

**CHAILEASE HOLDING COMPANY LIMITED
AND SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Three Months Ended March 31, 2020 and 2019**

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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 March 31, 2020 and 2019, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 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 March 31, 2020 and 2019, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 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.

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Taipei, Taiwan (Republic of China)

May 11, 2020

CHALEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES

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

For the Three Months Ended March 31, 2020 and 2019

(Amounts Expressed in Thousands of New Taiwan Dollars)

		For the three months ended March 31,			
		2020		2019	
		Amount	%	Amount	%
Operating revenues: (Note (7))					
4111	Sales revenue	\$ 800,787	6	2,477,790	19
4810	Interest revenue - installment sales	2,588,410	19	2,315,597	18
4820	Interest revenue - capital leases	4,946,477	35	3,883,381	29
4300	Rental revenue - operating leases	906,840	7	827,713	7
4230	Interest revenue - loans	1,259,079	9	1,069,696	8
4240	Other interest revenue	1,460,910	10	1,093,189	9
4881	Other operating revenue	1,980,014	14	1,228,359	10
		<u>13,942,517</u>	<u>100</u>	<u>12,895,725</u>	<u>100</u>
Operating costs: (Note (7))					
5111	Cost of sales	424,288	3	2,018,786	16
5240	Interest expense	2,241,902	16	1,854,644	14
5300	Cost of rental revenue	634,697	5	608,648	5
5800	Other operating costs	687,127	5	541,180	4
		<u>3,988,014</u>	<u>29</u>	<u>5,023,258</u>	<u>39</u>
	Gross profit from operation	9,954,503	71	7,872,467	61
6400	Operating expenses (Note (7))	2,942,298	21	2,526,038	20
6450	Expected credit loss (Note (6)(d))	1,661,421	12	880,013	7
6500	Net other income and expenses (Note (6)(s))	66,768	-	100,424	1
	Operating profit	<u>5,417,552</u>	<u>38</u>	<u>4,566,840</u>	<u>35</u>
Non-operating income and expenses:					
7100	Interest income	38,464	-	29,346	-
7020	Other gains and losses (Note (6)(t) and (7))	343,097	3	191,648	2
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method (Note (6)(f))	(42,181)	-	(8,743)	-
		<u>339,380</u>	<u>3</u>	<u>212,251</u>	<u>2</u>
7900	Profit before income tax	5,756,932	41	4,779,091	37
7950	Less: Income tax expenses (Note (6)(o))	1,656,885	12	1,083,672	8
	Profit for the period	<u>4,100,047</u>	<u>29</u>	<u>3,695,419</u>	<u>29</u>
Other comprehensive income (loss):					
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	(137,474)	(1)	(4,252)	-
8349	Less: Income tax related to components that will not be reclassified to profit or loss	-	-	-	-
	Total components of other comprehensive income that will not be reclassified to profit or loss	<u>(137,474)</u>	<u>(1)</u>	<u>(4,252)</u>	<u>-</u>
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation	(873,110)	(6)	828,512	6
8368	Gains (loss) on hedging instrument	(555,859)	(4)	89,457	1
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	(1,728)	-	(4,220)	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(30,836)	-	(15,127)	-
	Total components of other comprehensive income that will be reclassified to profit or loss	<u>(1,399,861)</u>	<u>(10)</u>	<u>928,876</u>	<u>7</u>
	Other comprehensive income (net of tax)	<u>(1,537,335)</u>	<u>(11)</u>	<u>924,624</u>	<u>7</u>
8500	Total comprehensive income for the period	<u>\$ 2,562,712</u>	<u>18</u>	<u>4,620,043</u>	<u>36</u>
Profit attributable to:					
8610	Owners of the Company	\$ 3,922,968	28	3,578,839	28
8620	Non-controlling interests	177,079	1	116,580	1
		<u>\$ 4,100,047</u>	<u>29</u>	<u>3,695,419</u>	<u>29</u>
Comprehensive income attributable to:					
8710	Owners of the Company	\$ 2,668,159	19	4,444,602	35
8720	Non-controlling interests	(105,447)	(1)	175,441	1
		<u>\$ 2,562,712</u>	<u>18</u>	<u>4,620,043</u>	<u>36</u>
9750	Basic earnings per share (NT dollars) (Note (6)(q))	<u>\$ 2.95</u>		<u>2.69</u>	

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

REVIEWED ONLY, NOT AUDITED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS
CHAILASE HOLDING COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Three Months Ended March 31, 2020 and 2019
 (Amounts Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											
	Stock	Share capital	Capital surplus	Special reserve	Retained Earnings	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Other Equity Items (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	Non-controlling interests	Total equity
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	(207,717)	
Effects of retrospective application	-	-	-	(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 three months ended March 31, 2019	-	-	-	3,578,839	-	-	-	3,578,839	116,580	3,695,419		
Other comprehensive income (loss) for the three months ended March 31, 2019	-	-	-	-	780,558	(4,252)	89,457	865,763	58,861	924,624		
Total comprehensive income (loss) for the three months ended March 31, 2019	-	-	-	3,578,839	780,558	(4,252)	89,457	4,444,602	175,441	4,620,043		
Changes in non-controlling interests	-	-	-	-	-	-	-	-	79,211	79,211		
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	597	-	(597)	-	-	-	-		
Balance at March 31, 2019	\$ 12,895,146	17,367,796	1,397,823	35,021,124	(936,244)	(189,366)	(105,169)	65,451,110	3,103,526	68,554,636		
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 three months ended March 31, 2020	-	-	-	3,922,968	-	-	-	3,922,968	177,079	4,100,047		
Other comprehensive income (loss) for the three months ended March 31, 2020	-	-	-	-	(561,476)	(137,474)	(555,859)	(1,254,809)	(282,526)	(1,537,335)		
Total comprehensive income (loss) for the three months ended March 31, 2020	-	-	-	3,922,968	(561,476)	(137,474)	(555,859)	2,668,159	(105,447)	2,562,712		
Changes in non-controlling interests	-	-	-	-	-	-	-	-	74,020	74,020		
Balance at March 31, 2020	\$ 13,282,000	17,379,467	2,095,945	44,210,793	(3,800,790)	(357,431)	(379,863)	72,430,121	4,144,631	76,574,752		

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

REVIEWED ONLY, NOT AUDITED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS

CHALEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Three Months Ended March 31, 2020 and 2019

(Amounts Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31,	
	2020	2019
Cash flows from operating activities:		
Profit before tax	\$ 5,756,932	4,779,091
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	994,962	867,395
Amortization expense	41,481	39,753
Expected credit loss	1,661,421	880,013
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	62,770	(5,909)
Interest expense	2,255,998	1,864,540
Interest income	(10,293,340)	(8,391,209)
Share of loss of associates and joint ventures accounted for using equity method	42,181	8,743
Gain on disposal of property, plant and equipment	(45,180)	(22,010)
Loss on disposal of foreclosed assets	43,476	28,545
Impairment loss on non-financial assets	101,173	77,398
Effect of changes in lease contract	408	-
Total adjustments to reconcile profit	(5,134,650)	(4,652,741)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	101,467	(33,002)
Increase in accounts receivable	(8,261,367)	(13,045,452)
Increase in other current financial assets	(616,758)	(192,570)
Decrease (increase) in other current assets	130,731	(419,420)
Proceeds from sales of operating lease assets and operating equipments	330,811	262,617
Purchase of operating lease assets and operating equipments	(3,138,041)	(2,618,397)
(Increase) decrease in other operating assets	(131,366)	35,095
Total changes in operating assets	(11,584,523)	(16,011,129)
Changes in operating liabilities:		
(Decrease) increase in accounts and notes payable	(1,645,008)	811,731
Increase in long term and short term debts	102,583,206	124,293,541
Repayment of long term and short term debts	(81,750,222)	(114,760,620)
Decrease in other current financial liabilities	(952,228)	(646,853)
Decrease in accrued pension liabilities	(23,529)	(10,451)
(Decrease) increase in other current liabilities	(214,030)	490,232
(Decrease) increase in other non-current operating liabilities	(464,818)	995,543
Total changes in operating liabilities	17,533,371	11,173,123
Total changes in operating assets and liabilities	5,948,848	(4,838,006)
Total adjustments	814,198	(9,490,747)
Cash flows provided by (used in) operations	6,571,130	(4,711,656)
Interest received	10,258,773	8,327,092
Interest paid	(2,145,233)	(1,830,654)
Income taxes paid	(659,235)	(210,887)
Net cash flows provided by operating activities	14,025,435	1,573,895
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	754
Acquisition of financial assets at amortized cost	(4,177,410)	(1,544,189)
Proceeds from disposal of financial assets at amortized cost	1,864,309	1,384,057
Acquisition of investments accounted for using equity method	(162,029)	(133,848)
Acquisition of property, plant and equipment	(26,398)	(56,521)
Proceeds from disposal of property, plant and equipment	25,094	29,568
Acquisition of intangible assets	(1,290)	(768)
Proceeds from disposal of foreclosed assets	10,472	114,041
Acquisition of right-of-use assets	(14,223)	-
Net cash flows used in investing activities	(2,481,475)	(206,906)
Cash flows from financing activities:		
Change in non-controlling interests	74,020	79,211
Payment of lease liabilities	(132,138)	(131,785)
Net cash flows used in financing activities	(58,118)	(52,574)
Effect of exchange rate changes on cash and cash equivalents	(206,820)	519,793
Net increase in cash and cash equivalents	11,279,022	1,834,208
Cash and cash equivalents at beginning of period	18,660,546	17,565,531
Cash and cash equivalents at end of period	\$ 29,939,568	19,399,739

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

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CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

March 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

Chailease 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.

As of March 31, 2020 and 2019, the Company had outstanding common stock of \$13,282,000 and \$12,895,146 divided into 1,328,200,030 shares and 1,289,514,593 shares, respectively.

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

The consolidated financial statements were approved by chairman, reported to Board of Directors and issued on May 11, 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

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 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:

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective date per IASB</u>
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, 2021
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2022

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Notes to Consolidated Financial Statements

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(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

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.

(b) Basis of consolidation

1. List of subsidiaries in the consolidated financial statements

Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			2020.3.31	2019.12.31	2019.3.31	
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 %	-	% The Company acquired the subsidiary from Chailease International Financial Services Co., Ltd. on September 30, 2019.
"	Chailease International Financial Services (Labuan) Co., Ltd.	Leasing	100.00 %	100.00 %	-	% The Company acquired the subsidiary from Chailease International Financial Services Co., Ltd. on September 30, 2019.

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Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			2020.3.31	2019.12.31	2019.3.31	
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 %	100.00 %	
"	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 %	
Chailease International Company (Malaysia) Limited	Chailease International (B.V.I.) Corp.	Investment	-	100.00 %	100.00 %	Chailease International (B.V.I.) Corp. was liquidated on April 14, 2020.
"	Chailease International Company (UK) Limited	Consulting, aircraft leasing and investment	100.00 %	100.00 %	100.00 %	
"	Chailease Berjaya Credit Sdn. Bhd.	Installment sales	70.00 %	70.00 %	70.00 %	
"	Chailease Royal Leasing Plc.	Leasing	60.00 %	60.00 %	60.00 %	
"	Chailease Berjaya Finance Corporation	Leasing and financing	60.00 %	60.00 %	60.00 %	
"	Chailease Royal Finance Plc.	Financing	60.00 %	60.00 %	60.00 %	
"	Chailease JLK Capital Co., Ltd.	Investment	49.00 %	-	-	% Chailease International Company (Malaysia) Limited invested in this subsidiary on January 22, 2020.
Chailease International Company (UK) Limited	Chailease Finance Co., Ltd.	Installment sales, leasing, and factoring	100.00 %	100.00 %	100.00 %	

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Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			2020.3.31	2019.12.31	2019.3.31	
Chailease International Financial Services Co., Ltd.	Chailease International Financial Services (Liberia) Corp.	Leasing	- %	- %	100.00 %	Chailease International Financial Services Co., Ltd. disposed all of its shares in this subsidiary to the Company on September 30, 2019.
"	Chailease International Financial Services (Labuan) Co., Ltd.	Leasing	- %	- %	100.00 %	Chailease International Financial Services Co., Ltd. disposed all of its shares in this subsidiary to the Company on September 30, 2019.
Chailease International Company (Hong Kong) Limited	PT Chailease Indosurya Finance	Financing	75.00 %	75.00 %	- %	Chailease International Company (Hong Kong) Limited invested in this subsidiary on October 14, 2019.
"	Chailease Management Consulting Co., Limited	Consulting	100.00 %	- %	- %	Chailease International Company (Hong Kong) Limited invested in this subsidiary on February 12, 2020.
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 %	- %	Chailease Berjaya Credit Sdn. Bhd. invested in this subsidiary on September 13, 2019.
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 %	

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Notes to Consolidated Financial Statements

March 31, 2020 and 2019

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Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			2020.3.31	2019.12.31	2019.3.31	
Chailease International Company (Malaysia) Limited, Chailease JLK Capital Co., Ltd. and Chailease Finance Co., Ltd.	Asia Sermkij Leasing Public Co., Ltd.	Installment sales of automobiles	48.19 %	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 %	100.00 %	
"	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 %	
"	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.

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Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			2020.3.31	2019.12.31	2019.3.31	
Chailease Finance Co., Ltd.	Tai Yuan Energy Intergration Co., Ltd.	Solar Power business	100.00 %	- %	- %	Chailease Finance Co., Ltd. invested in this subsidiary on January 9, 2020.
Fina Finance & Trading Co., Ltd.	Chailease Consumer Finance Co., Ltd	Factoring and installment sales	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 %	
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.

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(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).

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>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Cash and demand deposits	\$ 27,980,154	17,504,337	18,311,465
Time deposits	1,349,513	725,720	427,578
Cash equivalents-repurchase bills	<u>609,901</u>	<u>430,489</u>	<u>660,696</u>
Cash and cash equivalents in consolidated statements of cash flows	<u>\$ 29,939,568</u>	<u>18,660,546</u>	<u>19,399,739</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>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Financial assets designated at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss :			
Securities of listed companies	\$ 66,945	232,178	285,818
Private equity	480	480	480
Non-hedging derivatives	-	-	699,408
Convertible bonds	69,427	68,685	61,640
Convertible preferred stocks	<u>19,571</u>	<u>19,234</u>	<u>-</u>
Sub-total	<u>156,423</u>	<u>320,577</u>	<u>1,047,346</u>
Financial assets at fair value through other comprehensive income			
Securities of listed companies	639,069	774,491	832,588
Emerging stock	3,081	3,515	3,964
Private equity	<u>118,754</u>	<u>121,029</u>	<u>105,887</u>
Sub-total	<u>760,904</u>	<u>899,035</u>	<u>942,439</u>
Financial assets measured at amortized cost			
Investment in debt securities	<u>15,881,970</u>	<u>13,568,869</u>	<u>12,430,713</u>
Current financial assets for hedging	<u>568,945</u>	<u>465,101</u>	<u>3,417</u>
Total	<u>\$ 17,368,242</u>	<u>15,253,582</u>	<u>14,423,915</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 rate ranging from 3.78%~7.77%.

