,067	
"	SinoPac Securities—Structured Convertible Bonds	"	"	-	20,201	- %	20,201	
"	SinoPac Securities—Structured Convertible Bonds	"	"	-	20,154	- %	20,154	
"	SinoPac Securities—Structured Convertible Bonds	"	"	-	30,082	- %	30,082	
"	SinoPac Securities—Structured Convertible Bonds	"	"	-	25,213	- %	25,213	
"	SinoPac Securities—Structured Convertible Bonds	"	"	-	12,049	- %	12,049	
"	SinoPac Securities—Structured Convertible Bonds	"	"	-	34,252	- %	34,252	
"	KGI Securities—Structured Convertible Bonds	"	"	-	5,036	- %	5,036	
"	KGI Securities—Structured Convertible Bonds	"	"	-	20,137	- %	20,137	
"	Bank of Yuanta's Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	48,500	- %	48,500	
"	Bank of Yuanta's Beneficial Right of the Real Estate Trust	—	"	-	20,920	- %	20,920	
"	Bank of Yuanta's Beneficial Right of the Real Estate Trust	—	"	-	285,376	- %	285,376	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	92,580	- %	92,580	

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	100,200	- %	100,200	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	188,343	- %	188,343	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	52,650	- %	52,650	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	87,880	- %	87,880	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	108,340	- %	108,340	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	52,600	- %	52,600	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	48,000	- %	48,000	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	71,480	- %	71,480	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	573,000	- %	573,000	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	24,550	- %	24,550	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	69,961	- %	69,961	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	52,510	- %	52,510	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	21,660	- %	21,660	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	44,000	- %	44,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	90,000	- %	90,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	35,000	- %	35,000	

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	3,500	- %	3,500	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	280,000	- %	280,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	23,800	- %	23,800	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	55,000	- %	55,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	49,000	- %	49,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	61,000	- %	61,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	53,200	- %	53,200	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	9,000	- %	9,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	26,000	- %	26,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	20,000	- %	20,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	45,000	- %	45,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	18,000	- %	18,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	60,000	- %	60,000	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	25,000	- %	25,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	71,200	- %	71,200	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	57,000	- %	57,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	557,650	- %	557,650	
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	333,000	- %	333,000	
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	626,630	- %	626,630	
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	69,000	- %	69,000	
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	50,000	- %	50,000	
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	66,860	- %	66,860	
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	42,000	- %	42,000	
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	40,700	- %	40,700	
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	360,000	- %	360,000	
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	64,200	- %	64,200	
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	31,365	- %	31,365	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	160,000	- %	160,000	
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	6,500	- %	6,500	
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	65,635	- %	65,635	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	110,340	- %	110,340	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	160,000	- %	160,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	55,000	- %	55,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	168,996	- %	168,996	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	10,500	- %	10,500	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	87,400	- %	87,400	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	15,650	- %	15,650	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	63,000	- %	63,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	72,100	- %	72,100	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	25,350	- %	25,350	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	100,000	- %	100,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	137,000	- %	137,000	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	206,500	- %	206,500	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	447,110	- %	447,110	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	87,730	- %	87,730	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	79,000	- %	79,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	119,150	- %	119,150	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	408,000	- %	408,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	9,412	- %	9,412	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	30,700	- %	30,700	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	129,367	- %	129,367	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	29,500	- %	29,500	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	6,450	- %	6,450	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	23,119	- %	23,119	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	7,940	- %	7,940	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	126,242	- %	126,242	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	22,540	- %	22,540	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	53,000	- %	53,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	73,486	- %	73,486	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	293,000	- %	293,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	38,336	- %	38,336	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	26,100	- %	26,100	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	232,000	- %	232,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	31,360	- %	31,360	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	200,000	- %	200,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	26,050	- %	26,050	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	55,000	- %	55,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	145,880	- %	145,880	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	622,400	- %	622,400	

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	27,000	- %	27,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	67,000	- %	67,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	94,000	- %	94,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	56,500	- %	56,500	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	88,200	- %	88,200	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	83,600	- %	83,600	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	120,000	- %	120,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	112,500	- %	112,500	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	113,000	- %	113,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	100,000	- %	100,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	26,000	- %	26,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	200,000	- %	200,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	178,950	- %	178,950	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	53,970	- %	53,970	

