METATECH CORPORATION LIMITED COMPANY AND SUBSIDIARIES

Consolidated Financial Statements and

Accountants' Review Report

2018 and the third season of 2017

(Stock Code 3224)

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MetaTech

MetaTech Corporation Limited Company And Subsidiaries
2018 and the second season of 2017
Consolidated Financial Statements and
Accountants' Review Report Contents

MetaTech

PricewaterhouseCoopers Taiwan

Accountants' Review Report

(107) Financial Audit Report No. 18001072

I. Foreword:

Consolidated Balance Sheet of MetaTech Corporation Limited Company and Subsidiaries (hereinafter referred to as " MetaTech Group") for the year of 2018 and September 30, 2017, Consolidated Comprehensive Income Statement for the year of 2018 and for a period from July 1, 2017 to September 30, 2017 and for the year of 2018 and for a period from January 1, 2017 to September 30, 2017, Consolidated Statement of Shareholders Equity, Consolidated Statement of Cash Flows and Note of the Consolidated Financial Statements (including major accounting policy summaries) for the year of 2018 and for a period from January 1 to September 30, 2017 have been already audited by the Accountant.

Consolidated Financial Statements was prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" in all major respects, IAS No.34 "Interim Financial Statements" approved by the Financial Supervisory Commission. It is the responsibility of the management of the Company. The responsibility of the accountant is to draw conclusions on the Consolidated Financial Statements based on the results of the review.

II. Scope:

The accountant performs the review in accordance with Statements on Auditing Standards No. 65 "Review of Financial Statements". The procedures performed in reviewing the Consolidated Financial Statements include enquiries (primarily to those responsible for financial and accounting matters), analytical procedures and other verification procedures.

The scope of the review work is obviously less than the scope of the audit work. Therefore, the accountant may not be able to detect all the significant matters that can be identified by the audit work, so it is impossible to indicate the check opinion.

III. Completion

According to the certified by the accountants, the Company did not find the consolidated financial statements in the first paragraph in violation of the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" in all major respects, IAS No.34 "Interim Financial Statements" approved by the Financial Supervisory Commission requires amendment not to express the consolidated financial situation of MetaTech Group for the year of 2018 and September 30, 2017, and the consolidated financial performance for the year of 2018 and from July 1 to September 30, 2017, for the year of 2018 and from January 1 to September 30, 2017, and the consolidated cash flow situation for the year of 2018 and from January 1 to September 30, 2017.

Accountants

Zhi Bing Jun　　　　Xu Ming Chuan

PricewaterhouseCoopers Taiwan

October 31, 2018

Financial Supervisory Commission Approval of number：Finance Securities NO.1050029449

Former Ministry of Finance Securities Commission Approval of number：

(88) Taiwan Finance Securities（6）NO. 16120

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MetaTech

METATECH Corporation Limited Company and Subsidiaries

Consolidated Comprehensive Income Statement

(2018, and September 30, 2017 Only verified, not check in accordance with generally accepted auditing standards)

Unit: NT $ Thousand

			September 30, 2018		December 31, 2017		September 30, 2017	
	Assets	reference	Amounts	%	Amounts	%	Amounts	%
	Current Assets							
1100	Cash and Cash Equivalents	6(1)and8	$ 519,950	40	$ 203,163	26	$ 178,025	23
1150	Net Notes Receivable	6(2)	4,270	-	3,874	1	4,353	1
1170	Net Accounts Receivable	6(2)	305,080	24	301,819	39	309,571	40
1200	Other Receivables		11,797	1	12,867	2	3,124	-
1220	Current Income Tax Assets		14	-	1	-	1	-
130X	Inventories	6(3)	108,865	8	105,216	13	110,107	14
1410	Prepayment		5.084	-	2,737	-	5,314	1
1470	Other Current Assets	8	9,587	1	8,759	1	10,561	1
11XX	Total Current Assets		964,647	74	638,435	82	621,056	80
	Non-Current Assets							
1600	Property, Plant And Equipment	6(4)and8	152,333	12	84,031	11	64,340	9
1780	Intangible assets	6(6)	103,543	8	13,860	2	-	-
1840	Deferred Income Tax Assets	6(17)	39,923	3	30,209	4	25,691	3
1900	Other Non-Current Assets	6(5)and8	37,400	3	13,161	1	61,016	8
15XX	Total Non-Current Assets	6(7)	333,199	26	141,261	18	151,047	20

1XXX	Total Assets		$ 1,297,846	100	$ 779,696	100	$ 772,103	100
	Liabilities and equity							
2130	Contract Liabilities-Current	6(14)	$ 6,054	1	-	-	-	-
2150	Notes Payable		3,182	-	422	-	142	-
2170	Accounts Payable		149,560	12	145,025	19	142,457	18
2200	Other Payables		25,658	2	14,295	2	16,335	2
2230	Current Tax Liabilities	6(17)	5,427	-	2,541	-	4,378	-
2250	Debt reserves - Current	6(9)	4,433	-	4,433	-	4,433	1
2300	Other Current Assets		1,034	-	6,947	1	5,867	1
21XX	Total Current Liabilities		195,348	15	173,663	22	173,612	22
	Non-Current Liabilities							
2570	Deferred Income Tax Liabilities	6(17)	11,111	1	6,515	1	5,221	1
2600	Other Non-Current Asset		-	-	3	-	3	1
25XX	Total Non-Current Liabilities		11,111	1	6,518	1	5,224	1
2XXX	Total Liabilities		206,459	16	180,181	23	178,836	23
	Equity Attributable to the Owners of the Parent Company							
	Capital	6(11)						
3110	Capital - Common Share		580,160	45	440,160	56	440,160	57
	Additional Paid-In	6(12)						