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 March 31, 2020, December 31, 2019, and March 31, 2019, the Group held derivative instruments qualified for hedge accounting as follows:

		2020.3.31			
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~ 2022.03.21	
MYR 48,960					
USD 50,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.10.23~ 2020.10.23	
CNY 331,000					
USD 100,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.11.22~ 2020.11.20	
CNY 665,200					
USD 50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~ 2020.12.18	
CNY 332,250					
USD 50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~ 2020.12.18	
CNY 331,400					
USD 50,000	USD to CNY	4.12%	90 Day LIBOR+ 1.4%	2019.01.22~ 2022.01.21	
CNY 338,250					
USD 50,000	USD to CNY	4.21%	90 Day LIBOR+ 1.4%	2019.06.17~ 2022.06.17	
CNY 345,500					
USD 50,000	USD to CNY	4.20%	90 Day LIBOR+ 1.4%	2019.07.15~ 2022.07.15	
CNY 344,375					
USD 50,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2019.08.19~ 2022.08.19	
CNY 352,650					
USD 50,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2019.08.26~ 2022.08.26	
CNY 352,650					
USD 60,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2020.01.13~ 2023.01.13	
CNY 418,200					
USD 60,000	USD to CNY	3.98%	90 Day LIBOR+ 1.4%	2020.02.18~ 2023.02.17	
CNY 418,800					
JPY 4,100,000	JPY to CNY	5.02%	90 Day LIBOR+ 0.85%	2018.07.11~ 2021.06.21	
CNY 246,410					
JPY 7,500,000	JPY to CNY	4.70%	90 Day LIBOR+ 0.85%	2018.08.15~ 2021.06.23	
CNY 458,700					
HKD 400,000	HKD to CNY	4.34%	90 Day HIBOR+ 1.4%	2019.11.25~ 2022.11.25	
CNY 359,120					
HKD 300,000	HKD to CNY	4.16%	90 Day HIBOR+ 1.4%	2019.11.27~ 2022.11.28	
CNY 269,400					
HKD 300,000	HKD to CNY	4.36%	90 Day HIBOR+ 1.4%	2019.12.09~ 2022.12.09	
CNY 270,842					

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		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~ 2020.03.02
MYR	18,969				
USD	12,000	USD to MYR	4.83%	90 Day LIBOR+ 1.35%	2019.03.20~ 2022.03.21
MYR	48,960				
USD	50,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.10.23~ 2020.10.23
CNY	331,000				
USD	100,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.11.22~ 2020.11.20
CNY	665,200				
USD	50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~ 2020.12.18
CNY	332,250				
USD	50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~ 2020.12.18
CNY	331,400				
USD	50,000	USD to CNY	4.12%	90 Day LIBOR+ 1.4%	2019.01.22~ 2022.01.21
CNY	338,250				
USD	50,000	USD to CNY	4.21%	90 Day LIBOR+ 1.4%	2019.06.17~ 2022.06.17
CNY	345,500				
USD	50,000	USD to CNY	4.20%	90 Day LIBOR+ 1.4%	2019.07.15~ 2022.07.15
CNY	344,375				
USD	50,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2019.08.19~ 2022.08.19
CNY	352,650				
USD	50,000	USD to CNY	4.18%	90 Day LIBOR+ 1.4%	2019.08.26~ 2022.08.26
CNY	352,650				
JPY	4,100,000	JPY to CNY	5.02%	90 Day LIBOR+ 0.85%	2018.07.11~ 2021.06.21
CNY	246,410				
JPY	7,500,000	JPY to CNY	4.70%	90 Day LIBOR+ 0.85%	2018.08.15~ 2021.06.23
CNY	458,700				
HKD	400,000	HKD to CNY	4.34%	90 Day HIBOR+ 1.4%	2019.11.25~ 2022.11.25
CNY	359,120				
HKD	300,000	HKD to CNY	4.16%	90 Day HIBOR+ 1.4%	2019.11.27~ 2022.11.28
CNY	269,400				
HKD	300,000	HKD to CNY	4.36%	90 Day HIBOR+ 1.4%	2019.12.09~ 2022.12.09
CNY	270,842				

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		2019.3.31			
Nominal Amount	Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period	
USD	5,320	USD to MYR	4.83%	90 Day LIBOR+ 1.4%	2018.06.04~ 2020.03.02
MYR	21,200				
USD	12,000	USD to CNY	4.83%	90 Day LIBOR+ 1.35%	2019.03.20~ 2022.03.21
MYR	48,960				
USD	50,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.10.23~ 2020.10.23
CNY	331,000				
USD	100,000	USD to CNY	5.00%	90 Day LIBOR+ 1.4%	2017.11.22~ 2020.11.20
CNY	665,200				
USD	50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~ 2020.12.18
CNY	332,250				
USD	50,000	USD to CNY	4.98%	90 Day LIBOR+ 1.4%	2017.12.20~ 2020.12.18
CNY	331,400				
USD	50,000	USD to CNY	4.12%	90 Day LIBOR+ 1.4%	2019.01.22~ 2022.01.21
CNY	338,250				
JPY	4,100,000	JPY to CNY	5.02%	90 Day LIBOR+ 0.85%	2018.07.11~ 2021.06.21
CNY	246,410				
JPY	7,500,000	JPY to CNY	4.70%	90 Day LIBOR+ 0.85%	2018.08.15~ 2021.06.23
CNY	458,700				

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
		2020.3.31	2019.12.31	2019.3.31		
USD loans and JPY loans	Cross Currency Swap	\$ 568,945	465,101	3,417	2017~2022	2017~2022
USD loans, JPY loans and HKD loans	Cross Currency Swap	(191,264)	(42,730)	(102,740)	2018~2023	2018~2023
				For the three months ended March 31,		
				2020	2019	
The fair value adjustment to other comprehensive income				\$ (503,269)	101,717	

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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:

<u>Hedged Item</u>	<u>Hedge Instrument</u>	<u>Designated Hedging Instrument</u>		
		<u>Fair Value</u>		
		<u>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Equity investment measured in USD	Foreign currency borrowings	\$ <u>9,762,675</u>	<u>7,405,060</u>	<u>4,068,240</u>

<u>Item</u>	<u>For the three months ended March 31,</u>	
	<u>2020</u>	<u>2019</u>
The fair value adjustment to other comprehensive income	\$ <u>(52,590)</u>	<u>(12,260)</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 three months ended March 31, 2020 and 2019.

(d) Accounts receivable, net

	<u>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Current			
Accounts receivable	\$ 33,270,357	32,248,866	26,916,885
Less: Allowance for impairment	<u>(775,459)</u>	<u>(801,482)</u>	<u>(712,192)</u>
	<u>32,494,898</u>	<u>31,447,384</u>	<u>26,204,693</u>
Installment sales receivable	97,089,269	96,199,615	92,204,958
Less: Unearned interests	(10,045,816)	(9,730,301)	(8,929,727)
Allowance for impairment	<u>(2,525,969)</u>	<u>(2,455,081)</u>	<u>(3,093,430)</u>
	<u>84,517,484</u>	<u>84,014,233</u>	<u>80,181,801</u>
Leases receivable (included operating leases)	171,223,511	173,598,276	140,807,958
Less: Unearned revenue	(20,974,077)	(21,791,362)	(17,118,317)
Allowance for impairment	<u>(3,713,184)</u>	<u>(3,643,773)</u>	<u>(3,806,922)</u>
	<u>146,536,250</u>	<u>148,163,141</u>	<u>119,882,719</u>
Loans receivable	59,778,224	59,546,532	49,815,566
Less: Allowance for impairment	<u>(986,163)</u>	<u>(985,002)</u>	<u>(971,951)</u>
	<u>58,792,061</u>	<u>58,561,530</u>	<u>48,843,615</u>
Sub-total of current accounts	<u>322,340,693</u>	<u>322,186,288</u>	<u>275,112,828</u>

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	<u>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Non Current			
Accounts receivable	17,823,167	17,171,744	12,463,970
Less: Allowance for impairment	<u>(326,784)</u>	<u>(264,062)</u>	<u>(179,530)</u>
	<u>17,496,383</u>	<u>16,907,682</u>	<u>12,284,440</u>
Installment sales receivable	54,124,610	53,784,629	44,169,787
Less: Unearned interests	<u>(6,630,452)</u>	<u>(6,541,589)</u>	<u>(5,095,739)</u>
Allowance for impairment	<u>(1,547,794)</u>	<u>(1,503,960)</u>	<u>(649,543)</u>
	<u>45,946,364</u>	<u>45,739,080</u>	<u>38,424,505</u>
Leases receivable	9,650,502	10,304,722	10,059,524
Less: Unearned revenue	<u>(986,658)</u>	<u>(1,012,452)</u>	<u>(977,887)</u>
Allowance for impairment	<u>(217,477)</u>	<u>(198,273)</u>	<u>(174,835)</u>
	<u>8,446,367</u>	<u>9,093,997</u>	<u>8,906,802</u>
Loans receivable	11,901,264	10,672,172	8,734,441
Less: Allowance for impairment	<u>(496,157)</u>	<u>(386,713)</u>	<u>(365,370)</u>
	<u>11,405,107</u>	<u>10,285,459</u>	<u>8,369,071</u>
Sub-total of non current accounts	<u>83,294,221</u>	<u>82,026,218</u>	<u>67,984,818</u>
Total accounts receivable	<u>\$ 405,634,914</u>	<u>404,212,506</u>	<u>343,097,646</u>

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

	<u>For the three months ended March 31,</u>	
	<u>2020</u>	<u>2019</u>
Opening balance	\$ 10,238,346	9,847,823
Impairment loss recognized	1,661,421	880,013
Bad debts written off	<u>(1,110,739)</u>	<u>(909,530)</u>
Effect of exchange rate changes	<u>(200,041)</u>	<u>135,467</u>
Ending balance	<u>\$ 10,588,987</u>	<u>9,953,773</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>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Less than one year	\$ 97,519,985	93,847,529	80,465,224
One to two years	57,356,727	58,125,912	46,199,111
Two to three years	20,293,148	25,838,772	19,400,413
Three to four years	3,633,823	3,970,599	2,759,607
Four to five years	1,543,315	1,655,270	1,277,019
More than five years	<u>376,184</u>	<u>317,217</u>	<u>624,025</u>
Gross investment in the leases	180,723,182	183,755,299	150,725,399
Unearned revenue	<u>(21,960,735)</u>	<u>(22,803,814)</u>	<u>(18,096,204)</u>
Present value of minimum leases receivable	<u>\$ 158,762,447</u>	<u>160,951,485</u>	<u>132,629,195</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>
March 31, 2020			
Within operating cycle	\$ 97,089,269	(10,045,816)	87,043,453
Beyond one operating cycle to 5 years	51,407,420	(6,295,893)	45,111,527
Beyond 5 years	<u>2,717,190</u>	<u>(334,559)</u>	<u>2,382,631</u>
	<u>\$ 151,213,879</u>	<u>(16,676,268)</u>	<u>134,537,611</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>\$ 149,984,244</u>	<u>(16,271,890)</u>	<u>133,712,354</u>

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	<u>Gross investment in the installment sales</u>	<u>Unearned interest</u>	<u>Present value of installment sales receivable</u>
March 31, 2019			
Within operating cycle	\$ 92,204,958	(8,929,727)	83,275,231
Beyond one operating cycle to 5 years	41,938,545	(4,796,674)	37,141,871
Beyond 5 years	<u>2,231,242</u>	<u>(299,065)</u>	<u>1,932,177</u>
	<u><u>\$ 136,374,745</u></u>	<u><u>(14,025,466)</u></u>	<u><u>122,349,279</u></u>

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

	<u>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Prepayments	\$ 4,015,214	3,578,867	3,275,434
Prepaid expenses	2,541,587	2,444,645	1,858,208
Foreclosed assets	225,359	227,621	198,998
Others	<u>6,922</u>	<u>7,778</u>	<u>10,518</u>
	<u>\$ 6,789,082</u>	<u>6,258,911</u>	<u>5,343,158</u>

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

	<u>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Foreclosed assets	\$ 294,352	287,047	278,208
Less: Accumulated impairment	<u>(68,993)</u>	<u>(59,426)</u>	<u>(79,210)</u>
	<u>\$ 225,359</u>	<u>227,621</u>	<u>198,998</u>

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For the three months ended March 31, 2020 and 2019, the Group recognized an impairment loss of \$15,050 and \$2,904, respectively, for foreclosed assets. Certain foreclosed assets were disposed to non-related parties and a disposal loss of \$43,476 and \$28,545 for the three months ended March 31, 2020 and 2019, respectively.

(f) Investments accounted under equity method

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

	<u>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Investments in affiliates	\$ <u>1,917,574</u>	<u>1,786,090</u>	<u>1,392,671</u>
		<u>For the three months ended March 31,</u>	
		<u>2020</u>	<u>2019</u>
Comprehensive income attributable to the Group			
Gain (loss) for the period		\$ (42,181)	(8,743)
Other comprehensive income		(1,728)	(4,220)
Total comprehensive income		\$ <u>(43,909)</u>	<u>(12,963)</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 three months ended March 31, 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	2,020	1,179,828	1,977,484	5,107	3,164,439
Disposals	-	(770,954)	(118,880)	-	(889,834)
Effect of movements in exchange rate	(27,284)	3,425	(17,684)	121	(41,422)
Balance at March 31, 2020	\$ <u>2,876,696</u>	<u>13,389,325</u>	<u>28,729,199</u>	<u>240,491</u>	<u>45,235,711</u>
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	-	809,571	1,855,999	9,348	2,674,918
Disposals	-	(611,365)	(59,415)	-	(670,780)
Effect of movements in exchange rate	37,610	6,469	7,658	244	51,981
Balance at March 31, 2019	\$ <u>2,978,028</u>	<u>12,083,456</u>	<u>20,083,740</u>	<u>198,853</u>	<u>35,344,077</u>

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	<u>Land and buildings</u>	<u>Transportation equipment</u>	<u>Machinery and miscellaneous equipment</u>	<u>Leasehold improvements</u>	<u>Total</u>
Depreciation and impairment losses:					
Balance at January 1, 2020	\$ 642,249	4,926,997	2,792,858	163,501	8,525,605
Depreciation	13,297	570,515	244,664	5,606	834,082
Impairment loss	-	69,022	17,101	-	86,123
Disposals	-	(502,035)	(77,074)	-	(579,109)
Effect of movements in exchange rate	(4,958)	1,329	(14,428)	4	(18,053)
Balance at March 31, 2020	<u>\$ 650,588</u>	<u>5,065,828</u>	<u>2,963,121</u>	<u>169,111</u>	<u>8,848,648</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	13,753	526,684	202,735	3,520	746,692
Impairment loss	-	58,760	15,734	-	74,494
Disposals	-	(397,272)	(3,333)	-	(400,605)
Effect of movements in exchange rate	5,098	3,648	5,067	120	13,933
Balance at March 31, 2019	<u>\$ 613,714</u>	<u>4,610,280</u>	<u>2,442,995</u>	<u>152,068</u>	<u>7,819,057</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 March 31, 2020	<u>\$ 2,226,108</u>	<u>8,323,497</u>	<u>25,766,078</u>	<u>71,380</u>	<u>36,387,063</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 March 31, 2019	<u>\$ 2,364,314</u>	<u>7,473,176</u>	<u>17,640,745</u>	<u>46,785</u>	<u>27,525,020</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 1.18%~5.71% and 1.17%~6.04% for the three months ended March 31, 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:

	<u>Land and buildings</u>	<u>Transportation equipment</u>	<u>Total</u>
Cost:			
Balance as of January 1, 2020	\$ 4,023,828	133,517	4,157,345
Termination of contract prior to maturity	(106,114)	(596)	(106,710)
Additions	418,832	2,957	421,789
Effect of changes in foreign exchange rates	(14,000)	(2,076)	(16,076)
Balance as of March 31, 2020	<u>\$ 4,322,546</u>	<u>133,802</u>	<u>4,456,348</u>
Balance as of January 1, 2019	\$ 2,793,602	86,122	2,879,724
Disposal and termination of contract prior to maturity	(213,195)	-	(213,195)
Additions	344,169	-	344,169
Effect of changes in foreign exchange rates	652	309	961
Balance as of March 31, 2019	<u>\$ 2,925,228</u>	<u>86,431</u>	<u>3,011,659</u>
Accumulated depreciation and impairment losses:			
Balance as of January 1, 2020	\$ 513,934	44,315	558,249
Depreciation	147,385	13,495	160,880
Termination of contract prior to maturity	(49,007)	(592)	(49,599)
Effect of changes in foreign exchange rates	(3,779)	(709)	(4,488)
Balance as of March 31, 2020	<u>\$ 608,533</u>	<u>56,509</u>	<u>665,042</u>
Balance as of January 1, 2019	\$ 728,391	-	728,391
Depreciation	110,658	10,045	120,703
Disposal and termination of contract prior to maturity	(95,884)	-	(95,884)
Effect of changes in foreign exchange rates	71	36	107
Balance as of March 31, 2019	<u>\$ 743,236</u>	<u>10,081</u>	<u>753,317</u>
Carrying amount:			
Balance as of January 1, 2020	<u>\$ 3,509,894</u>	<u>89,202</u>	<u>3,599,096</u>
Balance as of March 31, 2020	<u>\$ 3,714,013</u>	<u>77,293</u>	<u>3,791,306</u>
Balance as of March 31, 2019	<u>\$ 2,181,992</u>	<u>76,350</u>	<u>2,258,342</u>