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	31,700	- %	31,700	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	40,000	- %	40,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	36,086	- %	36,086	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	51,500	- %	51,500	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	48,500	- %	48,500	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	225,900	- %	225,900	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	125,720	- %	125,720	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	59,920	- %	59,920	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	24,444	- %	24,444	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	169,000	- %	169,000	
"	Bank of FEI's Beneficial Right of the Real Estate Trust	—	"	-	79,780	- %	79,780	
"	China State Construction Engineering Corporation	—	"	-	216,080	- %	216,080	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	Non-current financial assets at amortized cost	-	10,120	- %	10,120	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	2,520	- %	2,520	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	17,180	- %	17,180	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Non-current financial assets at amortized cost	-	50,000	- %	50,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	28,000	- %	28,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	40,500	- %	40,500	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	42,000	- %	42,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	16,000	- %	16,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	5,800	- %	5,800	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	68,000	- %	68,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	173,000	- %	173,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	61,450	- %	61,450	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	20,400	- %	20,400	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	20,160	- %	20,160	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	4,320	- %	4,320	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	34,000	- %	34,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	62,000	- %	62,000	

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Non-current financial assets at amortized cost	-	9,524	- %	9,524	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	295,100	- %	295,100	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	39,950	- %	39,950	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	87,600	- %	87,600	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	141,135	- %	141,135	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	663,000	- %	663,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	355,000	- %	355,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	83,000	- %	83,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	189,500	- %	189,500	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	15,000	- %	15,000	
"	O-Bank Co., Ltd	Investee at fair value	Non-current financial assets at fair value through other comprehensive income	92,694	622,904	3.42 %	622,904	
"	Subton Technology Co., Ltd.	"	"	288	3,426	0.10 %	3,426	
"	Spring House Entertainment Tech Inc.	"	"	688	8,906	4.67 %	8,906	
"	Tekcon Electronics Corp.	"	"	137	1,333	0.52 %	1,333	
"	Ecomsoftware Inc.	"	"	130	2,519	2.60 %	2,519	
"	Kingmax Technology Inc.	"	"	2,081	21,043	4.73 %	21,043	
"	Everterminal Co., Ltd.	"	"	490	5,272	0.50 %	5,272	
"	Crownpo Technology Inc.	"	"	57	888	0.51 %	888	
"	Book4u Co., Ltd.	"	"	9	87	0.19 %	87	

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)	
Chalease Finance Co., Ltd.	U-Ming Marine Transport Corp.	Investee at fair value	Non-current financial assets at fair value through other comprehensive income	270	8,086	0.03 %	8,086	shareholding less than 1,000 shares
"	CTCI Corp.	"	"	770	30,069	0.10 %	30,069	
"	Chin Poon	"	"	380	11,039	0.10 %	11,039	
Chalease Specialty Finance Co., Ltd.	Linkou amusement Co., Ltd.(Stock)	"	"	-	36,708	- %	36,708	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	42,600	- %	42,600	
"	Agora Garden Taipei	—	"	-	885,000	- %	885,000	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	Non-current financial assets at amortized cost	-	5,600	- %	5,600	
"	Agora Garden Taipei	—	"	-	415,000	- %	415,000	
Chalease Energy Integration Co., Ltd	International Ocean Vessel Technical Consultant Co., Ltd.	Investee at fair value	Non-current financial assets at fair value through other comprehensive income	908	16,360	11.23 %	16,360	
Bangkok Grand Pacific Lease Public Company Limited	Bangkok Club Co., Ltd.(Stock)	"	"	64	195	0.14 %	195	
Asia Sermkij Leasing Public Co., Ltd.	Swe Trans Group Co., Ltd.	"	"	10	8,780	19.00 %	8,780	
"	Bumrungrad Hospital (Stock)	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	59	5,150	0.10 %	5,150	
Grand Pacific Holding Corp.	Mobileshift, Inc.	Investee at fair value	Non-current financial assets at fair value through other comprehensive income	359	7,275	3.45 %	7,275	
"	Stemcyte Inc.	"	"	38	1,455	0.15 %	1,455	
Grand Pacific Financing Corp.	Swabplus Inc.	"	"	10	-	- %	-	
"	Mobileshift, Inc.	"	"	358	7,275	3.45 %	7,275	
"	Stemcyte Inc.	"	"	38	1,455	0.15 %	1,455	
Chalease International Company (Malaysia) Limited	Anywhere 2 GO Co. Ltd CB	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	-	67,194	- %	67,194	
"	The Future Commerce Sdn. Bhd	"	Non-current financial assets at fair value through profit or loss	-	19,374	- %	19,374	
"	Logicsnesia PTE LTD	"	"	-	9,166	- %	9,166	

Note 1: Listed companies use price in the open market, and non-listed companies use its net worth. The aforementioned net worths were calculated in financial statements audit by accountants.

Note 2: The chance of recover of the decrease in net worth and continuous losses is insignificant; therefore, they belong to permanent reduction.

Note 3: The aforementioned inter-company transactions have been eliminated upon the consolidation.