	Capital							
3200	Additional Paid-In Capital		613,565	47	234,624	30	234,624	30
	Retained Earnings	6(13)						
3350	Deficit to be offset Other Equity		(89,710)	(7)	(55,630)	(7)	(66,360)	(8)
	Other Equity							
3400	Other Equity		(12,628)	(1)	(19,639)	(2)	(15,157)	(2)
31XX	Total Equity Attributable to the Owners of the Parent Company		1,091,387	84	599,515	77	593,267	77
3XXX	Total Equity		1,091,387	84	599,515	77	593,267	77
	Significant Commitments and Contingent Liabilities	9						
	Significant matters after the event	10						
3X2X	Total Liabilities and Equity		$ 1,297,846	100	$ 779,696	100	$ 772,103	100

The accompanying notes to the consolidated financial statements are one part of the consolidated financial reports, please refer it too.

Chairman: Leaward Hu Manager: David Tang Account Manager: Ben Chan

MetaTech

METATECH Corporation Limited Company and Subsidiaries

Consolidated Comprehensive Income Statement

(2018, and From January 1, 2017 to September 30, 2017)

(Only verified, not check in accordance with generally accepted auditing standards)

Unit: NT $ Thousand

(Except for (earnings) loss NT $ per share)

			July 1, 2018 - September 30, 2018		July 1, 2017 - September 30, 2017		January 1, 2018 - September 30, 2018		January 1, 2017 - September 30, 2017	
	Assets	reference	Amounts	%	Amounts	%	Amounts	%	Amounts	%
4000	Operating Revenue	6(14)and14	$ 368,857	100	$ 359,566	100	$ 1,124,936	100	$1.081.972	
5000	Operating Costs	6(3)and16	(331,661)	(90)	(322,716)	(90)	(1,005,730)	(89)	(963,561)	(89)
5950	Net Gross Profit		37,196	10	35,840	10	119,206	11	118,411	11
	Operating Expenses	6(8)(16)(19)								
6100	Selling Expenses		(28,124)	(8)	(26,915)	(8)	(89,099)	(8)	(77,771)	(7)
6200	General Expenses		(22,147)	(6)	(11,376)	(3)	(61,273)	(5)	(29,311)	(3)
6300	Research and development costs		(8,607)	(2)	(2,332)	(1)	(21,145)	(2)	(4,193)	-
6450	Expected credit impairment benefit		(20)	-	-	-	1,637	-	-	-
6000	Total Operating Expenses		(58,896)	(16)	(40,623)	(12)	(169,880)	(15)	(111,275)	(10)
6900	Operation Loss		(21,702)	(6)	(4,783)	(2)	(50,674)	(4)	7,136	1
	Non-Operating Income and Expenses									
7010	Other Income		10,113	3	85	-	11,409	1	2,002	-

7020	Other Gains & Losses	6(15)	(1,756)	-	(608)	-	1,856	-	(8,713)	(1)
7050	Financial Costs		-	-	(21)	-	(17)	-	(690)	-
7000	Total Non-Operating Income and Expenses		8,357	3	(544)	-	13,248	1	(7,401)	(1)
7900	Loss Before Tax		(13,345)	(3)	(5,327)	(2)	(37,426)	(3)	(265)	-
7950	Income Tax Benefit (Expense)	6(17)	1,366	-	(483)	-	3,346	-	(5,228)	(1)
8200	Net Income Other Comprehensive Income (net) Non-reclassified items profit or loss									
8361	Exchange Differences on Translation of Foreign Financial Statements		$ 501	-	($ 74)	-	$ 8,003	1	($ 14,833)	(1)
8399	Income tax related to reclassified items	6(17)	(100)	-	13	-	(992)	-	2,522	-
8360	Determining actuarial benefit (loss) of benefit plan		401	-	(61)	-	7,011	1	(12,311)	(1)
8300	Other comprehensive income (net)		401	-	(61)	-	7,011	1	(12,311)	(1)
8500	Total comprehensive income Profit (Loss) per Share		($ 11,578)	(3)	($ 5,871)	(2)	($ 27,069)	(2)	($ 17,804)	(2)
8610	Owners of Parent Consolidated profit or loss attributable to:		($ 11,979)	(3)	($ 5,810)	(2)	($ 34,080)	(3)	($ 5,493)	(1)
8710	Owners of Parent		($ 11,578)	(3)	($ 5,871)	(2)	($ 27,069)	(2)	($ 17,804)	(2)

	Profit (Loss) per share	6(17)	($ 11,578)	(3)	($ 5,871)	(2)	($ 27,069)	(2)	($ 17,804)	(2)
9750	Profit (Loss) per Share Diluted Profit (Loss) per share		($ 0.21)		($ 0.13)		($ 0.60)		($ 0.13)	
9850	Total diluted loss per share		($ 0.21)		($ 0.13)		($ 0.60)		($ 0.13)	

The accompanying notes to the consolidated financial statements are one part of the consolidated financial reports, please refer it too.