(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 March 31, 2020	<u>\$ 61,315</u>	<u>13,301</u>	<u>74,616</u>
Balance at January 1, 2019	<u>\$ 61,051</u>	<u>14,695</u>	<u>75,746</u>
Balance at March 31, 2019	<u>\$ 61,101</u>	<u>14,688</u>	<u>75,789</u>

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There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the three months ended March 31, 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:

2020.3.31			
	Guarantee or Acceptance Agency	Annual Interest Rate	Amount
Commercial paper payables	Bank	0.73%~1.15%	\$ 52,340,000
	Bills Finance Company	0.66%~1.23%	24,430,000
Less: Discount on short-term notes and bills payable			<u>(297,724)</u>
Total			<u><u>\$ 76,472,276</u></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			<u>(277,636)</u>
Total			<u><u>\$ 72,672,364</u></u>
2019.3.31			
	Guarantee or Acceptance Agency	Annual Interest Rate	Amount
Commercial paper payables	Bank	0.73%~1.34%	\$ 47,220,000
	Bills Finance Company	0.71%~1.20%	23,030,000
Less: Discount on short-term notes and bills payable			<u>(236,062)</u>
Total			<u><u>\$ 70,013,938</u></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:

2020.3.31				
	Currency	Annual Interest Rate	Years of Maturity	Amount
Secured bank loans	TWD	0.79%~1.25%	2022~2025	\$ 525,000
"	USD	2.20%~2.75%	2020~2022	981,058
"	THB	1.31%~3.15%	2020~2021	6,826,162
"	CNY	4.05%~6.17%	2020~2029	37,223,900
"	VND	3.90%~5.60%	2020~2021	6,842,306
"	MYR	4.90%~5.10%	2020~2022	3,023,100
Unsecured bank loans	TWD	0.85%~2.11%	2020~2027	93,887,974
"	USD	1.45%~5.00%	2020~2022	33,629,309
"	THB	1.33%~3.25%	2020~2023	11,800,509
"	CNY	4.30%~5.70%	2020~2023	48,228,855
"	EUR	0.75%~1.30%	2020	3,191,035
"	JPY	0.97%~1.06%	2020	260,509
"	HKD	3.17%	2020	97,453
"	SGD	3.15%	2020	148,610
"	MYR	4.07%~4.55%	2020~2021	4,299,520
"	PHP	4.21%~5.06%	2020~2022	551,310
"	AUD	2.75%	2020	204,984
"	KHR	7.00%~7.30%	2020	194,398
Unsecured other loans	THB	1.55%~1.75%	2020	7,910,721
Notes payable from securitization	TWD	1.30%~2.45%	2022~2026	5,455,179
Total				<u>\$ 265,281,892</u>
Current				\$ 194,191,560
Non-current				<u>71,090,332</u>
Total				<u>\$ 265,281,892</u>

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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	923,431
"	THB	1.96%~3.15%	2020~2021	8,258,325
"	CNY	4.05%~6.17%	2020~2029	34,144,157
"	VND	3.80%~5.90%	2020	6,768,906
"	MYR	5.00%~5.10%	2020~2022	3,164,850
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				\$ <u>252,161,434</u>
Current				\$ 182,951,030
Non-current				<u>69,210,404</u>
Total				\$ <u>252,161,434</u>

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2019.3.31				
	Currency	Interest Rate	Years of Maturity	Amount
Secured bank loans	TWD	1.04%	2022	\$ 360,000
"	USD	3.20%~5.75%	2019~2022	1,156,512
"	THB	2.08%~3.37%	2019~2021	7,839,114
"	CNY	4.35%~6.17%	2019~2022	23,779,996
"	VND	4.40%~6.17%	2019~2020	5,356,259
Unsecured bank loans	TWD	0.85%~2.11%	2019~2027	68,959,703
"	USD	3.15%~5.70%	2019~2022	21,734,716
"	THB	1.95%~3.25%	2019~2021	6,977,785
"	CNY	4.35%~5.70%	2019~2022	46,761,832
"	EUR	0.75%~1.25%	2019	1,453,617
"	JPY	1.15%~1.25%	2019	272,739
"	HKD	2.35%	2019	70,665
"	SGD	3.28%	2019	159,251
"	MYR	4.50%~5.10%	2019~2020	4,320,756
"	PHP	4.50%~6.00%	2019~2020	330,377
"	AUD	3.30%	2019	262,261
Unsecured other loans	THB	2.05%~2.25%	2019	10,382,518
Notes payable from securitization	TWD	1.90%~2.45%	2019~2021	4,093,200
Total				\$ <u>204,271,301</u>
Current				\$ 159,543,601
Non-current				44,727,700
Total				\$ <u>204,271,301</u>

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).

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.

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- 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, Chailease Finance (B.V.I.) Company, Ltd., also entered into several syndicated credit/loan agreements with financial institutions, under which, Chailease Finance Co., Ltd. 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.
- 4) 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.
- 5) 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.
- 6) 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.
- 7) 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.
- 8) 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.
- 9) 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.
- 10) 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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- 11) 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.
- 12) 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.

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

(1) Bonds payable

Period	Annual Interest Rate	Principal Amount	Repayment Terms	2020.3.31		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	"

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					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	"
2016.06.28~ 2020.06.29	3.250%	THB	200,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	185,400	-	"
2019.07.26~ 2022.07.26	3.150%	THB	500,000	"	-	463,500	"
2019.08.16~ 2022.08.16	3.150%	THB	200,000	"	-	185,400	"
2017.04.27~ 2020.05.15	2.960%	THB	150,000	Payable in lump sum. Interest rate is fixed. Interest is payable quarterly.	139,050	-	"
2017.07.07~ 2020.07.07	2.980%	THB	110,000	"	101,970	-	"
2017.08.08~ 2020.08.10	2.930%	THB	1,500,000	"	1,390,500	-	"
2018.02.15~ 2021.02.15	2.860%	THB	1,000,000	"	927,000	-	"
2018.03.20~ 2021.03.25	2.860%	THB	500,000	"	463,500	-	"
2018.09.13~ 2020.09.13	2.980%	THB	500,000	"	463,500	-	"
2019.01.30~ 2021.02.05	3.000%	THB	290,000	"	268,830	-	"
2019.02.28~ 2022.01.31	3.200%	THB	100,000	"	-	92,700	"
2019.05.17~ 2022.05.17	3.150%	THB	200,000	"	-	185,400	"
2019.06.19~ 2022.06.30	3.150%	THB	270,000	"	-	250,290	"
2019.07.12~ 2021.07.23	2.950%	THB	200,000	"	-	185,400	"
2019.08.08~ 2022.08.08	3.150%	THB	800,000	"	-	741,600	"
2020.02.17~ 2023.02.17	0.000%	THB	600,000	Payable at par value	-	556,200	"
2020.03.26~ 2023.03.26	0.000%	THB	500,000	"	-	463,500	"
Bonds payable (Gross)					11,189,750	16,323,990	
Discounts on bonds payable					(867)	(84,495)	
					<u>\$ 11,188,883</u>	<u>16,239,495</u>	

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				<u>Within Operating Cycle</u>	<u>Beyond Operating Cycle</u>	
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>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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<u>Period</u>	<u>Annual Interest Rate</u>	<u>Principal Amount</u>	<u>Repayment Terms</u>	<u>2019.3.31</u>		<u>Collateral</u>
				<u>Within Operating Cycle</u>	<u>Beyond Operating Cycle</u>	
2014.06.16~ 2019.06.16	1.500%	450,000	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.	225,000	-	None
2014.10.30~ 2021.10.30	2.050%	900,000	Payable in lump sum. Interest rate is fixed. Interest is payable annually.	-	900,000	"
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.	3,000,000	-	"
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	"
2016.03.29~ 2019.04.03	2.920%	THB 155,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	150,970	-	"
2016.06.16~ 2019.06.11	2.930%	THB 100,000	"	97,400	-	"

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Period	Annual Interest Rate	Principal Amount	Repayment Terms	2019.3.31		Collateral
				Within Operating Cycle	Beyond Operating Cycle	
2016.07.25~ 2019.08.01	2.910%	THB 205,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	199,670	-	None
2016.07.28~ 2019.07.30	2.930%	THB 235,000	"	228,890	-	"
2016.06.28~ 2020.06.29	3.250%	THB 200,000	"	-	194,800	"
2017.02.24~ 2020.02.28	2.950%	THB 100,000	Payable in lump sum. Interest rate is fixed. Interest is payable quarterly.	97,400	-	"
2017.04.27~ 2020.05.15	2.960%	THB 150,000	"	-	146,100	"
2017.07.07~ 2020.07.07	2.980%	THB 110,000	"	-	107,140	"
2017.08.08~ 2020.08.10	2.930%	THB 1,500,000	"	-	1,461,000	"
2018.02.15~ 2021.02.15	2.860%	THB 1,000,000	"	-	974,000	"
2018.03.20~ 2021.03.25	2.860%	THB 500,000	"	-	487,000	"
2018.09.13~ 2020.09.13	2.980%	THB 500,000	"	-	487,000	"
2019.01.30~ 2021.02.05	3.000%	THB 290,000	"	-	282,460	"
2019.02.28~ 2022.01.31	3.200%	THB 100,000	"	-	97,400	"
Bonds payable (Gross)				7,499,330	13,386,900	
Discounts on bonds payable				(62)	(2,523)	
				<u>\$ 7,499,268</u>	<u>13,384,377</u>	

(m) Lease liabilities

The Group's lease liability were as follows:

	2020.3.31	2019.12.31	2019.3.31
Current	<u>\$ 922,121</u>	<u>928,133</u>	<u>425,291</u>
Non-current	<u>\$ 2,891,264</u>	<u>2,668,312</u>	<u>1,846,974</u>

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

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The amounts recognized in profit or loss were as follows:

	For the three months ended March 31,	
	2020	2019
Interest on lease liabilities	\$ 14,096	9,896
Variable lease payments not included in the measurement of lease liabilities	\$ 36,022	18,460
Expenses relating to short-term leases	\$ 51,538	78,126

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

	For the three months ended March 31,	
	2020	2019
Total cash outflow for leases	\$ 233,794	238,267

1. Real estate leases

As of March 31, 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 up to one year before the end of the non-cancellable contract period. 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 leasee 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.

(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 March 31,	
	2020	2019
Operating expenses	\$ 17,457	17,110

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2. Defined contribution plans

The pension costs incurred from the contributions were as follows:

	For the three months ended March 31,	
	2020	2019
Operating costs	\$ 373	527
Operating expenses	61,019	64,314
Total	\$ 61,392	64,841

(o) Income taxes

The components of income tax were as follows:

	For the three months ended March 31,	
	2020	2019
Total income tax expense from continuing operations	\$ 1,656,885	1,083,672

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

	For the three months ended March 31,	
	2020	2019
Components that may be reclassified to profit or loss:		
Foreign currency translation differences for foreign operations	\$ (30,836)	(15,127)

(p) Share capital and other equity accounts

Except for the following, there were no significant changes in capital and other equity for the three months ended March 31, 2020 and 2019. Please refer to Note (6)(q) of the 2019 annual, consolidated financial statements for other related information.

1. Share capital

As of March 31, 2020 and 2019, the Company's authorized capital consisted of 1,500,000 thousand shares and issued shares worth \$13,282,000 and \$12,895,146, respectively, with par value of \$10 (NT dollars) per share.

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 shares 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 shares 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 shares. Each unit of global depositary shares 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.

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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 global depository shares overseas, and the offering was approved by the Financial Supervisory Commission (FSC) on August 3, 2012. As of October 9, 2012, these global depository shares 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 global depository shares. Each unit of global depository shares represents 5 common shares of stock. As of March 31, 2020, December 31, 2019, and March 31, 2019, the Company has listed, 714,788, 835,692 and 812,485 units of GDRs, respectively, on the Euro MTF market of the Luxembourg Stock Exchange. Major terms and conditions for GDRs were as follows:

1) 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 Depository Shares-Voting Rights," as such provisions may be amended from time to time to comply with applicable ROC law.

2) 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.

2.Capital surplus

The components of capital surplus were as follows:

	<u>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Share capital	\$ 17,363,784	17,363,784	17,363,784
Changes in equity of associates and joint ventures accounted for using equity method	<u>15,683</u>	<u>15,683</u>	<u>4,012</u>
	<u>\$ 17,379,467</u>	<u>17,379,467</u>	<u>17,367,796</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 is 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

On March 25, 2020, the Company's board of directors resolved to appropriate the 2019 earnings. On May 24, 2019, the shareholders resolved to distribute the 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>

As of May 11, 2020, the abovementioned 2019 earnings appropriation has yet to be approved by the stockholders.

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 March 31,	
	2020	2019
Profit attributable to common stockholders of the Company	<u>\$ 3,922,968</u>	<u>3,578,839</u>
Weighted average number of ordinary shares	<u>1,328,200</u>	<u>1,328,200</u>
Weighted average number of ordinary shares (Diluted)	<u>1,328,232</u>	<u>1,328,236</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 ended March 31, 2020 and 2019, the Company estimated its employees' remuneration amounting to \$588 and \$537, and directors' remuneration amounting to \$2,746 and \$2,506, 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 March 31,	
	2020	2019
Net losses on disposal of foreclosed assets	\$ (43,476)	(28,545)
Net impairment loss on foreclosed assets	(15,050)	(2,904)
Gain on doubtful debt recoveries	125,702	131,873
Effect of changes in lease contract	(408)	-
	\$ 66,768	100,424

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(t) Other gains and losses

The components of other gains and losses were as follows:

	For the three months ended March 31,	
	2020	2019
Interest on lease liabilities	(14,096)	(9,896)
Net foreign exchange gains (losses)	12,922	(4,301)
Net gains on disposal of property, plant and equipment	709	87
Net (losses) gains on valuation of financial assets measured at fair value through profit or loss	(62,770)	5,909
Others	406,332	199,849
	\$ 343,097	191,648

(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 March 31, 2020, December 31, 2019, and March 31, 2019, the maximum exposure to credit risks amounted to \$470,606,704, \$455,998,780 and \$390,506,582, respectively.

The non-performing loans (net of allowance for doubtful accounts) amounted to \$104,464, \$107,118 and \$96,643 as of March 31, 2020, December 31, 2019, and March 31, 2019, respectively.