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4. Aggregate purchases or sales of the same securities reaching NT\$300 million or 20 percent of paid-in capital or more :

(Amounts Expressed in Thousands of New Taiwan Dollars)

Company name	Marketable securities type and name (Note 1)	Financial statement account (Note 1)	Counter-party	Nature of relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares (In thousands)	Amount	Shares (In thousands)	Amount	Shares (In thousands)	Amount	Carrying value	Gain (loss) on disposal	Shares (In thousands)	Amount
The Company	Golden Bridge (B.V.I.) Corp.	Investments accounted for using equity method	-	-	-	-	-	-	-	-	-	-	-	-
Golden Bridge (B.V.I.) Corp.	My Leasing (Mauritius) Corp.	"	-	-	-	-	-	-	-	-	-	-	-	-
My Leasing (Mauritius) Corp.	Chaillease International Financial Services (Singapore) Pte. Ltd.	"	-	-	-	-	-	-	-	-	-	-	-	-
Fina Finance & Trading Co., Ltd.	Chaillease Consumer Finance Co., Ltd.	"	-	-	-	-	-	-	-	-	-	-	-	-
Chaillease Consumer Finance Co., Ltd.	Chuang Ju Limited Partnership	"	-	-	-	-	-	-	-	-	-	-	-	-
Chaillease Finance Co., Ltd.	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	Financial assets at amortized cost	-	-	-	429,000	-	36,000	-	-	465,000	-	-	-
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	-	-	333,000	-	-	-	-	-	333,000
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	-	-	360,000	-	-	-	-	-	360,000
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	239,920	-	386,710	-	-	-	-	-	626,630
"	Bank of BEA's Beneficial Right of the Real Estate Trust	"	-	-	-	890,000	-	-	-	-	890,000	-	-	-
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	300,600	-	16,000	-	-	316,600	-	-	-
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	357,860	-	381,010	-	-	271,360	-	-	467,510
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	774,066	-	-	-	-	774,066	-	-	-
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	-	-	397,000	-	-	267,633	-	-	129,367
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	539,928	-	231,542	-	-	641,228	-	-	126,242

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Company name	Marketable securities type and name (Note 1)	Financial statement account (Note1)	Counter-party	Nature of relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares (In thousands)	Amount	Shares (In thousands)	Amount	Shares (In thousands)	Amount	Carrying value	Gain (loss) on disposal	Shares (In thousands)	Amount
Chailase Finance Co., Ltd.	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	Financial assets at amortized cost	-	-	-	-	-	663,000	-	-	-	-	-	663,000
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	500,000	-	-	-	-	500,000	-	-	-
Chailase Specialty Finance Co., Ltd.	Agora Garden Taipei	"	-	-	-	1,000,000	-	300,000	-	-	-	-	-	1,300,000

Note 1: Securities accounted under equity method only need to fill in the first two columns.

Note 2: The aforementioned inter-company transactions have been eliminated upon consolidation.

- 5.Acquisition of real estate reaching NT\$300 million or 20 percent of paid-in capital or more: None.
- 6.Disposal of real estate reaching NT\$300 million or 20 percent of paid-in capital or more: None.
- 7.Purchases or sales of goods from or to related parties reaching NT\$100 million or 20 percent of paid-in capital or more: None.
- 8.Accounts receivable from related parties reaching NT\$100 million or 20 percent of paid-in capital or more:

(Amounts Expressed in Thousands of New Taiwan Dollars)

Company name	Related party	Nature of relationship	Ending balance	Turnover days	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
Chailase Finance Co., Ltd.	Chuang Ju Limited Partnership	Subsidiaries	500,460	-	-		-	-
"	Chailase International Finance Corporation	Associates	117,608	-	-		-	-
Fina Finance & Trading Co., Ltd	Chuang Ju Limited Partnership	Subsidiaries	813,602	-	-		-	-
Chailase International Financial Services Co., Ltd.	Chailase International Company (Malaysia) Limited	Associates	1,969,237	-	-		-	-
"	Chailase International Fortune Corp (Liberia)	Associates	233,658	-	-		-	-
"	Chailase International Financial Services (Singapore) Pte. Ltd.	Associates	5,746,315	-	-		-	-
Chailase Finance (B.V.I.) Company, Ltd.	Chailase International Financial Services Co., Ltd.	Associates	962,828	-	-		-	-
"	Chailase International Financial Services (Liberia) Corp.	Associates	233,091	-	-		-	-

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Company name	Related party	Nature of relationship	Ending balance	Turnover days	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
Chaillease International Company (Malaysia) Limited	Chaillease International Company (UK) Limited	Subsidiaries	1,970,595	-	-		-	-
Asia Sermkij Leasing Public Co., Ltd.	Bangkok Grand Pacific Lease Public company Limited.	Subsidiaries	3,794,706	-	-		-	-
Golden Bridge (B.V.I.) Corp.	My Leasing (Mauritius) Corp.	Subsidiaries	1,455,490	-	-		-	-
Chaillease International Corp.	Chaillease International Finance Corporation	Subsidiaries	641,565	-	-		-	-
Chaillease Finance International Corp.	Chaillease International Finance Corporation	Subsidiaries	470,494	-	-		-	-
Chaillease International Company (UK) Limited	C&E Engine Leasing Limited	Associates	1,621,710	-	-		-	-

Note: The aforementioned inter-company transactions have been eliminated upon consolidation.