Chairman: Leaward Hu   Manager: David Tang   Account Manager: Ben Chan

METATECH CORPORATION LIMITED COMPANY AND SUBSIDIARIES

Consolidated Statement of Shareholders Equity

Unit: NT $ Thousand

(2018 and From January 1, 2017 to September 30, 2017)

(Only verified, not check in accordance with generally accepted auditing standards)

Equity attributable to owners of parent									
			Capital reserve						
	Reference	Capital - Common Share	Capital reserve - Issue Premium	Capital reserve - Employee Stock options	Capital reserve - Stock options	Capital reserve - Expired stock options	Deficit to be offset	Exchange Differences on Translation of Foreign Financial Statements	Total equity
January 1, 2017 - June 30, 2017									
Balance on January 1, 2017		$ 400,000	$ 120,716	$ -	$ 5,205	$ 84	($ 60,807)	($ 2,846)	$ 462,292
Consolidated net loss		-	-	-	-	-	(5,493)		(5,493)
Other comprehensive net		-	-	-	-	-	-	(12,311)	(12,311)

income									
Total comprehensive net income		-	-	-	-	-	(5,493)	(12,311)	(17,804)
Convertible bonds convert common stock	(6)(7)(11) (20)	40,160	113,824	-	(5,205)	-	-	-	148,779
Balance on September 30, 2017		$ 440,160	$ 234,540	$ -	$ -	$ 84	($ 66,360)	($ 15,157)	$ 593,267
January 1, 2018 - September 30, 2018									
Balance on January 1, 2018		$ 440,160	$ 234,540	$ -	$ -	$ 84	($ 56,630)	($ 19,639)	$ 599,515
Consolidated net profit		-	-	-	-	-	(34,080)	-	(34,080)
Other comprehensive net income		-	-	-	-	-	-	7011	7011
Total		-	-	-	-	-	(34,080)	7011	(27,069)

comprehensive net income									
Cash capital increase	6(11)	140,000	364,0000	-	-	-	-	-	504,000
Compensation expenses for share-based payment	6(10)	-	2,665	12,276	-	-	-	-	14,941
Balance on September 30, 2018		$ 580,160	$ 601,205	12,276	-	$ 84	($ 89,710)	($ 12,628)	($ 1,091,387)

The accompanying notes to the consolidated financial statements are one part of the consolidated financial reports, please refer it too.

Chairman: Leaward Hu　　Manager: David Tang　　Account Manager: Ben Chan

METATECH CORPORATION LIMITED COMPANY AND SUBSIDIARIES

Consolidated Statement of Cash Flows

2018 and From January 1, 2017 to September 30, 2017

((Only verified, not check in accordance with generally accepted auditing standards)

Unit: NT $ Thousand

	Reference	From January 1, 2018 to September 30, 2018	From January 1, 2017 to September 30, 2017
Cash Flows From Operating Activities			
Current net loss before tax			
Adjustments		($ 37,426)	($ 265)
Income Charges			
Depreciation	(6)(4)(16)	4,636	4,136
Amortization expense	(6)(16)	536	508
Allowance (reversal) for doubtful accounts	6(2)and12(4)	(1,637)	(3,673)
Net profit and loss on financial assets and liabilities measured at fair value through profit or loss	6(15)and12(4)	-	308
Interest Expense		17	28
Amortization of corporate bonds payable		-	662
Interest Income		(469)	(355)
Compensation expenses for share-based payment	6(10)	14,941	-
Disposal of loss of property, plant and equipment	6(4)	24	-
Unrealized foreign exchange (interest) losses		(833)	(4,438)
Changes In Operating Assets And Liabilities			
Net Changes in Operating Assets			
Financial asset or liability held for trading		-	(4,780)
Notes Receivable		(396)	1,143
Accounts Receivable		(1,626)	(64,542)