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>
March 31, 2020					
Gross loans and receivables:					
Neither past due nor impaired					
12-month ECL	\$ 198,222,387	139,095,755	36,500,331	1,800,924	375,619,397
Lifetime ECL	550,433	220,402	19,188,744	2,992,542	22,952,121
Past due or monitored					
Lifetime ECL	1,057,910	-	3,836,171	212,617	5,106,698
Impaired					
Lifetime ECL	<u>6,072,688</u>	<u>3,456,879</u>	<u>2,864,787</u>	<u>-</u>	<u>12,394,354</u>
Gross carrying amounts	\$ 205,903,418	142,773,036	62,390,033	5,006,083	416,072,570
Allowance for losses	<u>4,312,655</u>	<u>3,769,059</u>	<u>2,316,647</u>	<u>143,759</u>	<u>10,542,120</u>
Carrying amount	\$ 201,590,763	139,003,977	60,073,386	4,862,324	405,530,450

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Taiwan

	For the three months ended March 31, 2020			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2020	\$ 1,752,730	42,829	2,271,108	4,066,667
Impairment loss (profit) recognized	112,053	4,890	551,790	668,733
Transfer to lifetime ECL- credit impaired	(5,683)	-	5,683	-
Bad debts written-off	-	-	(426,559)	(426,559)
Others	1,250	6	2,558	3,814
Balance at March 31, 2020	<u>\$ 1,860,350</u>	<u>47,725</u>	<u>2,404,580</u>	<u>4,312,655</u>

China

	For the three months ended March 31, 2020			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2020	\$ 2,391,671	7,418	1,332,790	3,731,879
Impairment loss (profit) recognized	1,908,270	206,954	(1,432,132)	683,092
Transfer to lifetime ECL-not credit impaired	(43,345)	43,345	-	-
Transfer to lifetime ECL- credit impaired	(1,936,597)	(251,760)	2,188,357	-
Bad debts written-off	-	-	(601,571)	(601,571)
Others	(26,901)	(68)	(17,372)	(44,341)
Balance at March 31, 2020	<u>\$ 2,293,098</u>	<u>5,889</u>	<u>1,470,072</u>	<u>3,769,059</u>

ASEAN

	For the three months ended March 31, 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	200,573	45,829	60,218	306,620
Transfer to lifetime ECL-not credit impaired	(143,813)	143,813	-	-
Transfer to lifetime ECL- credit impaired	(17,530)	(108,664)	126,194	-
Bad debts written-off	-	(245)	(82,362)	(82,607)
Others	(19,258)	(29,748)	(111,668)	(160,674)
Balance at March 31, 2020	<u>\$ 244,883</u>	<u>589,906</u>	<u>1,481,858</u>	<u>2,316,647</u>

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Others

	For the three months ended March 31, 2020			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2020	\$ -	141,263	-	141,263
Impairment profit recognized	-	1,337	-	1,337
Others	-	1,159	-	1,159
Balance at March 31, 2020	<u>\$ -</u>	<u>143,759</u>	<u>-</u>	<u>143,759</u>

	Taiwan	China	ASEAN	Others	Total
December 31, 2019					
Gross loans and receivables:					
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>

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>

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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>
March 31, 2019					
Gross loans and receivables:					
Neither past due nor impaired					
12-month ECL	\$ 170,170,451	117,621,039	32,962,292	1,304,562	322,058,344
Lifetime ECL	-	243,023	14,460,615	2,932,048	17,635,686
Past due or monitored					
Lifetime ECL	614,167	930	2,701,839	-	3,316,936
Impaired					
Lifetime ECL	5,346,424	2,507,748	2,029,747	-	9,883,919
Gross carrying amounts	<u>\$ 176,131,042</u>	<u>120,372,740</u>	<u>52,154,493</u>	<u>4,236,610</u>	<u>352,894,885</u>
Allowance for losses	<u>3,831,912</u>	<u>4,050,524</u>	<u>1,791,496</u>	<u>219,950</u>	<u>9,893,882</u>
Carrying amount	<u>\$ 172,299,130</u>	<u>116,322,216</u>	<u>50,362,997</u>	<u>4,016,660</u>	<u>343,001,003</u>

Taiwan

	For the three months ended March 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	850	(1,396)	483,658	483,112
Bad debts written-off	-	-	(427,880)	(427,880)
Others	510	-	944	1,454
Balance at March 31, 2019	<u>\$ 1,522,159</u>	<u>45,429</u>	<u>2,264,324</u>	<u>3,831,912</u>

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China

	For the three months ended March 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	939,135	(35,523)	(677,939)	225,673
Transfer to lifetime ECL-not credit impaired	(115,648)	115,648	-	-
Transfer to lifetime ECL- credit impaired	(806,861)	(82,367)	889,228	-
Bad debts written-off	-	-	(447,194)	(447,194)
Others	57,214	246	42,501	99,961
Balance at March 31, 2019	<u>\$ 2,440,476</u>	<u>8,522</u>	<u>1,601,526</u>	<u>4,050,524</u>

ASEAN

	For the three months ended March 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 (profit) recognized	134,386	(6,686)	36,679	164,379
Transfer to lifetime ECL-not credit impaired	(108,159)	108,159	-	-
Transfer to lifetime ECL- credit impaired	(20,288)	(59,815)	80,103	-
Bad debts written-off	-	(787)	(33,567)	(34,354)
Others	4,091	6,806	22,224	33,121
Balance at March 31, 2019	<u>\$ 198,914</u>	<u>426,386</u>	<u>1,166,196</u>	<u>1,791,496</u>

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Others

	For the three months ended March 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 loss (profit) recognized	-	725	(83)	642
Impairment written-off	-	-	(101)	(101)
Others	-	930	1	931
Balance at March 31, 2019	\$ -	219,950	-	219,950

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:

	2020.3.31	2019.12.31	2019.3.31
Past due up to 30 days	\$ 1,149,153	511,478	413,543
Past due from 31 to 90 days	3,819,102	3,494,301	2,602,136
Past due from 91 to 180 days	14,734	43,852	28,758
Past due over 180 days	123,709	154,310	272,499
	\$ 5,106,698	4,203,941	3,316,936

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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.

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>
March 31, 2020								
Non-derivative financial liabilities								
Secured bank loans	\$ 55,421,526	57,981,039	3,004,950	5,331,434	21,779,744	27,648,884	216,027	-
Unsecured bank and other loans	204,405,187	210,078,763	23,608,754	25,337,182	54,108,712	106,788,716	235,399	-
Notes payable from securitization	5,455,179	5,653,490	7,898	13,601	61,204	5,570,787	-	-
Short-term notes and bills payable	76,472,276	76,770,000	9,500,000	13,070,000	54,200,000	-	-	-
Bonds payables	27,428,378	28,591,443	3,113	1,961,176	7,367,927	18,038,907	1,220,320	-
Other payables	12,027,410	12,111,283	6,871,786	611,027	1,392,695	840,649	-	2,395,126
Deposits relating to collateral of customers	46,521,689	46,567,690	303,070	850,112	7,923,231	36,439,195	69,424	982,658
Lease liabilities	3,813,385	4,416,756	58,781	101,905	466,724	1,162,913	2,626,433	-
Derivative financial liabilities								
Current financial liabilities for hedging	191,264	191,264	-	-	191,264	-	-	-
	<u>\$ 431,736,294</u>	<u>442,361,728</u>	<u>43,358,352</u>	<u>47,276,437</u>	<u>147,491,501</u>	<u>196,490,051</u>	<u>4,367,603</u>	<u>3,377,784</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>
March 31, 2019								
Non-derivative financial liabilities								
Secured bank loans	\$ 38,491,881	40,488,600	3,016,313	4,359,970	11,320,726	21,791,591	-	-
Unsecured bank and other loans	161,686,220	166,387,131	28,594,963	24,980,380	36,577,440	75,962,474	271,874	-
Notes payable from securitization	4,093,200	4,285,708	6,638	13,276	59,744	4,206,050	-	-
Short-term notes and bills payable	70,013,938	70,250,602	13,030,000	19,200,000	38,020,602	-	-	-
Bonds payables	20,883,645	21,849,184	154,651	1,954,626	741,877	16,646,590	2,351,440	-
Other payables	10,376,222	10,443,669	6,115,577	515,126	889,668	801,362	-	2,121,936
Deposits relating to collateral of customers	40,047,359	40,091,023	261,767	805,193	6,970,151	31,179,178	16,384	858,350
Lease liabilities	2,272,265	2,554,657	24,523	49,046	220,706	1,633,752	626,630	-
Derivative financial liabilities								
Current financial liabilities for hedging	102,740	102,740	-	-	102,740	-	-	-
	<u>\$ 347,967,470</u>	<u>356,453,314</u>	<u>51,204,432</u>	<u>51,877,617</u>	<u>94,903,654</u>	<u>152,220,997</u>	<u>3,266,328</u>	<u>2,980,286</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:

	2020.3.31			
	<u>Foreign currency (In thousands)</u>	<u>Exchange rate</u>	<u>Functional currency</u>	
Financial assets				
<u>Monetary items</u>				
USD	\$ 121,977.37	USD : TWD	30.2250	3,686,766
	61,516.94	USD : GBP	0.8114	1,859,350
	5,058.87	USD : VND	26,056	152,904
JPY	809,703.41	JPY : USD	0.0092	225,745
EUR	85,253.93	EUR : USD	1.0998	2,833,841
HKD	51,121.08	HKD : USD	0.1290	199,270
AUD	11,217.87	AUD : USD	0.6165	209,045
SGD	7,307.55	SGD : USD	0.7024	155,139

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		2020.3.31		
		Foreign currency (In thousands)	Exchange rate	Functional currency
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	4,558.48	USD : VND	26,056	137,780
	61,516.94	USD : GBP	0.8114	1,859,350
JPY	900,000.00	JPY : USD	0.0092	250,807
EUR	96,000.00	EUR : USD	1.0998	3,191,035
HKD	25,000.00	HKD : USD	0.1290	97,453
AUD	11,000.00	AUD : USD	0.6165	204,984
SGD	7,000.00	SGD : USD	0.7024	148,610
		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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	2019.3.31			
	Foreign currency (In thousands)	Exchange rate		Functional currency
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 7,909.83	USD : TWD	30.8200	243,781
	2,331.30	USD : GBP	0.7684	71,851
	5,429.67	USD : VND	25,471	167,343
JPY	1,184,791.42	JPY : USD	0.0090	329,727
EUR	45,903.91	EUR : USD	1.1230	1,588,734
HKD	19,814.17	HKD : USD	0.1274	77,790
GBP	810.53	GBP : USD	1.3014	32,510
AUD	11,964.73	AUD : USD	0.7091	261,489
SGD	7,223.82	SGD : USD	0.7382	164,342
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	1,341.05	USD : TWD	30.8200	41,331
	4,524.71	USD : VND	25,471	139,452
	2,331.30	USD : GBP	0.7684	71,851
JPY	980,016.20	JPY : USD	0.0090	272,739
EUR	41,999.92	EUR : USD	1.1230	1,453,617
HKD	17,999.32	HKD : USD	0.1274	70,665
AUD	12,000.04	AUD : USD	0.7091	262,261
SGD	7,000.03	SGD : USD	0.7382	159,251

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 \$278,532 and \$15,596, for the three months ended March 31, 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 three months ended March 31, 2020 and 2019, the foreign currency gain (loss), including realized and unrealized, amounted to \$12,922 and \$(4,301), respectively.

4. Interest analysis

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

Ending balance as of March 31, 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	0.68 %	\$ 29,939,568	22,209,787	5,257,994	-	-	2,471,787
Debt securities	4.99 %	15,951,397	-	5,166,904	10,784,493	-	-
Total accounts receivables	9.61 %	416,223,901	43,770,683	188,713,118	173,622,500	2,473,908	7,643,692
Current financial assets for hedging	1.77 %	568,945	-	568,945	-	-	-
		<u>462,683,811</u>	<u>65,980,470</u>	<u>199,706,961</u>	<u>184,406,993</u>	<u>2,473,908</u>	<u>10,115,479</u>
Financial liabilities							
Secured bank loans	4.73 %	55,421,526	49,151,564	4,171,331	2,098,631	-	-
Unsecured bank and other loans	2.72 %	204,405,187	130,038,043	40,082,033	34,060,528	224,583	-
Short-term notes and bills payable	0.88 %	76,472,276	13,817,775	62,654,501	-	-	-
Bonds payables	1.69 %	27,428,378	-	8,938,883	17,289,495	1,200,000	-
Current financial liabilities for hedging	1.76 %	191,264	-	191,264	-	-	-
Notes payable from securitization	1.91 %	5,455,179	-	57,486	5,306,690	91,003	-
Deposits relating to collateral of customers	0.08 %	46,521,689	-	3,089,422	7,414,561	66,552	35,951,154
Lease liabilities	1.67 %	3,813,385	-	419,495	1,204,574	2,189,316	-
		<u>419,708,884</u>	<u>193,007,382</u>	<u>119,604,415</u>	<u>67,374,479</u>	<u>3,771,454</u>	<u>35,951,154</u>
Net exposure		\$ <u>42,974,927</u>	<u>(127,026,912)</u>	<u>80,102,546</u>	<u>117,032,514</u>	<u>(1,297,546)</u>	<u>(25,835,675)</u>

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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	-	-	-
		<u>447,214,053</u>	<u>56,847,857</u>	<u>194,178,881</u>	<u>185,502,686</u>	<u>2,610,878</u>	<u>8,073,751</u>
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	-
		<u>401,861,629</u>	<u>182,855,152</u>	<u>116,597,919</u>	<u>64,932,670</u>	<u>3,496,096</u>	<u>33,979,792</u>
Net exposure		\$ 45,352,424	(126,007,295)	77,580,962	120,570,016	(885,218)	(25,906,041)

Ending balance as of March 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	0.65 %	\$ 19,399,739	16,021,857	1,594,429	-	-	1,783,453
Debt securities	5.70 %	12,492,353	-	6,288,731	6,203,622	-	-
Total accounts receivables	9.49 %	353,051,419	39,178,575	158,369,352	147,299,291	1,820,133	6,384,068
Current financial assets for hedging	0.80 %	3,417	-	3,417	-	-	-
		<u>384,946,928</u>	<u>55,200,432</u>	<u>166,255,929</u>	<u>153,502,913</u>	<u>1,820,133</u>	<u>8,167,521</u>
Financial liabilities							
Secured bank loans	4.73 %	38,491,881	31,314,101	2,327,860	4,741,794	-	108,126
Unsecured bank and other loans	3.07 %	161,686,220	99,581,917	27,065,573	34,784,147	254,583	-
Short-term notes and bills payable	0.91 %	70,013,938	24,654,915	45,359,023	-	-	-
Bonds payables	1.74 %	20,883,645	-	2,499,268	16,084,377	2,300,000	-
Current financial liabilities for hedging	1.61 %	102,740	-	102,740	-	-	-
Notes payable from securitization	1.95 %	4,093,200	-	-	4,093,200	-	-
Deposits relating to collateral of customers	0.13 %	40,047,359	1,404	3,566,516	7,436,208	12,693	29,030,538
Lease liabilities	1.98 %	2,272,265	-	275,169	1,496,999	500,097	-
		<u>337,591,248</u>	<u>155,552,337</u>	<u>81,196,149</u>	<u>68,636,725</u>	<u>3,067,373</u>	<u>29,138,664</u>
Net exposure		\$ 47,355,680	(100,351,905)	85,059,780	84,866,188	(1,247,240)	(20,971,143)

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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 \$217,275 and \$236,966 for the three months ended March 31, 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:

<u>Equity price at reporting date</u>	<u>For the three months ended March 31,</u>			
	<u>2020</u>		<u>2019</u>	
	<u>After-tax other comprehensive income</u>	<u>After-tax profit (loss)</u>	<u>After-tax other comprehensive income</u>	<u>After-tax profit (loss)</u>
Increase 7%	\$ <u>53,324</u>	<u>4,720</u>	<u>66,034</u>	<u>20,041</u>
Decrease 7%	\$ <u>(53,324)</u>	<u>(4,720)</u>	<u>(66,034)</u>	<u>(20,041)</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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	March 31, 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	\$ 156,423	66,945	-	89,478	156,423
Financial assets for hedging	568,945	-	568,945	-	568,945
Financial assets at fair value through other comprehensive income					
Domestic and foreign market (OTC) equity securities	642,150	639,069	3,081	-	642,150
Measure the fair value of unquoted equity instruments	118,754	-	-	118,754	118,754
Sub-total	760,904	639,069	3,081	118,754	760,904
Financial assets at amortized cost	15,881,970	-	-	-	-
Loans and receivable					
Cash and cash equivalents	29,939,568	-	-	-	-
Accounts receivable	405,634,914	-	-	-	-
Other financial assets	2,248,160	-	-	-	-
Refundable deposits	410,212	-	-	-	-
Restricted bank deposits	6,477,319	-	-	-	-
Sub-total	444,710,173	-	-	-	-
Total	\$ 462,078,415	706,014	572,026	208,232	1,486,272
Financial liabilities for hedging	\$ 191,264	-	191,264	-	191,264
Measurement of financial liabilities at amortized cost					
Secured bank loans	55,421,526	-	-	-	-
Unsecured bank and other loans	204,405,187	-	-	-	-
Notes payable from securitization	5,455,179	-	-	-	-
Short-term notes and bills payable	76,472,276	-	-	-	-
Bonds payables	27,428,378	-	-	-	-
Other payables	12,027,410	-	-	-	-
Deposits relating to collateral of customers	46,521,689	-	-	-	-
Lease liabilities	3,813,385	-	-	-	-
Sub-total	431,545,030	-	-	-	-
Total	\$ 431,736,294	-	191,264	-	191,264