9.Trading in derivative instruments: Please reference to Note (6)(b).

10.Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and the circumstances and amounts of any significant transactions between them:

No.	Company name	Counter-party	Nature of relationship	Intercompany transactions			
				Financial statements item	Amount	Terms	Percentage of the consolidated net revenue or total assets
1	Chaillease Finance Co., Ltd	Chaillease International Finance Corporation 、Chaillease Berjaya Credit Sdn. Bhd.	3	Other current financial assets	217,137	Same as normal transactions	0.04 %
1	"	Fina Finance & Trading Co., Ltd.	3	Other current financial liabilities	51,300	"	0.01 %
1	"	"	3	Operating cost and expenses	51,970	"	0.01 %
1	"	Chuang Ju Limited Partnership	3	Financing and interest receivable	500,460	"	1.15 %
1	"	Chaillease Berjaya Credit Sdn. Bhd. 、Fina Finance & Trading Co., Ltd. 、Chaillease Consumer Finance Co., Ltd 、Chaillease International Finance Corporation	3	Operating revenues and non-operating income	474,760	"	0.09 %
2	Chaillease Finance (B.V.I.) Company, Ltd.	Chaillease International Financial Services (Liberia) Corp. 、Chaillease International Financial Services Co., Ltd.	3	Financing and interest receivable	1,195,919	"	0.22 %
3	Chaillease International Finance Corporation	Chaillease Finance Co., Ltd.	3	Financing and interest receivable	117,608	"	0.02 %
3	"	Chaillease Finance International Corp. 、Chaillease International Corp.	3	Borrowings and interest payable	1,112,059	"	0.20 %
3	"	Chaillease Finance Co., Ltd 、Jirong Real Estate Co., Ltd	3	Operating cost and expenses	174,238	"	0.03 %
4	Golden Bridge (B.V.I.) Corp.	My Leasing (Mauritius) Corp.	3	Financing and interest receivable	1,455,490	"	0.26 %
4	"	"	3	Borrowings and interest payable	87,466	"	0.02 %

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No.	Company name	Counter-party	Nature of relationship	Intercompany transactions			
				Financial statements item	Amount	Terms	Percentage of the consolidated net revenue or total assets
5	My leasing (Mauritius) Corp.	Golden Bridge (B.V.I.) Corp.	3	Borrowings and interest payable	1,455,490	Same as normal transactions	0.26 %
5	"	"	3	Financing and interest receivable	87,466	"	0.02 %
6	Chaillease International Financial Services Co., Ltd.	Chaillease International Fortune Corp (Liberia) 、Chaillease International Company(Malaysia) Limited 、Chaillease International Financial Services(Singapore)Pte Ltd	3	Financing and interest receivable	7,949,210	"	1.43 %
6	"	Chaillease International Financial Services (Labuan) Co., Ltd.	3	Capital leases receivable	429,269	"	0.08 %
6	"	Chaillease Finance (B.V.I) Company,Ltd.	3	Borrowings and interest payable	962,828	"	0.17 %
6	"	Chaillease International Company(Malaysia) Limited 、Chaillease International Financial Services(Singapore)Pte Ltd	3	Operating revenues and non-operating income	117,090	"	0.02 %
7	Chaillease International Company(Malaysia) Limited	Chaillease International Company (UK) Limited	3	Financing and interest receivable	1,970,595	"	0.36 %
7	"	Chaillease International Financial Services Co., Ltd.	3	Borrowings and interest payable	1,969,237	"	0.35 %
7	"	Chaillease International Company (UK) Limited	3	Operating revenues and non-operating income	56,058	"	0.01 %
7	"	Chaillease International Financial Services Co., Ltd.	3	Operating cost and expenses	50,078	"	0.11 %
8	Chaillease International Company (UK) Limited	Chaillease International Company(Malaysia) Limited	3	Borrowings and interest payable	1,970,595	"	0.36 %
8	"	"	3	Operating cost and expenses	56,058	"	0.01 %
9	Fina Finance & Trading Co., Ltd.	Chaillease Finance Co., Ltd.	3	Other current financial assets	51,300	"	0.01 %
9	"	"	3	Operating revenues and non-operating income	51,970	"	0.01 %
9	"	Chuang Ju Limited Partnership	3	Financing and interest receivable	813,602	"	0.15 %
9	"	Chaillease Finance Co., Ltd. 、Chaillease Consumer Finance Co., Ltd	3	Operating cost and expenses	261,963	"	0.05 %
10	Chaillease International Financial Services (Liberia) Corp.	Chaillease Finance (B.V.I) Company,Ltd.	3	Borrowings and interest payable	233,091	"	0.04 %
11	Chaillease International Financial Services (Labuan) Co., Ltd.	Chaillease International Financial Services Co., Ltd.	3	Borrowings and interest payable	429,269	"	0.08 %
12	Chaillease Consumer Finance Co., Ltd.	Chaillease Finance Co., Ltd.	3	Operating cost and expenses	64,756	"	0.15 %
12	"	Fina Finance & Trading Co., Ltd.	3	Operating revenues and non-operating income	71,175	"	0.16 %
13	Chuang Ju Limited Partnership	Chaillease Finance Co., Ltd. 、Fina Finance & Trading Co., Ltd.	3	Borrowings and interest payable	1,314,063	"	0.24 %
14	Chaillease Finance International Corp.	Chaillease International Finance Corporation	3	Financing and interest receivable	470,494	"	0.08 %
15	Chaillease International Corp.	Chaillease International Finance Corporation	3	Financing and interest receivable	641,565	"	0.12 %
16	Chaillease International Financial Services (Singapore) Pte., Ltd.	Chaillease International Financial Services Co., Ltd.	3	Borrowings and interest payable	5,746,315	"	1.04 %
16	"	Chaillease International Financial Services Co., Ltd.	3	Operating cost and expenses	67,012	"	0.01 %