Other Receivables		1070	(194)
Prepayments		(2,347)	(2,255)
Inventories		(3,649)	(3,149)
Other Current Assets		(744)	(2,399)
Net defined benefit assets	6(8)	(36)	(14)
Net change in liability related to operating activities			
Contract liability		1,647	-
Notes Payable		2,760	(128)
Accounts Payable		4,535	(7,766)
Other Payables		11,363	(15,120)
Other Current Liabilities		(1,506)	(3,261)
Cash Inflows (Outflows) From Operations		(9,163)	(87,118)
Interest Charged Incomes		469	354
Interest Paid Expenses		(17)	(28)
Income Tax Paid		(14)	(900)
Net Cash Inflows (Outflows) from Operating Activities		(8,725)	(87,692)
Cash Flows from Investing Activities			
(Increase) Decrease in restricted assets		(84)	210
Purchase of Real Estate, Plant and Equipment	6(4)(20)	(72,923)	(8,486)
Decrease(Increase) in refundable deposits		(728)	(292)
Increase in Other Noncurrent Assets	6(6)	(24,011)	(37,931)
Acquiring intangible assets		(89,683)	-
Net Cash Inflow(Outflows) from Investing Activities		(187,429)	(46,499)
Net Cash Flow from Finance Activates			
Current Borrowing of Short-Term Loans		20,000	65,000
Current Repayments of Short-Term Loans		(20,000)	(65,000)
Cash capital increase	6(11)	504,000	-
Decrease in Other non-current assets		(3)	-
Net Cash Inflows (Outflows) From Finance		503,997	-

activities			
Impact of changes in exchange rates on cash and cash equivalents		8,944	(19,250)
Net Increase(Decrease) In Cash and Cash Equivalents		316,787	(153,441)
Cash and Cash Equivalents at Beginning of Year		203,163	331,466
Cash and Cash Equivalents at End of Year		$ 519,950	$ 178,025

The accompanying notes to the consolidated financial statements are one part of the consolidated financial reports, please refer it too.

Chairman: Leaward Hu   Manager: David Tang   Account Manager: Ben Chan

MetaTech Corporation Limited Company and Subsidiaries

Notes to the consolidated financial statements

2018 and the third season of 2017

(Only verified, not check in accordance with generally accepted auditing standards)

Unit: NT $ Thousand

(Except special note)

A. The Company history

MetaTech Corporation Limited Company (Hereinafter referred to as "the Company") and Subsidiaries（ Hereinafter the Company and subsidiaries referred to as "the Group"）is according to the Company Law of the Republic of China in September 1998 set up, the main business are electronic materials and biomedical related business development and operation of the business. The stock of the Company pursued the approval of the Financial Supervision and Administration Commission to trade over the counter on Taipei Exchange, and was officially listed on June 3, 2004.

B. The date and procedure for the adoption of the financial report

The consolidated financial report was published on October 31, 2018 after it was submitted to the board of directors.

C. New release and revision of standards and interpretation of the application

a. The impact of the newly issued revised IFRS approved by the Financial Supervisory Commission ("FSC") has been adopted.

The following table summarizes the new issued amendments and amendments to the IFRS guidance and interpretations applicable to the 2018 IFRS:

New release / amendment / amendment guidelines and explanations	The effective date of the release of the International Accounting Standards Board
Amendments to IFRS No.2, "Classification and Measurement of Share-based Payment Transactions"	January 1, 2018
Amendments to IFRS No.4 "Method of applying IFRS No.9 "Financial Instruments" that are IFRS No.4 insurance contracts"	January 1, 2018
IFRS No.9 "Financial Instruments"	January 1, 2018
IFRS No.15 "Revenue from Contracts with Customers"	January 1, 2018
Amendments to IFRS No.15, " Explanation of IFRS No.15 "Revenue from Customer Contract" "	January 1, 2018
Amendments to IAS No.7 "Unveil the initiative"	January 1, 2017
Amendments to IAS No.12 "Recognition of unrealized losses on deferred tax assets"	January 1, 2017
Amendments to IAS No.40 "Conversion of investment real estate"	January 1, 2018
International Financial Reporting Interpretation No. 22 "Foreign currency transactions and prepayment	January 1, 2018

consideration"	
Annual Improvements to the 2014-2016 Cycle - IFRS No.1, "First-time Adoption of International Financial Reporting Standards"	January 1, 2018
Annual Improvements to the 2014-2016 Cycle - IFRS No.12 "Exposure to the Interests of Other Individuals"	January 1, 2017
Annual Improvements to the 2014-2016 Cycle - IAS No.28, "Investments in Affiliates and Joint Ventures"	January 1, 2018

P.S.

Except as described below, the Group's assessment of the above criteria and interpretations has no material impact on the Group's financial position and financial performance.

When the Group first applied the International Financial Reporting Standard No. 15 (hereinafter referred to as “IFRS15”), it chose not to rewrite the previous financial statements and adopt the revised retrospective transitional provisions and selects only the income-related advance receipts for other current liabilities as of January 1, 2018, which is reclassified by their nature to the contractual liabilities-current. The effects are summarized as follows:

1. Expression of contract liabilities

Due to the application of the relevant provisions of IFRS 15, the Group revised some of the accounting items expressed in the balance sheet as follows:

In accordance with IFRS 15, the recognition of contractual liabilities relating to sales revenue contracts was expressed as other current liabilities on the balance sheet during the reporting period, with a balance of $4,407 as of April 1, 2018.