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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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	March 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	\$ 1,047,346	285,818	-	761,528	1,047,346
Financial assets for hedging	3,417	-	3,417	-	3,417
Financial assets at fair value through other comprehensive income					
Domestic and foreign market (OTC) equity securities	836,552	832,588	3,964	-	836,552
Measure the fair value of unquoted equity instruments	105,887	-	-	105,887	105,887
Sub-total	942,439	832,588	3,964	105,887	942,439
Financial assets at amortized cost	12,430,713	-	-	-	-
Loans and receivable					
Cash and cash equivalents	19,399,739	-	-	-	-
Accounts receivable	343,097,646	-	-	-	-
Other financial assets	1,875,401	-	-	-	-
Refundable deposits	297,577	-	-	-	-
Restricted bank deposits	3,100,847	-	-	-	-
Sub-total	367,771,210	-	-	-	-
Total	\$ 382,195,125	1,118,406	7,381	867,415	1,993,202
Financial liabilities for hedging	\$ 102,740	-	102,740	-	102,740
Measurement of financial liabilities at amortized cost					
Secured bank loans	38,491,881	-	-	-	-
Unsecured bank and other loans	161,686,220	-	-	-	-
Notes payable from securitization	4,093,200	-	-	-	-
Short-term notes and bills payable	70,013,938	-	-	-	-
Bonds payables	20,883,645	-	-	-	-
Other payables	10,376,222	-	-	-	-
Deposits relating to collateral of customers	40,047,359	-	-	-	-
Lease liabilities	2,272,265	-	-	-	-
Sub-total	347,864,730	-	-	-	-
Total	\$ 347,967,470	-	102,740	-	102,740

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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	359	-	359
In other comprehensive income	-	(1,618)	(1,618)
Effect of movements in exchange rate	720	(657)	63
Ending balance, March 31, 2020	<u>\$ 89,478</u>	<u>118,754</u>	<u>208,232</u>

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	<u>At fair value through profit or loss</u>	<u>At fair value through others comprehensive income</u>	<u>Total</u>
	<u>Non-derivative financial assets</u>	<u>Unquoted equity instruments</u>	
Opening balance, January 1, 2019	\$ 750,336	105,466	855,802
Total gains and losses recognized:			
In other comprehensive income	-	156	156
Purchase	61,644	-	61,644
Disposal / Liquidate	(53,015)	-	(53,015)
Effect of movements in exchange rate	2,563	265	2,828
Ending balance, March 31, 2019	<u>\$ 761,528</u>	<u>105,887</u>	<u>867,415</u>

For the three months ended March 31, 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:

	<u>For the three months ended March 31,</u>	
	<u>2020</u>	<u>2019</u>
Total gains and losses recognized :		
In profit or loss, and presented in “other gains and losses”	\$ 359	-
In other comprehensive income, and presented in “unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income”	(1,618)	156

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.

Quantified information of significant unobservable inputs 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 debt instruments without active market	Net Asset Value Method	Net Asset Value	Not applicable

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<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 profit or loss without active market	Black-Scholes Model	Stock Return Volatility (3.28%~3.58% on March 31, 2020)	The higher stock return volatility, the higher the fair value
"	Discounted Cash Flow Method	Discount Rate (0.78%~2.20% on March 31, 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:

	<u>Input</u>	<u>Variation</u>	<u>Impact or Fair Value Change on Net income or loss</u>	
			<u>Favorable Change</u>	<u>Unfavorable Change</u>
March 31, 2020				
Financial asset at fair value through profit or loss				
Financial instruments without active market	Discount Rate	10%	\$ -	-
"	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%	-	-

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.

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(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.

(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.	Affiliate
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.	"

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<u>Name of related parties</u>	<u>Relationship with the Group</u>
Yujia Investment Management Consulting (Shanghai) Co., Ltd.	Other related party
Anywhere 2 Go Company Limited	"
Bangkok Bank Public Company Limited	"
Bangkok Granden Property Fund	"
Bangkok Insurance Public Company Limited	"
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.	"

(c) Related-party transactions

1. Operating revenue

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

	<u>For the three months ended March 31,</u>	
	<u>2020</u>	<u>2019</u>
Other related parties	\$ <u>4,480</u>	<u>3,384</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>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Capital leases receivable	Other related parties	\$ 39,193	43,883	56,837
Other receivables	Affiliates	-	-	14,422
Other receivables	Other related parties	2,806	19,288	1,370
Other non-current financial assets	Other related parties	3,216	2,020	974
		\$ <u>45,215</u>	<u>65,191</u>	<u>73,603</u>

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3. Payable to related parties

Payable to related parties were as follows :

<u>Account</u>	<u>Categories of related parties</u>	<u>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Account payable	Other related parties	\$ -	865	-
Other current financial liabilities	Other related parties	2,113	2,153	2,274
		<u>\$ 2,113</u>	<u>3,018</u>	<u>2,274</u>

4. Asset transactions

The Group purchased leasehold improvements from other related parties amounting to \$16,517 for the three months ended March 31, 2019, respectively.

5. Related-Party Financing

Financing to affiliates and related parties was as follows :

	<u>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Affiliates	\$ 1,800,924	1,817,346	1,304,562
Other related parties	10,733	30,426	26,476
	<u>\$ 1,811,657</u>	<u>1,847,772</u>	<u>1,331,038</u>

The loans receivable from affiliates bear interest at rates ranging from 2.80% to 5.65%. As of March 31, 2020, December 31, 2019, and March 31, 2019, interest receivable from the loans receivable from affiliates amounted to \$15,662, \$14,654 and \$9,965, respectively. For the three months ended March 31, 2020 and 2019, interest revenue from the loans receivable from affiliates amounted to \$21,970 and \$16,288, respectively.

The loans receivable from other related parties bear interest at rates ranging from 5.53% to 10.00%. As of March 31, 2020, December 31, 2019, and March 31, 2019, interest receivable from the loans receivable from other related parties amounted to \$41, \$124 and \$138, respectively. For the three months ended March 31, 2020 and 2019, interest revenue from the loans receivable from other related parties amounted to \$342 and \$153, respectively.

6. Interest bearing borrowings

Borrowings of the Group from related parties were as follows :

	<u>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
Other related parties	\$ <u>4,013,910</u>	<u>4,402,728</u>	<u>3,701,200</u>

The borrowings from other related parties bear interest at rates ranging from 1.55% to 3.25%. As of March 31, 2020, December 31, 2019, and March 31, 2019, interest payable from the interest bearing borrowings from other related parties amounted to \$354, \$404 and \$320, respectively. For the three months ended March 31, 2020 and 2019, interest expense from the interest bearing borrowing from other related parties amounted to \$32,809 and \$28,925, respectively.

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7. Guarantee

As of March 31, 2020, December 31, 2019, and March 31, 2019, the Group had provided a guarantee for loans taken out by affiliates and the credit limit of the guarantee was \$95,738, \$96,863 and \$103,050, and the actual drawn amount was \$8,615, \$9,682 and \$13,603, 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 three months ended March 31, 2020 and 2019, the Group recognized the amount of \$345 and \$377 as interest expense. As of March 31, 2020, December 31, 2019, and March 31, 2019, the balance of lease liabilities amounted to \$50,845, \$55,246 and \$42,189.

2) For the three months ended March 31, 2020 and 2019, rent expense is not included in rent liabilities that from other related parties amounted to \$1,477 and \$1,176, respectively.

9. Others

1) As of March 31, 2020, December 31, 2019, and March 31, 2019 bank deposits in financial institutions which are other related parties of the Group amounted to \$292,967, \$477,266 and \$318,402, respectively.

2) Other expense with related parties :

<u>Other related parties</u>	<u>For the three months ended March 31,</u>	
	<u>2020</u>	<u>2019</u>
Other operating costs and expenses	\$ <u>14,274</u>	<u>20,925</u>

(d) Key management personnel compensation

	<u>For the three months ended March 31,</u>	
	<u>2020</u>	<u>2019</u>
Short-term employee benefits	\$ 83,777	81,635
Post-employment benefits	609	576
	\$ <u>84,386</u>	<u>82,211</u>

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(8) Pledged Assets

The carrying values of pledged assets were as follows:

<u>Pledged assets</u>	<u>Object</u>	<u>2020.3.31</u>	<u>2019.12.31</u>	<u>2019.3.31</u>
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)	\$ 3,382,112	2,216,241	3,086,744
Property, plant and equipment	As guarantee for short-term and long-term borrowings	2,126,552	2,150,785	2,258,154
Equity securities	Issuance of short-term notes and bills and as guarantee for short-term and long-term borrowings	-	-	1,246
Refundable deposits	Provincial court seizure etc.	69,672	63,401	52,375
Accounts receivable and notes receivable	Issuance of short-term notes and bills and as guarantee for short-term and long-term borrowings	<u>113,048,831</u>	<u>112,324,266</u>	<u>116,300,448</u>
Total		<u>\$ 118,627,167</u>	<u>116,754,693</u>	<u>121,698,967</u>

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 March 31, 2020, December 31, 2019, and March 31, 2019, the balance of unexpired payments from these alliance transactions amounted to \$8,210,021, \$8,101,667 and \$8,013,992, respectively.
- (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: None.

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(12) Other

(a) Liquidity analysis of assets and liabilities :

	2020.3.31		Total
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	
<u>Current assets</u>			
Cash and cash equivalents	\$ 29,939,568	-	29,939,568
Current financial assets at fair value through profit or loss	136,852	-	136,852
Current financial assets at amortized cost	5,097,477	7,814,417	12,911,894
Current financial assets for hedging	568,945	-	568,945
Accounts receivable, net	213,317,731	109,022,962	322,340,693
Other current financial assets	8,292,103	79,155	8,371,258
Other current assets	<u>6,789,082</u>	<u>-</u>	<u>6,789,082</u>
	<u>\$ 264,141,758</u>	<u>116,916,534</u>	<u>381,058,292</u>
<u>Current liabilities</u>			
Short-term borrowings	\$ 63,756,914	-	63,756,914
Short-term notes and bills payable	76,472,276	-	76,472,276
Current financial liabilities for hedging	191,264	-	191,264
Accounts and notes payable	4,894,635	76	4,894,711
Current tax liabilities	2,732,264	-	2,732,264
Current lease liabilities	419,495	502,626	922,121
Other current financial liabilities	16,266,792	28,241,914	44,508,706
Long-term liabilities, current portion	79,576,233	62,047,296	141,623,529
Other current liabilities	<u>3,348,315</u>	<u>-</u>	<u>3,348,315</u>
	<u>\$ 247,658,188</u>	<u>90,791,912</u>	<u>338,450,100</u>

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	2019.12.31		Total
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	
<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	<u>6,258,911</u>	<u>-</u>	<u>6,258,911</u>
	<u>\$ 247,566,140</u>	<u>119,551,076</u>	<u>367,117,216</u>
<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	<u>3,581,389</u>	<u>-</u>	<u>3,581,389</u>
	<u>\$ 236,859,926</u>	<u>87,515,760</u>	<u>324,375,686</u>

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	2019.3.31		Total
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	
<u>Current assets</u>			
Cash and cash equivalents	\$ 19,399,739	-	19,399,739
Current financial assets at fair value through profit or loss	985,706	-	985,706
Current financial assets at amortized cost	6,288,731	3,573,627	9,862,358
Current financial assets for hedging	3,417	-	3,417
Accounts receivable, net	181,456,714	93,656,114	275,112,828
Inventories	22,194	-	22,194
Other current financial assets	4,553,079	98,148	4,651,227
Other current assets	<u>5,343,158</u>	<u>-</u>	<u>5,343,158</u>
	<u>\$ 218,052,738</u>	<u>97,327,889</u>	<u>315,380,627</u>
<u>Current liabilities</u>			
Short-term borrowings	\$ 53,368,574	-	53,368,574
Short-term notes and bills payable	70,013,938	-	70,013,938
Current financial liability for hedging	102,740	-	102,740
Accounts and notes payable	5,187,783	1,476	5,189,259
Current tax liabilities	2,662,567	-	2,662,567
Current lease liabilities	275,169	150,122	425,291
Other current financial liabilities	14,904,769	22,619,240	37,524,009
Long-term liabilities, current portion	56,502,741	57,171,554	113,674,295
Other current liabilities	<u>135,410</u>	<u>1,733,371</u>	<u>1,868,781</u>
	<u>\$ 203,153,691</u>	<u>81,675,763</u>	<u>284,829,454</u>

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

By item	By function	For the three months ended March 31, 2020			For the three months ended March 31, 2019		
		Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits							
Salary		12,249	1,697,754	1,710,003	14,314	1,467,681	1,481,995
Labor and health insurance		777	112,664	113,441	1,111	101,032	102,143
Pension		373	78,476	78,849	527	81,424	81,951
Others		-	97,749	97,749	-	98,277	98,277
Depreciation		817,923	177,039	994,962	734,118	133,277	867,395
Amortization		-	41,481	41,481	-	39,753	39,753

(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 three months ended March 31, 2020 was as follows :

1. Fund loaning to other parties:

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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	Chalease Finance Co., Ltd	A	Accounts receivable	No	1,088,000	1,088,000	208,000	0.01%-19.83%	2	-	Working Capital	2,496	None	-	3,587,558	57,400,926
		B		No	459,140	459,140	459,140	0.01%-19.83%	2	-	Working Capital	5,510	None	-	3,587,558	57,400,926
		C		No	379,057	357,913	357,913	0.01%-19.83%	2	-	Working Capital	4,295	None	-	3,587,558	57,400,926
		D		No	295,000	295,000	62,000	0.01%-19.83%	2	-	Working Capital	744	None	-	3,587,558	57,400,926
		E		No	308,690	223,818	129,818	0.01%-19.83%	2	-	Working Capital	1,558	None	-	3,587,558	57,400,926
		F		No	211,370	211,370	211,370	0.01%-19.83%	2	-	Working Capital	2,536	None	-	3,587,558	57,400,926
		G		No	207,700	207,700	207,700	0.01%-19.83%	2	-	Working Capital	2,492	None	-	3,587,558	57,400,926
		H		No	196,000	194,709	180,009	0.01%-19.83%	2	-	Working Capital	2,160	None	-	3,587,558	57,400,926
		I		No	236,323	171,633	171,633	0.01%-19.83%	2	-	Working Capital	2,060	None	-	3,587,558	57,400,926
		J		No	-	-	-	0.01%-19.83%	1	193,927	-	-	None	-	3,587,558	57,400,926
		J-1		No	160,195	141,758	95,758	0.01%-19.83%	2	-	Working Capital	1,149	None	-	3,587,558	57,400,926
		K		No	217,177	140,000	92,750	0.01%-19.83%	2	-	Working Capital	1,113	None	-	3,587,558	57,400,926
		L		No	125,228	124,671	124,671	0.01%-19.83%	2	-	Working Capital	1,496	None	-	3,587,558	57,400,926
		M		No	123,126	123,126	123,126	0.01%-19.83%	2	-	Working Capital	1,478	None	-	3,587,558	57,400,926
		N		No	122,900	122,900	122,900	0.01%-19.83%	2	-	Working Capital	1,475	None	-	3,587,558	57,400,926
		O		No	114,000	114,000	78,000	0.01%-19.83%	2	-	Working Capital	936	None	-	3,587,558	57,400,926
		P		No	111,668	108,367	108,367	0.01%-19.83%	1	255,212	-	1,300	None	-	3,587,558	57,400,926
		Q		No	110,000	104,946	104,946	0.01%-19.83%	1	400,102	-	1,259	Properties	53,335	3,587,558	57,400,926
		R		No	103,750	103,750	103,750	0.01%-19.83%	2	-	Working Capital	1,245	None	-	3,587,558	57,400,926
		S		No	100,150	100,150	100,150	0.01%-19.83%	2	-	Working Capital	1,202	None	-	3,587,558	57,400,926
		T		No	14,000	1,353	1,353	0.01%-19.83%	1	174,512	-	16	None	-	3,587,558	57,400,926
		T-1		No	99,750	94,579	94,579	0.01%-19.83%	2	-	Working Capital	1,135	None	-	3,587,558	57,400,926
		Chuang Ju Limited Partnership		Yes	1,000,000	1,000,000	-	0.01%-19.83%	2	-	Working Capital	-	None	-	3,587,558	57,400,926