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No.	Company name	Counter-party	Nature of relationship	Intercompany transactions			
				Financial statements item	Amount	Terms	Percentage of the consolidated net revenue or total assets
17	Chailase Berjaya Credit Sdn. Bhd.	Chailase Finance Co., Ltd.	3	Other current financial liabilities	99,529	Same as normal transactions	0.02 %
17	"	"	3	Operating cost and expenses	100,048	"	0.02 %
18	Asia Sermkij leasing public Co, Ltd	Bangkok Grand Pacific Lease Public Company Limited	3	Other current financial assets	3,794,706	"	0.68 %
18	"	"	3	Operating revenues and non-operating income	87,012	"	0.02 %
19	Bangkok Grand Pacific Lease Public Company Limited	Asia Sermkij leasing public Co, Ltd	3	Borrowings and interest payable	3,794,706	"	0.68 %
19	"	"	3	Operating cost and expenses	87,012	"	0.02 %
20	Chailase International Fortune Corp (Liberia)	Chailase International Financial Services Co., Ltd.	3	Borrowings and interest payable	233,658	"	0.04 %
21	Jirong Real Estate Co., Ltd	Chailase International Finance Corporation	3	Operating revenues and non-operating income	55,072	"	0.01 %

Note 1: Descriptions of numbers are as follows:

1. Parent company is coded "0".
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Nature of relationship is categorized as follows:

1. Transactions from parent company to subsidiary.
2. Transactions from subsidiary to parent company.
3. Transactions from subsidiary to subsidiary.

Note 3: Business transaction less than 50 million is not required to be disclosed.

Note 4: The aforementioned inter-company transactions have been eliminated upon consolidation.

(b) Information on investees :

The information on investees of the Group for the nine months ended September 30, 2020 is as follows (excluding information on investment in Mainland China) :

Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2020			Net income (losses) of the investee	Share of profits/losses of investee	Note
				September 30, 2020	December 31, 2019	Shares/Units (In thousands)	Percentage of ownership	Carrying value			
The Company	Chailase International Company (Malaysia) Limited	Malaysia	Investment	19,450,880	19,450,880	1,147,247	100.00 %	40,918,945	6,198,392	6,198,392	
"	Chailase International Financial Services Co., Ltd.	British Virgin Islands	Installment sales, leasing overseas and financial consulting	2,822,700	2,822,700	97,000	100.00 %	5,404,568	597,734	597,734	
"	Grand Pacific Holdings Corp. and its subsidiaries	U.S.	Financing leasing, real estate, and mortgage	142,337	142,337	3,927	51.00 %	1,130,124	63,566	32,419	
"	Golden Bridge (B.V.I.) Corp. and its subsidiaries	British Virgin Islands	Investment	15,434,918	12,524,918	486,150	100.00 %	38,200,165	6,018,235	6,018,235	
"	Chailase International Company (Hong Kong) Limited	Hong Kong	Investment	250,260	250,260	8,600	100.00 %	233,771	(6,962)	(6,962)	