2. Please refer to Note 12 (V) for the impact of the initial application of IFRS15

b. The impact of the newly issued revised IFRSs approved by the FSC has been adopted

The following table sets out the criteria and interpretation of the new release, amendment and amendment of the International Financial Reporting Standards applicable to the 2019 approved by the FSC:

New release / amendment / amendment guidelines and explanations	The effective date of the release of the International Accounting Standards Board
Amendment to International Financial Reporting Standard No. 9 "Advance Repayment Characteristics with Negative Compensation"	January 1, 2019
International Financial Reporting Standard No. 16 "Leases"	January 1, 2019
Amendments to IAS 28 “Long-term interests in affiliates and joint ventures”	January 1, 2019
International Financial Report Interpretation No. 23 “Understanding Income Tax Treatment”	January 1, 2019
Annual improvement of the 2015-2017	January 1, 2019

P.S.

Except as described below, the Group's assessment of the above criteria and interpretations has no material impact on the Group's financial position and financial performance.

International Financial Reporting Standard No. 16 "Leases"

International Financial Reporting Standard No. 16 “Leases” supersedes IAS 17 “Leases” and related explanations and interpretations. This standard requires the lessee to recognize the right-of-use asset and the lease liability (except for leases with assets less than 12 months or low-value assets); The lessor's accounting treatment is still the same, and it is treated according to the two types of operating lease and financial lease, only the relevant disclosure is added.

The Group's report to the Board of Directors in the first quarter of 2018, the impact of the International Financial Reporting Standard No. 16 on the Group is not significant.

c. Impact of IFRSs issued by the International Accounting Standards Board but not yet approved by the FSC

The following table summarizes the new issued amendments and amendments to IFRSs that have been issued by the International Accounting Standards Board but not yet incorporated into the 2018 IFRS which are approved by the FSC:

New release / amendment / amendment guidelines and explanations	The effective date of the release of the International Accounting Standards Board
Amendment to International Financial Reporting Standard No. 3 "Definition of Business"	January 1, 2020
Amendments to International Financial Reporting Standard 10 and IAS 28 “The sale or investment of assets between investors and their affiliates or joint ventures”	Waiting for being determined by the International Accounting Standards Board
International Financial Reporting Standard No. 17 "Insurance Contracts"	January 1, 2021

The Group's assessment of the above criteria and interpretations has no material impact on the Group's financial position and financial performance.

D. A summary of significant accounting policies

The principal accounting policies used in the preparation of the consolidated financial statements are explained below. Unless stated, such policies apply uniformly throughout all reporting periods.

a. Follow the statement

The consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS No.34 "Interim Financial Reporting" which the FSC recognized.

b. The basis of preparation

1. Except for the following important items, the consolidated financial statements have been prepared based on historical cost：

2. Financial assets and liabilities measured at fair value through profit or loss at fair value (including derivatives).

3. Defined welfare assets recognized as net present value of defined benefit obligations based on the assets of the pension fund.

4. The preparation of the financial statements in conformity with the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretations ("IFRSs") approved by the FSC requires the use of certain critical accounting estimates, in the process of applying the Group's accounting policies, management also needs to make judgments, items that involve a high degree of judgment or complexity, or involve significant assumptions and estimates of the consolidated financial statements. Please refer to Note 5 for further details.

5.The Group applied IFRS 9 and IFRS 15 for the first time on January 1, 2018. It is a retained surplus or other interest recognized on January 1, 2018 by a modified retrospective. The 2017 financial statements and notes have not been reorganized. 2017 is based on International

Accounting Standards No. 39 (hereinafter referred to as "IAS 39"), International Accounting Standards No. 11 (hereinafter referred to as "IAS 11"), and International Accounting Standards No. 18 (hereinafter referred to as "IAS 18") and the preparation of the relevant announcements and explanations, please refer to Note 12, (IV) and (V) for the significant accounting policies adopted.

c. The basis of merger

1. Merger financial report preparation principles

1.1 The Group includes all its subsidiaries in the consolidated financial statements. Subsidiaries are individuals (including structured individuals) that are controlled by the Group, when the Group is exposed to remuneration derived from participation in the entity or has a right to receive such remuneration, and through the power of the individual to have the ability to influence the remuneration, that’s meaning the Group controls the individual.

1.2 Intra-group transactions, balances and unrealized gains and losses have been eliminated. The accounting policies of subsidiaries have been adjusted are necessary and consistent with the policies adopted by the Group.

1.3 Changes in the shareholding of a subsidiary that do not result in a loss of control (a transaction with a non-controlling interest) are disposed of as an equity transaction and are therefore treated as transactions with the owner. The difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognized directly in equity.

1.4 When the Group loses control of a subsidiary, the remaining investment in the former subsidiary is re-measured at fair value and as the fair value of the originally recognized financial asset or the cost of the original recognized investment in a related party or joint venture, between the fair value and the carrying amount The difference is recognized as current profit or loss. For all amounts previously recognized in other comprehensive income or loss relating to the subsidiary, the accounting for the same is treated as if the Group had disposed of the related assets or liabilities directly, that is, if previously recognized as interests or losses in other comprehensive income, For disposal of related assets or liabilities will be reclassified to profit or loss, and then the gains or losses are reclassified from equity to profit or loss when the control over the subsidiaries is lost.