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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	Chialease Finance Co., Ltd.	Summary of other clients	Accounts receivable	No	7,948,777	6,147,150	5,932,149	0.01%-19.83%	1	27,423,980	-	71,186	Bank Deposits/ Stocks/ Properties	588,298	3,587,558	57,400,926
				No	21,924,553	17,151,166	16,051,052	0.01%-19.83%	2	-	Working Capital	344,706	Bank Deposits/ Stocks/ Fund/ Beneficiary certificate/ Machinery/ Equipment/ Properties	2,474,691	3,587,558	57,400,926
2	Fina Finance & Trading Co., Ltd.	A		No	226,979	226,978	226,978	1.6037%-19.8637%	2	-	Working Capital	-	Properties	195,049	1,396,864	22,349,830
		B		No	322,942	173,000	173,000	1.6037%-19.8637%	2	-	Working Capital	1,730	None	-	1,396,864	22,349,830
		C		No	162,478	141,202	141,202	1.6037%-19.8637%	2	-	Working Capital	1,412	None	-	1,396,864	22,349,830
		D		No	121,186	116,414	116,414	1.6037%-19.8637%	2	-	Working Capital	1,164	None	-	1,396,864	22,349,830
		E		No	66,670	66,600	66,600	1.6037%-19.8637%	2	-	Working Capital	666	None	-	1,396,864	22,349,830
		E-1		No	13,382	13,376	13,376	1.6037%-19.8637%	1	19,400	-	134	None	-	1,396,864	22,349,830
		F		No	62,875	62,786	62,786	1.6037%-19.8637%	2	-	Working Capital	628	Properties	54,170	1,396,864	22,349,830
		G		No	59,259	58,058	58,058	1.6037%-19.8637%	2	-	Working Capital	581	Properties	51,908	1,396,864	22,349,830
		H		No	60,000	55,120	55,120	1.6037%-19.8637%	2	-	Working Capital	551	None	-	1,396,864	22,349,830
		I		No	55,000	55,000	55,000	1.6037%-19.8637%	2	-	Working Capital	550	Properties	198,375	1,396,864	22,349,830
		J		No	66,573	54,961	54,961	1.6037%-19.8637%	2	-	Working Capital	550	Properties	17,971	1,396,864	22,349,830
		Summary of other clients		No	5,854,051	4,598,062	4,501,762	1.6037%-19.8637%	2	-	Working Capital	74,230	Bank Deposits/ Stocks/ Properties/ Vehicles	1,171,747	1,396,864	22,349,830
				No	1,561,434	1,228,892	1,201,892	1.6037%-19.8637%	1	2,342,679	-	30,009	Properties/ Ships	221,220	1,396,864	22,349,830
		Chuang Ju Limited Partnership		Yes	1,200,000	1,200,000	800,000	1.6037%-19.8637%	2	-	Working Capital	-	None	-	1,396,864	22,349,830
3	Chialease Consumer Finance Co., Ltd.	A		No	5,000	3,805	3,805	2%-19%	2	-	Working Capital	13	None	-	409,308	4,093,080
		B		No	5,000	1,264	1,264	2%-19%	2	-	Working Capital	4	None	-	409,308	4,093,080
		C		No	1,000	764	764	2%-19%	2	-	Working Capital	3	None	-	409,308	4,093,080
		D		No	1,000	758	758	2%-19%	1	21,515	-	3	None	-	409,308	4,093,080
		E		No	512	443	443	2%-19%	2	-	Working Capital	2	None	-	409,308	4,093,080
		F		No	462	405	405	2%-19%	2	-	Working Capital	1	None	-	409,308	4,093,080
		G		No	614	311	311	2%-19%	2	-	Working Capital	1	None	-	409,308	4,093,080
		H		No	330	268	268	2%-19%	2	-	Working Capital	1	None	-	409,308	4,093,080
		I		No	299	235	235	2%-19%	2	-	Working Capital	1	None	-	409,308	4,093,080
		J		No	259	191	191	2%-19%	2	-	Working Capital	6	None	-	409,308	4,093,080
		Summary of other clients		No	657	272	272	2%-19%	1	9,006	-	1	None	-	409,308	4,093,080
				No	536	421	421	2%-19%	2	-	Working Capital	125	None	-	409,308	4,093,080
		Chuang Ju Limited Partnership		Yes	300,000	300,000	300,000	2%-19%	2	-	Working Capital	-	None	-	409,308	4,093,080
4	Chialease International Finance Corporation	A	Receivable-short term financing	No	38,295	36,168	36,168	4.35%-17%	2	-	Working Capital	-	None	-	1,316,271	10,530,167
		B		No	38,295	34,040	34,040	4.35%-17%	2	-	Working Capital	247	None	-	1,316,271	10,530,167
		C		No	31,913	31,913	-	4.35%-17%	2	-	Working Capital	-	None	-	1,316,271	10,530,167
		D		No	29,785	29,785	-	4.35%-17%	2	-	Working Capital	-	None	-	1,316,271	10,530,167
		E		No	29,785	29,785	-	4.35%-17%	2	-	Working Capital	-	None	-	1,316,271	10,530,167
		F		No	21,275	21,275	-	4.35%-17%	2	-	Working Capital	-	None	-	1,316,271	10,530,167
		G		No	22,339	19,148	19,148	4.35%-17%	2	-	Working Capital	148	None	-	1,316,271	10,530,167
		H		No	19,148	19,148	-	4.35%-17%	2	-	Working Capital	-	None	-	1,316,271	10,530,167
		I		No	19,148	19,148	19,148	4.35%-17%	2	-	Working Capital	-	None	-	1,316,271	10,530,167
		J		No	19,148	19,148	19,148	4.35%-17%	2	-	Working Capital	-	None	-	1,316,271	10,530,167
		Summary of other clients	Receivable-short term financing	No	1,281,851	1,137,850	1,008,285	4.35%-17%	2	-	Working Capital	27,636	Vehicles/ Real estate/ Equipment/ Properties/ Inventory	127,309	1,316,271	10,530,167
			Receivables-business relationship	No	93,303	82,949	71,248	4.35%-17%	1	142,968	-	566	Vehicles/ Equipment	18,003	1,316,271	10,530,167

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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		
4	Chailease International Finance Corporation	Chailease International Corp.	Receivables from related party	Yes	2,553,000	2,553,000	-	4.35%-17%	2	-	Working Capital	-	None	-	6,581,355	10,530,167
-	-	Chailease International Corp.	-	Yes	1,276,500	1,276,500	212,750	4.35%-17%	2	-	Working Capital	-	None	-	6,581,355	10,530,167
-	-	Chailease Commercial Factoring Corporation.	-	Yes	851,000	851,000	-	4.35%-17%	2	-	Working Capital	-	None	-	6,581,355	10,530,167
-	-	JonRuei Finance Corporation.	-	Yes	29,785	29,785	-	4.35%-17%	2	-	Working Capital	-	None	-	6,581,355	10,530,167
5	Chailease Specialty Finance Co., Ltd.	A	Accounts receivable	No	150,000	142,500	142,500	0.75%-13.08%	2	-	Working Capital	1,525	None	-	3,587,558	5,392,353
-	-	B	-	No	75,000	75,000	75,000	0.75%-13.08%	2	-	Working Capital	803	None	-	3,587,558	5,392,353
-	-	C	-	No	66,375	66,375	66,375	0.75%-13.08%	2	-	Working Capital	710	None	-	3,587,558	5,392,353
-	-	D	-	No	62,780	62,780	62,780	0.75%-13.08%	2	-	Working Capital	672	None	-	3,587,558	5,392,353
-	-	E	-	No	65,000	61,389	61,389	0.75%-13.08%	2	-	Working Capital	657	None	-	3,587,558	5,392,353
-	-	F	-	No	61,469	50,825	50,825	0.75%-13.08%	2	-	Working Capital	544	None	-	3,587,558	5,392,353
-	-	G	-	No	50,000	50,000	50,000	0.75%-13.08%	2	-	Working Capital	535	None	-	3,587,558	5,392,353
-	-	H	-	No	57,000	48,500	48,500	0.75%-13.08%	2	-	Working Capital	519	None	-	3,587,558	5,392,353
-	-	I	-	No	60,000	45,000	45,000	0.75%-13.08%	2	-	Working Capital	482	Funds/ Beneficiary Certification	787	3,587,558	5,392,353
-	-	J	-	No	52,500	43,750	43,750	0.75%-13.08%	2	-	Working Capital	468	None	-	3,587,558	5,392,353
-	-	Summary of other clients	-	No	945,288	667,078	630,778	0.75%-13.08%	2	-	Working Capital	7,006	Properties	18,695	3,587,558	5,392,353
6	Chailease Finance Securitization Trust 2016	A	-	No	8,395	5,974	5,974	4.43%-13.63%	1	20,729	-	48	Bank Deposits	16,000	49,738	880,589
-	-	B	-	No	6,520	5,486	5,486	4.43%-13.63%	2	-	Working Capital	44	None	-	49,738	880,589
-	-	C	-	No	10,056	5,058	5,058	4.43%-13.63%	2	-	Working Capital	40	Bank Deposits	4,000	49,738	880,589
-	-	D	-	No	5,781	3,944	3,944	4.43%-13.63%	2	-	Working Capital	32	Bank Deposits	4,500	49,738	880,589
-	-	E	-	No	6,250	3,936	3,936	4.43%-13.63%	2	-	Working Capital	31	None	-	49,738	880,589
-	-	F	-	No	4,198	3,391	3,391	4.43%-13.63%	1	8,000	-	27	Bank Deposits	1,600	49,738	880,589
-	-	G	-	No	5,573	3,381	3,381	4.43%-13.63%	2	-	Working Capital	27	Bank Deposits	2,000	49,738	880,589
-	-	H	-	No	3,328	3,296	3,296	4.43%-13.63%	2	-	Working Capital	2,829	Bank Deposits	11,000	49,738	880,589
-	-	I	-	No	4,243	2,819	2,819	4.43%-13.63%	2	-	Working Capital	23	Bank Deposits	2,400	49,738	880,589
-	-	J	-	No	3,919	2,636	2,636	4.43%-13.63%	1	31,367	-	21	None	-	49,738	880,589
-	-	Summary of other clients	-	No	68,916	34,205	34,205	4.43%-13.63%	2	-	Working Capital	2,383	Bank Deposits	13,000	49,738	880,589
-	-	-	-	No	5,398	4,172	4,172	4.43%-13.63%	1	117,169	-	33	Bank Deposits	1,400	49,738	880,589
7	Chailease International Corp.	Chailease International Corp.	Receivables from related party	Yes	851,000	851,000	851,000	4.35%	2	-	Working Capital	-	None	-	1,084,489	1,735,183
-	-	Chailease International Corp.	-	Yes	425,500	425,500	212,750	4.35%	2	-	Working Capital	-	None	-	1,084,489	1,735,183
8	Chailease International Corp.	Chailease International Corp.	Receivables from related party	Yes	851,000	851,000	-	4.35%	2	-	Working Capital	-	None	-	1,068,016	1,708,826
-	-	Chailease International Corp.	-	Yes	425,500	425,500	-	4.35%	2	-	Working Capital	-	None	-	1,068,016	1,708,826
9	Chailease Finance Securitization Trust 2019	A	Accounts receivable	No	15,555	15,043	15,043	4.09%-11.97%	2	-	Working Capital	120	None	-	53,301	1,045,149
-	-	B	-	No	14,281	14,039	14,039	4.09%-11.97%	2	-	Working Capital	112	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	Chailease Finance Securitization Trust 2019	C	Accounts receivable	No	16,110	13,487	13,487	4.09%-11.97%	1	39,600	-	108	Bank Deposits	2,550	53,301	1,045,149
-	-	D	-	No	15,184	13,312	13,312	4.09%-11.97%	2	-	Working Capital	106	None	-	53,301	1,045,149
-	-	E	-	No	13,158	12,588	12,588	4.09%-11.97%	2	-	Working Capital	101	Bank Deposits	1,500	53,301	1,045,149
-	-	F	-	No	13,015	11,495	11,495	4.09%-11.97%	2	-	Working Capital	92	None	-	53,301	1,045,149
-	-	G	-	No	13,067	10,954	10,954	4.09%-11.97%	1	30,000	-	88	Bank Deposits	4,000	53,301	1,045,149
-	-	H	-	No	13,009	10,797	10,797	4.09%-11.97%	1	20,000	-	86	None	-	53,301	1,045,149
-	-	I	-	No	11,569	9,376	9,376	4.09%-11.97%	2	-	Working Capital	75	Bank Deposits	5,000	53,301	1,045,149
-	-	J	-	No	11,032	9,373	9,373	4.09%-11.97%	1	18,000	-	75	Bank Deposits	3,400	53,301	1,045,149
-	-	Summary of other clients	-	No	177,663	130,137	130,137	4.09%-11.97%	2	-	Working Capital	1,176	Bank Deposits	30,250	53,301	1,045,149
-	-	-	-	No	247,893	196,765	196,765	4.09%-11.97%	1	822,079	-	1,440	Bank Deposits	51,200	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 Chailease Finance Co., Ltd. for individual entity cannot exceed \$3,587,558, 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 \$1,396,864, which is 10% of the net worth.
- (3) Subsidiary – The maximum fund loaning provided by Chailease 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 Chailease International Finance Corporation for individual entity cannot exceed \$1,316,271, which is 5% of the net worth. The maximum fund loaning cannot exceed \$6,581,355, which is 25% of the net worth to individual affiliate.
- (5) Subsidiary – The maximum fund loaning provided by Chailease Specialty Finance Co., Ltd. for individual entity cannot exceed \$3,587,558, which is 10% of the net worth of parent company (Chailease Finance Co., Ltd.).
- (6) Special purpose entities – The maximum fund loaning provided by Chailease 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 Chailease 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 Chailease International Corp. for individual entity cannot exceed \$216,898, which is 5% of the net worth. The maximum fund loaning cannot exceed \$1,084,489, which is 25% of the net worth to individual affiliate.
- (9) Subsidiary – The maximum fund loaning provided by Chailease Finance International Corp. for individual entity cannot exceed \$213,603, which is 5% of the net worth. The maximum fund loaning cannot exceed \$1,068,016, which is 25% of the net worth to individual affiliate.

Note 3: Limit on the amount for loaning fund

- (1) Subsidiary – The total amount of fund loaning provided by Chailease Finance Co., Ltd. cannot exceed \$57,400,926, which is 160% of the net worth; the total amount of fund loaning for short-term financing cannot exceed \$35,875,579, 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 \$22,349,830, which is 160% of the net worth; the total amount of fund loaning for short-term financing cannot exceed \$13,968,644, which is the net worth of the most recent financial statement.
- (3) Subsidiary – The total amount of fund loaning provided by Chailease 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 Chailease International Finance Corporation cannot exceed \$10,530,167, which is 40% of the net worth of the most recent financial statement.
- (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 \$1,735,183, 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 \$1,708,826, which is 40% of the net worth of the most recent financial statement.