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				September 30, 2020	December 31, 2019	Shares/Units (In thousands)	Percentage of ownership	Carrying value			
The Company	Chailase International Financial Services (Liberia) Corp.	Liberia	Leasing	172,398	172,398	-	100.00 %	213,683	31,457	31,457	share holding less than 1,000 shares
"	Chailase International Financial Services (Labuan) Co., Ltd.	Malaysia	Leasing	6,848	6,848	30	100.00 %	1,426	(2,005)	(2,005)	
"	Chailase International Fortune Corp (Liberia)	Liberia	Leasing	291	-	-	100.00 %	(798)	(1,115)	(1,115)	
Chailase International Company (Malaysia) Limited	Chailase International (B.V.I.) Corp.	British Virgin Islands	Investment	-	291	-	- %	-	-	-	
"	Asia Sermkij Leasing Public Co., Ltd. and its subsidiaries	Thailand	Installment sales of automobiles	433,438	433,438	40,698	11.57 %	589,192	630,264	77,558	
"	Chailase International Company (UK) Limited	U.K.	Consulting, aircraft leasing and investment	23,032,681	23,032,681	422,287	100.00 %	37,771,398	6,097,009	6,097,009	
"	Chailase Berjaya Credit Sdn. Bhd.	Malaysia	Installment sales	586,600	469,280	87,500	70.00 %	903,212	146,474	102,532	
"	Chailase Royal Leasing Plc.	Cambodia	Leasing	87,300	87,300	3,000	60.00 %	205,256	68,179	40,907	
"	Chailase Royal Finance Plc.	Cambodia	Financing	174,367	104,527	6,312	60.00 %	176,425	21,402	12,841	
"	Yellowstone Holding AG	Swiss	Investment	165,821	165,821	525,000	35.00 %	129,510	(18,337)	(6,418)	
"	Chailase Berjaya Finance Corporation	Philippines	Leasing and financing	160,218	160,218	270,000	60.00 %	95,773	(49,624)	(29,774)	
"	CL Capital Management Company Limited	Cayman Islands	Investment consultant	-	-	-	48.00 %	-	870	-	
"	CL Investment Partners Company Limited	Cayman Islands	Investment consultant	4,087	4,087	-	48.00 %	4,036	(84)	(40)	
"	Chailase Greater China SME Fund, L.P.	Cayman Islands	Investment funds	401,044	393,987	-	48.00 %	352,181	(6,516)	(3,128)	
"	Diamond Rain Group Limited	British Virgin Islands	Investment	643,482	489,485	18,212	35.28 %	585,806	(169,110)	(59,662)	
"	Chailase Capital (Thailand) Co., Ltd.	Thailand	Investment	45,286	-	9,800	49.00 %	46,658	2,879	1,411	
Chailase Berjaya Credits Sdn. Bhd.	Chailase Agency Sdn. Bhd.	Malaysia	Insurance Brokers	670	670	100	100.00 %	2,724	1,869	1,869	
"	Chailase Services Sdn. Bhd.	Malaysia	Insurance Brokers	670	670	100	100.00 %	2,228	1,271	1,271	

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Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2020			Net income (losses) of the investee	Share of profits/losses of investee	Note
				September 30, 2020	December 31, 2019	Shares/Units (In thousands)	Percentage of ownership	Carrying value			
Chaise International Company (UK) Limited	Chaise Finance Co., Ltd.	Taiwan	Installment sales, leasing and factoring	19,212,154	19,212,154	1,717,700	100.00 %	37,613,756	6,711,244	6,711,244	
"	C&E Engine Leasing Limited	Ireland	Leasing	655,289	655,289	22,519	50.00 %	663,119	15,644	7,821	
Chaise Finance Co., Ltd.	Fina Finance & Trading Co., Ltd.	Taiwan	Installment sales, trading and factoring	6,891,242	6,891,242	633,500	100.00 %	15,521,926	2,110,238	2,110,238	
"	Chaise Specialty Finance Co., Ltd.	Taiwan	Installment sales	5,137,496	5,137,496	201,561	100.00 %	5,330,947	197,583	197,583	
"	My Leasing (B.V.I.) Corp.	British Virgin Islands	Investment	-	494,700	17,000	100.00 %	-	(29,483)	(29,483)	
"	Asia Sermkij Leasing Public Co., Ltd. and its subsidiaries	Thailand	Installment sales of automobiles	777,348	777,348	128,837	36.61 %	1,864,332	630,264	245,410	
"	Chaise Finance (B.V.I.) Company, Ltd.	British Virgin Islands	Installment sales, leasing overseas and financial consulting	1,190,481	1,190,481	40,910	100.00 %	1,253,977	10,749	10,749	
"	Apex Credit Solutions Inc.	Taiwan	Accounts receivable management, valuation, trading in financial instruments	-	60,939	-	- %	-	17,449	17,449	(Note 2)
"	Chung Hung Corp.	Taiwan	Foreign trade of machinery, equipment, transportation and leasing	-	1,000	-	- %	-	(2)	(1)	(Note 3)
"	Chaise International Leasing Company Limited (Vietnam)	Vietnam	Leasing	716,180	716,180	-	100.00 %	1,480,126	199,560	199,560	
"	Chaise Auto Rental Co., Ltd.	Taiwan	Leasing	1,352,227	1,352,227	141,339	100.00 %	1,552,689	125,033	125,033	
"	Chaise Insurance Brokers Co., Ltd.	Taiwan	Personal and property insurance brokers	8,000	8,000	800	100.00 %	52,209	35,957	35,957	
"	Grand Pacific Holdings Corp. and its subsidiaries	U.S.	Financing leasing, real estate, and mortgage	119,564	119,564	3,773	49.00 %	1,085,806	63,566	31,147	
"	Chaise Cloud Service Co., Ltd.	Taiwan	Software of cloud products, leasing and installment sales	10,000	10,000	1,000	100.00 %	5,829	179	179	
"	Yun Tang Inc.	Taiwan	Solar power business	445,000	445,000	-	100.00 %	508,760	31,337	31,337	
"	Chaise Energy Integration Co., Ltd.	Taiwan	Solar power business	50,000	50,000	5,000	100.00 %	663,145	573,979	573,979	
"	Chaise Finance Securitization Trust 2016	Taiwan	Special purpose entity	782,956	880,589	-	100.00 %	573,047	60,594	60,594	
"	Chaise Power Technology Co., Ltd.	Taiwan	Solar power business	250,000	250,000	25,000	100.00 %	261,556	10,862	10,862	