2. Included in the consolidated financial statements of the subsidiaries：

			Percentage of equity held			
Investment Company	Subsidiaries	Business Nature	Sep.30, 2018	Dec.31, 2017	Sep.30, 2017	Description
Our company	MetaTech Investment Holding Co., Ltd.(MetaTech Investment)	Engaged in holding and reinvestment	100	100	100	Note
〃	Jianhua Travel Service Co., Ltd	Engaged in tourism business	100	100	100	〃
MetaTech Investment	MTI Holding Co., Ltd.(MTI Holding)	Engaged in holding and reinvestment	100	100	100	〃
MTI Holding	MetaTech (S) Pte Ltd. (MetaTech(SZ)	Electronic materials wholesale and retail	100	100	100	〃
〃	MetaTech Ltd.	Electronic materials wholesale and retail	100	100	100	〃
MetaTech Ltd	MetaTech (SZ)	Electronic	100	100	100	〃

	(MetaTech (SZ)	materials wholesale and retail				

Note 1: In the year of 2018 and on September 30, 2017 were prepared according to the financial reports audited by the Company's auditors over the same period in the consolidated financial statements; On December 31, 2017 according to the Company over the same period by the certified public accountants of the financial statements incorporated in the consolidated financial statements.

Note 2: Due to the non-compliance with the definition of important subsidiaries, its financial report of September 30, 2017 has not been reviewed by accountants.

Note 3: Subsidiaries not included in the consolidated financial statements: None.

Note 4: Subsidiary accounting period different adjustment and treatment: None.

Note 5: Major Limitations: Cash and short-term deposits of $ 9,058 are deposited in China and subject to local foreign exchange controls. (Except for normal dividends)

Note 6: Subsidiaries that have material non-controlling interests to the Group: No.

d. Foreign Currency Exchange

Entries included in each individual financial report of the Group are measured in the currency of the primary economic environment in which the individual operates (functional currency). The consolidated financial statements are presented using the functional currency "NT $" of the Company as the currency of presentation.

1. Foreign currency transactions and balances
2. Foreign currency transactions are exchanged into the functional currency using the spot exchange rate on the trading day or measurement date to exchange differences arising on translation of these transactions are recognized as profit or loss for the period.
3. The balance of foreign currency monetary assets and liabilities shall be evaluated and adjusted

according to the spot exchange rate at the balance sheet date. The difference arising from the adjustment shall be recognized as current profit or loss.

4. The balance of foreign currency non-monetary assets and liabilities is measured at fair value through profit or loss and is adjusted based on the spot exchange rate at the balance sheet date. Exchange differences arising from the adjustment are recognized as profit or loss for the current period; Others are measured at fair value through other comprehensive income, at the spot exchange rate on the balance sheet date, the exchange differences arising from the adjustments are recognized in other comprehensive income; Non-fair value measurement is based on the historical exchange rate of the initial trading day.
5. All exchange gains and losses are reported "other benefits and losses" in the statement of profit or loss.
6. Conversion of foreign operating agencies

   For all group entities with different functional currency and presentation currency, their business results and financial position are translated into the currency of presentation in the following manner:
7. Assets and liabilities expressed in each of the balance sheets are translated at the closing rates at the balance sheet date;
8. Revenues and losses expressed in each consolidated statement of profit or loss are translated using the average exchange rates for the period; and
9. All exchange differences arising on conversion are recognized in other comprehensive income.

e. The classification criteria for the distinction between current and non-current assets and liabilities

1. Assets meet one of the following conditions, classified as current assets:
2. It is expected that the asset will be realized in the normal course of business, or it is intended to be sold or consumed by consumers.
3. Mainly for the purpose of trading.

4. Expected to be realized within 12 months after the balance sheet date.
5. In cash or cash equivalents, except at the balance of 12 months after the balance sheet date, for exchange or for settlement of liabilities.

The Group classifies all the assets that do not meet the above criteria as non-current.

6. A liability that meets one of the following conditions is classified as current liabilities:
7. The liquidation is expected in the normal operating cycle.
8. Mainly for the purpose of trading.
9. Expected to be settled within 12 months after the balance sheet date.
10. The liquidation term cannot be unconditionally extended to at least 12 months after the balance sheet date. The terms of a liability may depend on the counterparty's choice of the issuer of an equity instrument to incur liquidation without affecting its classification.

The Group classifies all liabilities that do not meet the above criteria as non-current.

E. Cash equivalents

When the cash system refers to short-term and highly liquid investments, the investment can be converted into cash in a timely manner and the risk of change in value is small. Regular deposits that meet the above definition and are held for the purpose of meeting short-term cash promisers in operation are classified as cash equivalents.

F. Financial assets at fair value through profit or loss

1. It refers to the case of non-amortized cost measured by the measure or at fair value through other comprehensive income of the financial assets.
2. The Group's financial assets at fair value through profit or loss that are in line with the trading practices are measured using trading date accounting.
3. The Group is measured at fair value on the basis of fair value. The related transaction costs are recognized in profit or loss. Subsequent to the fair value, the benefits or losses are recognized in profit or loss.