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Note 4: Counter parties

- (1)Subsidiary – Chailease Finance Co., Ltd.: There are 4,503 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 883 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 137 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 84 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 53 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.
- (7)Special purpose entities – Chailease Finance Securitization Trust 2019: There are 98 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:

(Amounts Expressed in Thousands of New Taiwan Dollars)

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	144,860,242	55,496,194	54,954,082	27,853,134	-	75.87 %	362,150,605	Y		Y
"	"	Chailease International Leasing Company Limited	2	144,860,242	2,238,500	1,329,900	818,378	-	1.84 %	362,150,605	Y		
"	"	Chailease International Company (Malaysia) Limited	2	144,860,242	605,000	604,500	453,375	-	0.83 %	362,150,605	Y		
"	"	Chailease Berjaya Credit Sdn. Bhd.	2	36,215,060	10,030,951	9,567,288	7,685,320	-	13.21 %	362,150,605	Y		
"	"	Chailease Royal Leasing Plc.	2	36,215,060	2,702,005	2,538,900	1,194,341	-	3.51 %	362,150,605	Y		
"	"	Chailease Royal Finance Plc.	2	36,215,060	1,603,250	1,601,925	1,071,476	-	2.21 %	362,150,605	Y		
"	"	Chailease Berjaya Finance Corporation	2	36,215,060	2,056,600	2,052,750	551,310	-	2.83 %	362,150,605	Y		
1	Chailease Finance Co., Ltd.	Chailease Finance (B.V.I.) Co., Ltd.	2	71,751,158	149,900	120,900	120,900	-	0.34 %	179,377,895	Y		
"	"	Chailease Auto Rental Co., Ltd.	2	71,751,158	4,924,940	4,904,950	3,360,000	-	13.67 %	179,377,895	Y		
"	"	Chailease Consumer Finance Co., Ltd.	2	71,751,158	5,465,000	5,465,000	950,000	-	15.23 %	179,377,895	Y		
"	"	Chailease Specialty Finance Co., Ltd.	2	71,751,158	300,000	300,000	-	-	0.84 %	179,377,895	Y		
"	"	Apex Credit Solutions Inc.	2	71,751,158	160,000	60,000	-	-	0.17 %	179,377,895	Y		
"	"	Chailease International Leasing Company Limited	2	71,751,158	10,052,466	10,052,466	6,427,917	-	28.02 %	179,377,895	Y		
"	"	Chailease International Trading Company Limited	2	71,751,158	1,270,075	1,266,838	202,813	-	3.53 %	179,377,895	Y		
"	"	Yun Tang Inc.	2	71,751,158	1,109,000	942,000	792,000	-	2.63 %	179,377,895	Y		
"	"	Chailease Credit Services Co., Ltd	2	71,751,158	36,000	36,000	7	-	0.10 %	179,377,895	Y		

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No.	Endorsement/ guarantee provider	Counter-party		Limitation on endorsement /guarantee amount provided to each guaranteed party	Maximum 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)		for the year	Ending balance								
1	Chailease Finance Co., Ltd.	Chailease Energy	2	71,751,158	730,000	730,000	-	-	2.03 %	179,377,895	Y			
		Integration Co., Ltd.												
		Chailease Power Technology Co., Ltd.	2	71,751,158	900,000	900,000	300,000	-	2.51 %	179,377,895	Y			
		Grand Pacific Financing Corp.	2	72,430,121	3,267,000	3,264,300	1,085,078	-	9.10 %	179,377,895				
-	-	Chailease International Financial Services Co., Ltd.	2	72,430,121	33,469,835	33,456,165	23,240,603	-	93.26 %	179,377,895				
2	Asia Sernkij Leasing Public Co., Ltd.	Bangkok Grand Pacific Lease Public Company Limited	2	9,901,096	252,450	231,750	176,130	-	4.68 %	24,752,740	Y			
3	Chailease International Finance Corporation	Chailease International Corp.	2	52,650,837	9,158,270	8,841,121	4,268,876	-	33.58 %	131,627,092	Y		Y	
		Chailease Finance International Corp.	2	52,650,837	8,701,643	8,508,638	3,456,362	-	32.52 %	131,627,092	Y		Y	
		DMC Energy Management Services (Shenzhen) Co., Ltd.	4	13,162,709	97,290	95,738	8,615	-	0.36 %	131,627,092				Y
4	Grand Pacific Holding Corp.	Grand Pacific Financing Corp.	2	1,163,753	151,250	151,125	151,125	-	6.69 %	1,163,753	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.

Note 4: Subsidiary – The total amount of guarantees and endorsements provided by Chailease 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 Chailease Finance Co., Ltd. for Chailease International Financial Services Co., Ltd., Chailease Finance (B.V.I.) Company, Ltd., Chailease Specialty Finance Co., Ltd. and Chailease Auto Rental Co., Ltd. is \$6,677,638. The total amount has been adjusted.

Note 6: Subsidiary – The maximum guarantees and endorsements provided by Asia Sernkij 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 Chailease 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 Chailease International Finance Corporation and Chailease International Corp. is CNY110,000 thousand (\$468,050). The total amount has been disclosed in the balance of guarantees and endorsements for Chailease International Corp.

Note 10: The total amount of guarantees and endorsements provided by the Company for Chailease International Finance Corporation and Chailease Finance International Corp. is CNY100,000 thousand (\$425,500). The total amount has been disclosed in the balance of guarantees and endorsements for Chailease Finance International Corp.

Note 11: The total amount of guarantees and endorsements provided by the Company for Golden Bridge (B.V.I.) Corp. and Chailease International Company (Malaysia) Limited is USD10,000 thousand (\$302,250). The total amount has been adjusted.

Note 12: The total amount of guarantees and endorsements provided by the Company for Chailease Royal Finance Plc. and Chailease Royal Leasing Plc. is USD12,000 thousand (\$362,700). The total amount has been adjusted.

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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)		
Chailease Finance Co., Ltd.	Yuanta Daily Taiwan 50 Bear -1X ETF	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	650	7,755	-	%	7,755	
"	Chicony Electronics Co., Ltd.	"	"	15	1,137	-	%	1,137	
"	Forcera Materials Co., Ltd.	"	"	130	480	-	%	480	
"	Episil-Precision Inc.	"	"	250	6,450	-	%	6,450	
"	Chilsin Electronics Corporation	"	"	115	9,292	-	%	9,292	
"	Zhen Ding Technology Holding Limited	"	"	100	9,300	-	%	9,300	
"	Parade Technologies, Ltd.	"	"	11	7,095	-	%	7,095	
"	RichWave Technology Corporation	"	"	65	7,800	-	%	7,800	
"	Wiwynn Corporation	"	"	17	11,934	-	%	11,934	
"	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)
"	EastWest Pharmaceuticals	"	"	242	-	5.84	%	-	percentage of ownership less than 0.01%
"	Azanda Network Devices	"	"	714	-	-	%	-	(Note 2)
"	Sampotech Co., Ltd.	"	"	369	-	0.10	%	-	percentage of ownership less than 0.01%
"	TECO Nanotech Co., Ltd	"	"	95	-	0.38	%	-	(Note 2)
"	Deerport Aviation Corp.	"	"	-	-	10.48	%	-	(Note 2)
"	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	-	"	-	20,010	-	%	20,010	
"	Bank of Yuanta's Beneficial Right of the Real Estate Trust	-	"	-	302,172	-	%	302,172	
"	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	-	"	-	18,000	-	%	18,000	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		Fair value (Note 1)
Chailease Finance Co., Ltd.	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	460,000	-	460,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	63,400	-	63,400	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	107,600	-	107,600	
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	375,080	-	375,080	
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	360,000	-	360,000	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	—	"	-	90,000	-	90,000	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	—	"	-	800,000	-	800,000	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	124,850	-	124,850	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	100,060	-	100,060	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	188,566	-	188,566	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	72,320	-	72,320	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	120,364	-	120,364	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	27,550	-	27,550	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	44,500	-	44,500	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	41,338	-	41,338	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	174,300	-	174,300	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		
Chailease Finance Co., Ltd.	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	17,250	-	17,250	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	82,000	-	82,000	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	120,600	-	120,600	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	146,712	-	146,712	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	90,774	-	90,774	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	109,722	-	109,722	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	74,000	-	74,000	
"	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	—	"	-	325,000	-	325,000	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	573,000	-	573,000	
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	24,635	-	24,635	
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	31,909	-	31,909	
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	63,680	-	63,680	
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	160,000	-	160,000	
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	130,420	-	130,420	
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	135,000	-	135,000	
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	87,552	-	87,552	

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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)
Chailease Finance Co., Ltd.	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	76,120	-	76,120	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	119,600	-	119,600	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	23,500	-	23,500	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	83,000	-	83,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	12,500	-	12,500	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	165,000	-	165,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	338,260	-	338,260	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	54,980	-	54,980	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	545,661	-	545,661	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	52,100	-	52,100	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	27,155	-	27,155	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	23,000	-	23,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	69,300	-	69,300	

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance			Fair value (Note 1)	Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		
Chailease Finance Co., Ltd.	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	29,600	-	%	29,600
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	27,840	-	%	27,840
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	25,600	-	%	25,600
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	141,550	-	%	141,550
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	504,600	-	%	504,600
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	393,000	-	%	393,000
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	32,250	-	%	32,250
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	23,683	-	%	23,683
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	496,128	-	%	496,128
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	297,400	-	%	297,400
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	19,200	-	%	19,200
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	12,083	-	%	12,083
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	69,000	-	%	69,000
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	356,000	-	%	356,000

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		Fair value (Note 1)
Chailease Finance Co., Ltd.	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	26,000	-	26,000	
"	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	—	"	-	241,880	-	241,880	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	60,050	-	60,050	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	163,700	-	163,700	
"	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	—	"	-	69,530	-	69,530	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	232,000	-	232,000	
"	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	—	"	-	56,500	-	56,500	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	42,500	-	42,500	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	225,160	-	225,160	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	192,930	-	192,930	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	86,808	-	86,808	

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance			Fair value (Note 1)	Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		
Chailease Finance Co., Ltd.	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	500,000	-	500,000	
"	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	—	"	-	71,768	-	71,768	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	169,000	-	169,000	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	60,480	-	60,480	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	66,680	-	66,680	
"	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	—	"	-	54,154	-	54,154	
"	Bank of FEI's Beneficial Right of the Real Estate Trust	—	"	-	25,900	-	25,900	
"	Bank of FEI's Beneficial Right of the Real Estate Trust	—	"	-	53,880	-	53,880	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Non-current financial assets at amortized cost	-	55,000	-	55,000	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	40,000	-	40,000	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	3,220	-	3,220	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	15,950	-	15,950	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	13,880	-	13,880	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	140,000	-	140,000	

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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)
Chailease Finance Co., Ltd.	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Non-current financial assets at amortized cost	-	23,780	-	23,780	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	50,000	-	50,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	49,760	-	49,760	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	31,200	-	31,200	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	117,800	-	117,800	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	62,000	-	62,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	8,736	-	8,736	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	4,400	-	4,400	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	18,350	-	18,350	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	260,000	-	260,000	
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	50,000	-	50,000	
"	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	—	"	-	123,800	-	123,800	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	355,000	-	355,000	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		
Chailease Finance Co., Ltd.	CTCI Corp.	Investee at fair value	Non-current financial assets at fair value through other comprehensive income	770	22,561	0.10 %	22,561	
"	U-Ming Marine Transport Corp.	"	"	270	7,020	0.03 %	7,020	
"	Chin Poon	"	"	380	7,904	0.10 %	7,904	
"	O-Bank Co., Ltd	"	"	92,694	601,584	3.42 %	601,584	
"	Subton Technology Co., Ltd.	"	"	288	3,081	0.10 %	3,081	
"	Kingmax Technology Inc.	"	"	2,081	21,043	4.73 %	21,043	
"	Spring House Entertainment Tech Inc.	"	"	688	8,401	4.67 %	8,401	
"	Everterminal Co., Ltd.	"	"	490	5,672	0.50 %	5,672	
"	Tekcon Electronics Corp.	"	"	137	1,942	0.52 %	1,942	
"	Ecomsoftware Inc.	"	"	130	2,645	2.60 %	2,645	
"	Crownpo Technology Inc.(Former name: Liz Electronics Corporation)	"	"	57	862	0.51 %	862	
"	Book4u Co., Ltd.	"	"	9	88	0.19 %	88	
Chailease Specialty Finance Co., Ltd.	Linkou amusement Co., Ltd.(Stock)	"	"	-	36,708	-	36,708	(Note 2)
"	TECO Nanotech Co., Ltd	"	"	9	-	-	-	(Note 2)
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	---	Current financial assets at amortized cost	-	37,000	-	37,000	
"	Agora Garden Taipei -- Private placement of corporate bond	---	"	-	120,000	-	120,000	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	---	Non-current financial assets at amortized cost	-	4,200	-	4,200	
"	Agora Garden Taipei -- Private placement of corporate bond	---	"	-	880,000	-	880,000	
Chailease 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	642	14,257	11.25 %	14,257	
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	8,807	19.00 %	8,807	
"	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	6,182	0.10 %	6,182	

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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)	
Grand Pacific Holding Corp.	Mobileshift, Inc.	Investee at fair value	Non-current financial assets at fair value through other comprehensive income	359	7,556	3.45 %	7,556	
"	Stemcyte Inc.	"	"	38	1,511	0.15 %	1,511	
Grand Pacific Financing Corp.	Swabplus Inc.	"	"	10	-	-	-	
"	Mobileshift, Inc.	"	"	358	7,556	3.45 %	7,556	
"	Stemcyte Inc.	"	"	38	1,511	0.15 %	1,511	
Chailease 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	-	69,427	-	69,427	
"	The Future Commerce Sdn. Bhd	"	Non-current financial assets at fair value through profit or loss	-	19,571	-	19,571	

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.

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 (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	
Chailease 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
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	357,860	-	301,760	-	-	271,360	-	-	-	388,260
"	"	"	-	-	-	-	-	393,000	-	-	-	-	-	-	393,000
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	-	-	360,000	-	-	-	-	-	-	360,000

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.

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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		
Chailease Finance Co., Ltd.	Chailease International Finance Corporation	Associates	191,475	-	-		-	-
Fina Finance & Trading Co., Ltd	Chuang Ju Limited Partnership	Associates	805,088	-	-		-	-
Chailease International Financial Services Co., Ltd.	Chailease International Company (Malaysia) Limited	Associates	1,814,566	-	-		-	-
"	Chailease International Financial Services (Labuan) Co., Ltd.	Associates	508,860	-	-		-	-
"	Chailease International Financial Services (Singapore) Pte. Ltd.	Associates	4,401,292	-	-		-	-
Chailease Finance (B.V.I.) Company, Ltd.	Chailease International Financial Services Co., Ltd.	Associates	1,123,552	-	-		-	-
"	Chailease International Financial Services (Liberia) Corp.	Associates	363,287	-	-		-	-
Chailease International Company (Malaysia) Limited	Golden Bridge (B.V.I.) Corp.	Associates	151,582	-	-		-	-
"	Chailease International Company (UK) Limited	Subsidiaries	1,816,143	-	-		-	-
Asia Sermkij Leasing Public Co., Ltd.	Bangkok Grand Pacific Lease Public company Limited.	Subsidiaries	4,695,543	-	-		-	-

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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		
Chailease Consumer Finance Co.,Ltd.	Chuang Ju Limited Partnership	Subsidiaries	303,840	-	-		-	-
Chailease International Finance Corporation	Chailease Finance International Corp.	Subsidiaries	213,316	-	-		-	-
Chailease International Corp.	Chailease International Finance Corporation	Subsidiaries	852,851	-	-		-	-
"	Chailease Finance International Corp.	Associates	213,192	-	-		-	-
Chailease International Company (UK) Limited	C&E Engine Leasing Limited	Associates	1,816,585	-	-		-	-

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			Percentage of the consolidated net revenue or total assets
				Financial statements item	Amount	Terms	
0	Chailease Holding Co., Ltd	Chailease Berjaya Credit Sdn. Bhd.	1	Other current financial assets	71,611	Same as normal transactions	0.01 %
1	Chailease Finance Co., Ltd	Golden Bridge (B.V.I.) Corp. ∙ Chailease International Finance Corporation ∙ Chailease Berjaya Credit Sdn. Bhd.	3	Other current financial assets	295,092	"	0.06 %
1	"	Chailease International Finance Corporation ∙ Fina Finance & Trading Co., Ltd. ∙ Chailease Berjaya Credit Sdn. Bhd.	3	Operating revenues and non-operating income	134,387	"	0.96 %
2	Chailease Finance (B.V.I.) Company, Ltd.	Chailease International Financial Services Co., Ltd. ∙ Chailease International Financial Services (Liberia) Corp.	3	Financing and interest receivable	1,486,839	"	0.29 %
3	Chailease International Finance Corporation	Chailease Finance Co., Ltd.	3	Other current financial liabilities	191,475	"	0.04 %
3	"	Chailease Finance International Corp.	3	Financing and interest receivable	213,316	"	0.04 %
3	"	Chailease International Corp.	3	Borrowings and interest payable	852,851	"	0.17 %
4	Golden Bridge (B.V.I.) Corp.	Chailease Finance Co., Ltd.	3	Other current financial liabilities	51,024	"	0.01 %
4	"	Chailease International Company (Malaysia) Limited. ∙ My Leasing (B.V.I.) Corp. ∙ My Leasing (Mauritius) Corp.	3	Borrowings and interest payable	242,562	"	0.05 %
5	My leasing (Mauritius) Corp.	Golden Bridge (B.V.I.) Corp.	3	Financing and interest receivable	90,979	"	0.02 %
6	Asia Sermkij Leasing Public Co., Ltd.	Bangkok Grand Pacific Lease Public Company Limited	3	Other current financial assets	4,695,543	"	0.91 %