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Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2020			Net income (losses) of the investee	Share of profits/losses of investee	Note
				September 30, 2020	December 31, 2019	Shares/Units (In thousands)	Percentage of ownership	Carrying value			
Chailease Finance Co., Ltd.	Chailease International Trading Company Limited (Vietnam)	Vietnam	Trading	145,500	145,500	-	100.00 %	166,524	8,313	8,313	
"	Chung Cheng Energy Integration Co., Ltd.	Taiwan	Solar power business	1,000	1,000	100	100.00 %	902	(25)	(25)	
"	Ho Lien Energy Integration Co., Ltd.	Taiwan	Solar power business	1,000	1,000	100	100.00 %	254	(673)	(673)	
"	Chailease Finance Securitization Trust 2019	Taiwan	Special purpose entity	1,045,149	1,045,149	-	100.00 %	1,020,228	239,462	239,462	
"	Tai Yuan Energy Intergration Co., Ltd.	Taiwan	Solar power business	180,050	-	18,005	100.00 %	179,386	(664)	(664)	
"	Chung Ho Energy Integration Co., Ltd.	Taiwan	Solar power business	500	-	50	100.00 %	458	(42)	(42)	
"	Chung Yen Energy Integration Co., Ltd.	Taiwan	Solar power business	500	-	50	100.00 %	458	(42)	(42)	
"	Tung Feng Inc.	Taiwan	Solar power business	34,010	-	3,401	100.00 %	34,031	21	21	
Fina Finance & Trading Co., Ltd.	Chailease Consumer Finance Co., Ltd.	Taiwan	Factoring, trading-in, management, and valuation on accounts receivable; installment sales; financial instrument	4,152,436	2,652,436	309,434	100.00 %	5,709,473	513,883	513,883	
"	Chailease Credit Services Co., Ltd.	Taiwan	Installment sales and leasing	10,101	10,101	1,000	100.00 %	10,420	361	361	
Chailease Consumer Finance Co., Ltd.	Chuang Ju Limited Partnership	Taiwan	Installment sales and leasing	3,300,000	1,800,000	-	- %	3,546,235	246,235	246,235	(Note 4)
Chailease Specialty Finance Co., Ltd.	Sing Chuang Limited Partnership	Taiwan	Installment sales and leasing	1,500,000	1,500,000	-	- %	1,622,110	122,110	122,110	(Note 5)
Chailease Credit Services Co., Ltd.	Chuang Ju Limited Partnership	Taiwan	Installment sales and leasing	10	10	-	- %	10	-	-	(Note 4)
Chailease Cloud Service Co., Ltd.	Sing Chuang Limited Partnership	Taiwan	Installment sales and leasing	10	10	-	- %	10	-	-	(Note 5)
Chailease International Company (Hong Kong) Limited	PT Chailease Indonesia Finance	Indonesia	Financing	222,750	222,750	1,125,000	75.00 %	216,195	(10,866)	(8,150)	
"	Chailease Management Consulting Co., Limited	Hong Kong	Consulting	1,877	-	-	100.00 %	3,441	1,600	1,600	
Chailease Capital (Taiwand) Co., Ltd.	Asia Sermkij Leasing Public Co., Ltd. and its subsidiaries	Thailand	Installment sales of automobiles	90,660	-	5,276	1.50 %	76,345	630,264	2,874	

Note 1: The aforementioned inter-company transactions have been eliminated upon consolidation.

Note 2: Apex Credit Solutions Inc. was merged by Chailease Consumer Financial Co., Ltd. on June 15, 2020.

Note 3: Chung Hung Corp. was liquidated on May 27, 2020.