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G. Accounts receivable and notes receivable

1. It refers to the accounts and bills that have been unconditionally charged for the right to exchange the value of the consideration due to the transfer of goods or services.
2. Short-term accounts receivable and notes that are unpaid interest, the effect of discounting is not significant, the Group is measured by the original invoice amount.

H. Impairment of financial assets

After each of the Group's financial assets measured at amortized cost and accounts receivable with significant financial components, all reasonable and provable information (including forward-looking) is considered at each balance sheet date. For the credit risk that has not increased significantly since the original recognition, the allowance loss is measured by the 12-month expected credit loss amount; for those who have significantly increased the credit risk since the original recognition, the allowance loss is measured by the amount of credit loss expected during the existence period; for the accounts receivable that do not contain the significant financial component, the allowance loss is measured by the amount of expected credit loss during the duration.

I. Excluding financial assets

When the Group lacks the contractual rights to receive cash flows from a financial asset, the Group will exclude the financial assets.

J. Business Lease (lessor)

Lease income from operating leases net of any incentives given to the lessee is amortized on the straight-line basis over the period of the lease recognized as current profits and losses.

K. Inventory

The cost of inventories is measured by the lower of the cost and the net realizable value, and the cost is determined according to the first-in-first-out method. When the comparative cost is lower than the net realizable value, the comparative method is adopted, and the net realizable value refers to the balance of the estimated selling price in the ordinary course of business less the relevant selling expenses.

L. Property, plant and equipment

1. The immovable property, plant and equipment are accounted for based on the acquisition cost and the relevant interest during capitalization period is capitalized.
2. Subsequent costs only included in the asset's carrying amount or recognized as a separate asset is its possible future economic benefits associated with the item that are likely to flow to the Group and the cost of the item can be measured reliably. The book value of the portion that is reset should be divided by columns. All other maintenance costs are recognized as a current profit or loss when incurred.
3. Subsequent measurement of the cost-recovery model for real estate, plant and equipment depreciates on a straight-line basis over the estimated useful life, excluding depreciation of land. Depreciation is provided separately for the individual components of the property, plant and equipment if the components are material.
4. At the end of each financial year, the Group reviews the residual values, useful lives and depreciation methods of each asset. If the expected value of the salvage value and the useful life are different from previous estimates, or the future economic benefits of the asset Expected changes in consumption patterns have been accounted for as of the change in accounting estimates in IAS No.8, "Changes in accounting policies, accounting estimates and errors" from the date of change. The useful life of each asset is as follows:

Housing and building	**5 years**
Mechanical equipment	**3～5 years**
Transportation equipment	**3～5 years**
Office equipment	**3～5 years**

Lease improvement	**3～5 years**
Other equipment	**3～5 years**

M. Business Lease (Tenant)

Operating lease payments, net of any incentives received from the lessor, are amortized on a straight-line basis over the lease terms as profit or loss for the period.

N. Intangible assets

1. Expertise:

It mainly acquires the expertise of regenerative medicine, and obtains the cost as the basis for accounting. It is amortized according to the straight-line method with an estimated durability of 10 years.

2. Goodwill:

Goodwill is generated by merger and acquisition of corporate mergers.

O. Impairment of non-financial assets

1. The Group estimates the recoverable amount of assets with signs of impairment as at the balance sheet date. If the recoverable amount is less than its carrying amount, the Group recognizes the impairment loss. Recoverable amount is the fair value of an asset less costs of disposal or its value in use, whichever is higher. In addition to goodwill, when there is no asset impairment loss recognized in previous years, the impairment loss will be reversed, except for the increase of the carrying amount of the asset due to the impairment loss, not exceeding the carrying amount of the asset after deducting depreciation or amortization if no impairment loss has been recognized.
2. Goodwill and the intangible assets that are not yet available for use are regularly estimated for their recoverable amount. When the recoverable amount is lower than its book value, the impairment loss is recognized. Impairment losses on goodwill are not reversed in subsequent years.
3. Goodwill is allocated to the cash-generating unit for the purpose of impairment testing. This

sharing is based on the recognition by the operating department to allocate goodwill to the group of cash-generating units or groups of cash-generating units that are expected to benefit from the business combination that generated goodwill.

P. Borrowing

It is a short-term payment to the bank. The Group measures the fair value less the transaction cost at the time of original recognition, and any subsequent difference between the price and the redemption value after deducting the transaction cost,

The effective interest method is used to recognize the interest expense in profit or loss during the circulation period according to the amortization procedure.

Q. Accounts payable and notes payable

1. It refers to the debts incurred as a result of the purchase of goods and the notes payable due to business and non-business.
2. The short-term accounts payable and notes that are unpaid interest are not affected by the discount. The Group measures the original invoice amount.

R. Financial liabilities at fair value through profit or loss

1. The principal purpose of the occurrence is repurchased in the near future and the holding of financial liabilities for trading in addition to the derivatives designated by the hedging accounting as hedging instruments.
2. The Group's profit or loss is recognized in profit or loss when measured at fair value through profit or loss.