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No.	Company name	Counter-party	Nature of relationship	Intercompany transactions		
				Financial statements item	Amount	Percentage of the consolidated net revenue or total assets
7	Chailease International Financial Services Co., Ltd.	Chailease International Financial Services (Labuan) Co., Ltd. 、 Chailease International Company (Malaysia) Limited 、 Chailease International Financial Services (Singapore) Pte. Ltd.	3	Financing and interest receivable	6,246,824	Same as normal transactions 1.21 %
7	"	Chailease International Financial Services (Labuan) Co., Ltd.	3	Capital leases receivable	477,893	" 0.09 %
7	"	Chailease Finance (B.V.I.) Company, Ltd.	3	Borrowings and interest payable	1,123,552	" 0.22 %
8	Chailease International Company (Malaysia) Limited	Chailease International Company (UK) Limited 、 Golden Bridge (B.V.I.) Corp.	3	Financing and interest receivable	1,967,726	" 0.38 %
8	"	Chailease International Financial Services Co., Ltd.	3	Borrowings and interest payable	1,814,566	" 0.35 %
9	Chailease International Company (UK) Limited	Chailease International Company (Malaysia) Limited	3	Borrowings and interest payable	1,816,143	" 0.35 %
10	Fina Finance & Trading Co., Ltd.	Chuang Ju Limited Partnership	3	Financing and interest receivable	805,088	" 0.16 %
10	"	Chailease Finance Co., Ltd.	3	Operating expense	63,111	" 0.45 %
11	Chailease International Financial Services (Liberia) Corp.	Chailease Finance (B.V.I.) Company, Ltd.	3	Borrowings and interest payable	363,287	" 0.07 %
12	Chailease International Financial Service (Labuan) Co., Ltd	Chailease International Financial Services Co., Ltd.	3	Borrowings and interest payable	508,860	" 0.10 %
13	Bangkok Grand Pacific Lease Public Company Limited	Asia Sermkij Leasing Public Co., Ltd.	3	Borrowings and interest payable	4,695,543	" 0.91 %
14	Chailease Consumer Finance Co., Ltd.	Chuang Ju Limited Partnership	3	Financing and interest receivable	303,840	" 0.06 %
15	Chuang Ju Limited Partnership	Chailease Consumer Finance Co., Ltd. 、 Fina Finance & Trading Co., Ltd.	3	Borrowings and interest payable	1,108,928	" 0.22 %
16	Chailease Finance International Corp.	Chailease International Finance Corporation 、 Chailease International Corp.	3	Borrowings and interest payable	426,508	" 0.08 %
17	Chailease International Corp.	Chailease International Finance Corporation 、 Chailease Finance International Corp.	3	Financing and interest receivable	1,066,043	" 0.21 %
18	Chailease International Financial Services (Singapore) Pte. Ltd.	Chailease International Financial Services Co., Ltd.	3	Borrowings and interest payable	4,401,292	" 0.85 %
19	Chailease Berjaya Credit Sdn. Bhd.	Chailease Finance Co., Ltd.	3	Other current financial liabilities	52,593	" 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 millions is not required to be disclosed.

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

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(b) Information on investees :

The information on investees of the Group for the three months ended March 31, 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 March 31, 2020			Net income (losses) of the investee	Share of profits/losses of investee	Note
				March 31, 2020	December 31, 2019	Shares/Units (In thousands)	Percentage of ownership	Carrying value			
The Company	Chailease International Company (Malaysia) Limited	Malaysia	Investment	20,202,847	20,202,847	1,147,247	100.00 %	40,697,428	1,935,408	1,935,408	
"	Chailease International Financial Services Co., Ltd.	British Virgin Islands	Installment sales, leasing overseas and financial consulting	2,931,825	2,931,825	97,000	100.00 %	5,209,740	201,679	201,679	
"	Grand Pacific Holdings Corp. and its subsidiaries	U.S.	Financing leasing, real estate, and mortgage	147,839	147,839	3,927	51.00 %	1,152,753	23,083	11,772	
"	Golden Bridge (B.V.I.) Corp. and its subsidiaries	British Virgin Islands	Investment	14,520,378	13,009,128	436,150	100.00 %	34,121,324	1,935,018	1,935,018	
"	Chailease International Company (Hong Kong) Limited	Hong Kong	Investment	259,935	259,935	8,600	100.00 %	225,596	(4,697)	(4,697)	
"	Chailease International Financial Services (Liberia) Corp.	Liberia	Leasing	179,062	179,062	-	100.00 %	200,408	10,328	10,328	share holding less than 1,000 shares
"	Chailease International Financial Services (Labuan) Co., Ltd.	Malaysia	Leasing	7,113	7,113	30	100.00 %	1,466	(2,042)	(2,042)	
Chailease International Company (Malaysia) Limited	Chailease International (B.V.I.) Corp.	British Virgin Islands	Investment	-	302	-	- %	-	-	-	
"	Asia Sermkij Leasing Public Co., Ltd. and its subsidiaries	Thailand	Installment sales of automobiles	451,815	451,815	40,698	11.57 %	601,832	194,531	22,507	
"	Chailease International Company (UK) Limited	U.K.	Consulting, aircraft leasing and investment	23,923,119	23,923,119	422,287	100.00 %	37,585,131	1,893,572	1,893,572	
"	Chailease Berjaya Credit Sdn. Bhd.	Malaysia	Installment sales	587,825	470,260	87,500	70.00 %	839,708	51,751	36,226	
"	Chailease Royal Leasing Plc.	Cambodia	Leasing	90,675	90,675	3,000	60.00 %	194,280	37,488	22,493	
"	Chailease Royal Finance Plc.	Cambodia	Financing	108,568	108,568	3,912	60.00 %	102,648	8,246	4,948	
"	Yellowstone Holding AG	Swiss	Investment	164,719	164,719	525,000	35.00 %	132,830	(6,329)	(2,215)	

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Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2020			Net income (losses) of the investee	Share of profits/losses of investee	Note
				March 31, 2020	December 31, 2019	Shares/Units (In thousands)	Percentage of ownership	Carrying value			
Chailease International Company (Malaysia) Limited	Chailease Berjaya Finance Corporation	Philippines	Leasing and financing	158,355	158,355	270,000	60.00 %	124,419	184	110	
"	CL Capital Management Company Limited	Cayman Islands	Investment consultant	-	-	-	48.00 %	-	243	-	
"	CL Investment Partners Company Limited	Cayman Islands	Investment consultant	4,245	4,245	-	48.00 %	4,210	(47)	(22)	
"	Chailease Greater China SME Fund, L.P.	Cayman Islands	Investment funds	412,922	409,219	-	48.00 %	416,336	(5,504)	(2,642)	
"	Diamond Rain Group Limited	British Virgin Islands	Investment	668,359	508,408	18,212	35.28 %	617,113	(112,659)	(39,746)	
"	Chailease JLK Capital Co., Ltd.	Thailand	Investment	22,712	-	4,900	49.00 %	22,706	(11)	(5)	
Chailease Berjaya Credits Sdn. Bhd.	Chailease Agency Sdn. Bhd.	Malaysia	Insurance Brokers	672	672	100	100.00 %	15,457	1,186	1,186	
"	Chailease Services Sdn. Bhd.	Malaysia	Insurance Brokers	672	672	100	100.00 %	1,823	881	881	
Chailease International Company (UK) Limited	Chailease Finance Co., Ltd.	Taiwan	Installment sales, leasing and factoring	19,186,400	19,186,400	1,717,700	100.00 %	37,688,627	2,073,865	2,073,865	
"	C&E Engine Leasing Limited	Ireland	Leasing	680,622	680,622	22,519	50.00 %	725,848	4,137	2,068	
Chailease Finance Co., Ltd.	Fina Finance & Trading Co., Ltd.	Taiwan	Installment sales, trading and factoring	6,891,242	6,891,242	633,500	100.00 %	14,661,627	658,692	658,692	
"	Chailease Specialty Finance Co., Ltd.	Taiwan	Installment sales	5,137,496	5,137,496	201,561	100.00 %	5,451,913	59,560	59,560	
"	My Leasing (B.V.I.) Corp.	British Virgin Islands	Investment	513,825	513,825	17,000	100.00 %	630,810	(13,395)	(13,395)	
"	Asia Sermkij Leasing Public Co., Ltd. and its subsidiaries	Thailand	Installment sales of automobiles	779,703	779,703	128,837	36.61 %	1,904,326	194,531	71,218	
"	Chailease Finance (B.V.I.) Company, Ltd.	British Virgin Islands	Installment sales, leasing overseas and financial consulting	1,236,505	1,236,505	40,910	100.00 %	1,456,689	(7,362)	(7,362)	
"	Apex Credit Solutions Inc.	Taiwan	Accounts receivable management, valuation, trading in financial instruments	60,939	60,939	10,000	100.00 %	203,426	17,622	17,622	

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Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2020			Net income (losses) of the investee	Share of profits/losses of investee	Note
				March 31, 2020	December 31, 2019	Shares/Units (In thousands)	Percentage of ownership	Carrying value			
Chailease Finance Co., Ltd.	Chung Hung Corp.	Taiwan	Foreign trade of machinery, equipment, transportation and leasing	1,000	1,000	100	28.57 %	1,165	(2)	(1)	
"	Chailease International Leasing Company Limited (Vietnam)	Vietnam	Leasing	743,868	743,868	-	100.00 %	1,378,688	59,839	59,839	
"	Chailease Auto Rental Co., Ltd.	Taiwan	Leasing	1,352,227	1,352,227	135,650	100.00 %	1,448,434	20,778	20,778	
"	Chailease Insurance Brokers Co., Ltd.	Taiwan	Personal and property insurance brokers	8,000	8,000	800	100.00 %	71,279	9,030	9,030	
"	Grand Pacific Holdings Corp. and its subsidiaries	U.S.	Financing leasing, real estate, and mortgage	124,186	124,186	3,773	49.00 %	1,107,547	23,083	11,311	
"	Chailease Cloud Service Co., Ltd.	Taiwan	Software of cloud products, leasing and installment sales	10,000	10,000	1,000	100.00 %	5,633	(18)	(18)	
"	Yun Tang Inc.	Taiwan	Solar power business	445,000	445,000	-	100.00 %	484,174	6,752	6,752	
"	Chailease Energy Integration Co., Ltd.	Taiwan	Solar power business	50,000	50,000	5,000	100.00 %	877,947	243,847	243,847	
"	Chailease Finance Securitization Trust 2016	Taiwan	Special purpose entity	880,589	880,589	-	100.00 %	671,070	20,104	20,104	
"	Chailease Power Technology Co., Ltd.	Taiwan	Solar power business	250,000	250,000	25,000	100.00 %	258,783	2,876	2,876	
"	Chailease International Trading Company Limited (Vietnam)	Vietnam	Trading	151,125	151,125	-	100.00 %	164,893	2,300	2,300	
"	Chung Cheng Energy Integration Co., Ltd.	Taiwan	Solar power business	1,000	1,000	100	100.00 %	919	(9)	(9)	
"	Ho Lien Energy Integration Co., Ltd.	Taiwan	Solar power business	1,000	1,000	100	100.00 %	919	(9)	(9)	
"	Chailease Finance Securitization Trust 2019	Taiwan	Special purpose entity	1,045,149	1,045,149	-	100.00 %	1,031,883	79,139	79,139	
"	Tai Yuan Energy Intergration Co., Ltd.	Taiwan	Solar power business	180,050	-	18,005	100.00 %	180,002	(48)	(48)	
"	Chung Ho Energy Integration Co., Ltd.	Taiwan	Solar power business	500	-	50	100.00 %	500	-	-	In preparation
"	Chung Yen Energy Integration Co., Ltd.	Taiwan	Solar power business	500	-	50	100.00 %	500	-	-	In preparation
Fina Finance & Trading Co., Ltd.	Chailease Consumer Finance Co., Ltd.	Taiwan	Installment sales and factoring	2,652,436	2,652,436	234,434	100.00 %	4,236,274	143,194	143,194	
"	Chailease Credit Services Co., Ltd.	Taiwan	Installment sales and leasing	10,101	10,101	1,000	100.00 %	10,669	73	73	

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Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2020			Net income (losses) of the investee	Share of profits/losses of investee	Note
				March 31, 2020	December 31, 2019	Shares/Units (In thousands)	Percentage of ownership	Carrying value			
Chailease Consumer Finance Co., Ltd.	Chuang Ju Limited Partnership	Taiwan	Installment sales and leasing	1,800,000	1,800,000	-	-	2,048,899	67,434	67,434	(Note 2)
Chailease Specialty Finance Co., Ltd.	Sing Chuang Limited Partnership	Taiwan	Installment sales and leasing	1,500,000	1,500,000	-	-	1,686,463	36,064	36,064	(Note 3)
Chailease Credit Services Co., Ltd.	Chuang Ju Limited Partnership	Taiwan	Installment sales and leasing	10	10	-	-	10	-	-	(Note 2)
Chailease Cloud Service Co., Ltd.	Sing Chuang Limited Partnership	Taiwan	Installment sales and leasing	10	10	-	-	10	-	-	(Note 3)
Chailease International Company (Hong Kong) Limited	PT Chailease Indosurya Finance	Indonesia	Financing	211,500	211,500	1,125,000	75.00 %	208,859	(5,850)	(4,388)	
"	Chailease Management Consulting Co., Limited	Hong Kong	Consulting	1,949	-	-	100.00 %	1,949	-	-	
Chailease JLK Capital Co., Ltd.	Asia Sermkij Leasing Public Co., Ltd. and its subsidiaries	Thailand	Installment sales of automobiles	1,194	-	50	0.01 %	739	194,531	28	

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

Note 2: Chailease Consumer Financial Co., Ltd. is limited partner, and Chailease Credit Services Co., Ltd. is general partner.

Note 3: Chailease Specialty Financial Co., Ltd. is limited partner, and Chailease Cloud Services Co., Ltd. is general partner.

(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 March 31, 2020	Net Income (Losses) of the Investee	Percentage of Ownership	Share of profits/losses (Note 2)	Carrying Amount as of March 31, 2020	Accumulated Inward Remittance of Earnings as of March 31, 2020
					Outflow	Inflow						
Chailease International Finance Corporation	Leasing	10,656,745	(2)	-	-	-	-	2,040,235	97.85 %	1,996,370	32,579,274	3,113,175
Chailease Finance International Corp.	Leasing	1,813,500	(2)	-	-	-	-	230,056	98.39 %	226,352	4,426,868	-
Chailease International Corp.	Trading	851,000	(2)	-	-	-	-	93,423	97.85 %	91,414	4,334,988	-
Jirong Real Estate Co., Ltd.	House property leasing and management	723,350	(2)	-	-	-	-	3,040	97.85 %	2,975	761,371	-
DMC Energy Management Services (Shenzhen) Co., Ltd.	Environmental business	106,375	(2)	-	-	-	-	877	19.57 %	377	20,073	-

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 audited 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.

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

3. Significant transactions:

The aforementioned inter company transaction have been eliminated upon consolidation for the three months ended March 31, 2020, please refer to Note (13) (a).

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

(14) Segment Information

Operating segments financial information:

	For the three months ended March 31, 2020					
	Taiwan	China	ASEAN	Others	Elimination	Total
Revenue						
Revenue from external customers	\$ 7,033,839	5,139,084	1,666,822	102,772	-	13,942,517
Intersegment revenues	359,705	35,356	52,007	22,719	(469,787)	-
Total revenue	\$ 7,393,544	5,174,440	1,718,829	125,491	(469,787)	13,942,517
Reportable segment profit or loss	\$ 2,162,124	1,956,972	348,489	(367,538)	-	4,100,047
	For the three months ended March 31, 2019					
	Taiwan	China	ASEAN	Others	Elimination	Total
Revenue						
Revenue from external customers	\$ 5,819,699	5,574,438	1,408,695	92,893	-	12,895,725
Intersegment revenues	303,878	20,229	36,811	19,739	(380,657)	-
Total revenue	\$ 6,123,577	5,594,667	1,445,506	112,632	(380,657)	12,895,725
Reportable segment profit or loss	\$ 1,756,541	1,618,654	277,331	42,893	-	3,695,419