Note 4: Chailease Consumer Financial Co., Ltd. is the limited partner, and Chailease Credit Services Co., Ltd. is the general partner.

Note 5: Chailease Specialty Financial Co., Ltd. is the limited partner, and Chailease Cloud Services Co., Ltd. is the general partner.

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(c) Information on investment in Mainland China:

1.Related information on investment in Mainland China:

Name of the Investee Company	Principal Business Activities	Total Amount of Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2020	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2020	Net Income (Losses) of the Investee	Percentage of Ownership	Share of profits/losses (Note 2)	Carrying Amount as of September 30, 2020	Accumulated Inward Remittance of Earnings as of September 30, 2020
					Outflow	Inflow						
Chailease International Finance Corporation	Leasing	10,260,092	(2)	-	-	-	-	6,255,036	97.85 %	6,120,553	34,798,738	2,997,300
Chailease Finance International Corp.	Leasing	1,746,000	(2)	-	-	-	-	630,189	98.39 %	620,043	4,838,730	-
Chailease International Corp.	Trading	853,800	(2)	-	-	-	-	368,244	97.85 %	360,327	2,949,012	-
Jirong Real Estate Co., Ltd.	House property leasing and management	725,730	(2)	-	-	-	-	9,529	97.85 %	9,324	770,276	-
DMC Energy Management Services (Shenzhen) Co., Ltd.	Environmental business	106,725	(2)	-	-	-	-	148	19.57 %	29	19,794	-
Chailease International Commercial Factoring Corporation	Factoring	213,450	(2)	-	-	-	-	1,228	97.85 %	1,202	210,065	-

Note 1: The methods for engaging in investment in Mainland China include the following:

- 1.Direct investment in China companies.
- 2.Indirectly invested in China company through third region.
- 3.Others.

Note 2: Investment gains and losses were recognized based on the financial reports reviewed by the Taiwan Parent Company's certified public accountants.

Note 3: The limit is not calculated because the Company is foreign company.

Note 4: All numbers are disclosed in NT dollars. The amounts involved with foreign currency are converted to NT dollars by using exchange rates on the financial report date.

Note 5: Current investment gains and losses and book values at the end of the period are included the amounts of direct and indirect investments.

Note 6: The aforementioned inter-company transactions have been eliminated upon consolidation.

2.Limit on the amount of investment in Mainland China area: None.

3.Significant transactions:

The aforementioned intercompany transaction have been eliminated upon consolidation for the nine months ended September 30, 2020, please refer to Note (13) (a).

(d) Major shareholders: There were no shareholders whose shareholding ratio exceeded 5%.

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(14) Segment Information

Operating segments financial information:

For the three months ended September 30, 2020						
	Taiwan	China	ASEAN	Others	Elimination	Total
Revenue						
Revenue from external customers	\$ 7,790,113	5,803,097	1,682,901	82,173	-	15,358,284
Intersegment revenues	332,117	27,644	43,576	16,880	(420,217)	-
Total revenue	\$ 8,122,230	5,830,741	1,726,477	99,053	(420,217)	15,358,284
Reportable segment profit or loss	\$ 2,569,266	2,094,242	339,560	(364,706)	-	4,638,362
For the three months ended September 30, 2019						
	Taiwan	China	ASEAN	Others	Elimination	Total
Revenue						
Revenue from external customers	\$ 6,662,504	6,809,670	1,697,739	114,822	-	15,284,735
Intersegment revenues	330,706	27,354	52,102	21,777	(431,939)	-
Total revenue	\$ 6,993,210	6,837,024	1,749,841	136,599	(431,939)	15,284,735
Reportable segment profit or loss	\$ 2,123,293	1,831,613	327,201	(244,920)	-	4,037,187
For the nine months ended September 30, 2020						
	Taiwan	China	ASEAN	Others	Elimination	Total
Revenue						
Revenue from external customers	\$ 22,163,758	16,261,898	4,905,706	268,359	-	43,599,721
Intersegment revenues	1,043,791	91,646	229,572	58,849	(1,423,858)	-
Total revenue	\$ 23,207,549	16,353,544	5,135,278	327,208	(1,423,858)	43,599,721
Reportable segment profit or loss	\$ 7,009,979	5,997,223	1,017,844	(1,150,788)	-	12,874,258
For the nine months ended September 30, 2019						
	Taiwan	China	ASEAN	Others	Elimination	Total
Revenue						
Revenue from external customers	\$ 18,744,779	19,002,790	4,697,796	308,972	-	42,754,337
Intersegment revenues	951,591	67,774	293,571	63,197	(1,376,133)	-
Total revenue	\$ 19,696,370	19,070,564	4,991,367	372,169	(1,376,133)	42,754,337
Reportable segment profit or loss	\$ 5,791,132	5,390,438	901,948	(190,838)	-	11,892,680