S. Convertible bonds payable

The convertible bonds payable by the Group, embedded with the conversion rights (that is, the holder's right to convert into ordinary shares of the Group and convert a fixed amount into a fixed number of shares), Put options and Call options, at the time of initial issuance, the issue price is divided into financial assets, financial liabilities or equity according to the conditions of issuance, which are treated as follows:

1. The embedded Put options and Call options: They should be initially stated at their fair value through "financial assets or liabilities at fair value through profit or loss"; Subsequent to the balance sheet date, according to the current fair value evaluation, the difference recognized as "fair value through profit or loss of financial assets (liabilities) interests or losses".
2. The master contract of the convertible bond payable: It is measured at fair value at initial recognition, the difference between the redemption price recognized as premium on bond payable, as an increase or decrease in corporate bonds payable; Subsequent effective interest method is recognized as profit or loss for the current period on the basis of the amortized cost during the bond circulation period, as an adjustment to "finance cost".
3. Embed conversion rights (in accordance with the definition of equity): At the time of initial recognition, the amount of the issued share capital, net of the above "financial assets or liabilities at fair value through profit or loss", and the "net corporate bonds payable" then the remaining value is stated in "Capital reserve - share options", the subsequent no longer re-measure.
4. Any transaction costs directly are allocated to the proportion of the original book value of each of the above components is allocated to each component of the liability and equity.
5. When the holder changes, the liability component (Including "corporate bonds payable" and "financial assets or liabilities measured at fair value through profit or loss") of the accounting, according to the classification of the follow-up measurement method to deal with, the book value of "capital surplus - share options" is added as the issue cost of the common shares in exchange for the book value of the components of the liability plus the above.

T. Excluding financial liabilities

The Group excludes financial liabilities when the obligations specified in the contract are fulfilled, cancelled or expired.

U. Debt preparation

A liability arising from the Group's preparation is a present statutory or constructive obligation as a result of past events and is likely to require the release of an economically viable resource to satisfy the obligation, and the amount of the obligation can be recognized reliably when estimated. The measurement of a liability is measured by the present value of the best estimate of the necessary expenses to settle the obligation on the balance sheet date, the discount rate uses a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the liabilities and the discount is recognized as interest expense. Future operating loss may not be recognized as a liability.

V. Employee benefits

a. Short-term employee benefits:

Short-term employee benefits are measured at the non-discount of expected payments and are recognized as a fee when the related services are rendered.

b Pensions

1.Determine the drafting plan

For the purpose of determining the transfer plan, the amount of retirement fund to be appropriated should be recognized as the current cost of the pension based on the basis of the accrual basis. Prepayments Advances are recognized as assets to the extent that cash is repayable or future payments are reduced.

2. Determine the welfare plan

3. The net obligation under a defined benefit plan is calculated by discounting the future benefits earned by employees in current or past service and dividing the fair value of the plan assets by the present value of the defined benefit obligations at the balance sheet date and the unrecognized Pre-column service costs. The defined net benefit obligation is calculated annually by the actuary using the expected unit benefit method, which is determined by reference to the market yield of high-quality corporate bonds at the balance sheet date that is consistent with the

currency and period of the defined benefit plan; in the high-quality corporate debt countries with deep markets use the market rate of government bonds (at the balance sheet date).

4. The re-measurement of the defined benefit plan was recognized in other comprehensive income in the period in which it was incurred and expressed as a measure of retained earnings.

5.The related costs of the service costs of the prior period are recognized immediately as profit or loss.

6. Interim pension costs are calculated on the actuarially-determined pension cost rate using the end of the previous financial year, based on the year-begin to the current period. If significant market changes and material curtailments, liquidations or other major one-time items have been made after the end date, adjustments will be made and relevant information disclosed in the light of the aforesaid policies.

c. Leave benefits

Leave benefits are the benefits that are provided to employees on termination of employment prior to the normal retirement date or in the event that they decide to accept the company's welfare offer in return for termination of employment. The Group recognizes the cost of an offer to cease to be able to revoke the leave benefits or recognize the earlier of the relevant restructuring costs. It is not expected that the benefits fully repaid within 12 months after the balance sheet date should be discounted.

d. Employee Bonus and Director and Supervisor's Remuneration

Employees' bonus and director and supervisor's remuneration are recognized as expenses and liabilities when there is a legal or constructive obligation and the amount can be reasonably estimated. If there is any discrepancy between the actually allotted amount and the estimated amount of the resolution in the shareholders' meeting, the change shall be dealt with according to the accounting estimation. In addition, the Group calculates the share dividend based on the fair value per share of the first day of the next annual shareholders' meeting of the financial reporting year, taking into account the amount of dividends after the ex-dividend

W. Employee share-based payment

The share-based payment agreement for equity delivery is based on the employee's labor service obtained by measuring the fair value of the equity goods given to Japan and Japan. It is recognized as a remuneration cost in the vested period and is relatively adjusted. The fair value of equity goods should reflect the impact of the market conditions. The recognition of the remuneration costs is adjusted as the number of rewards expected to meet the conditions of service and non-market conditions, until the final recognition amount is recognized by the vested date.

X. Income tax

1. Income tax expense includes current and deferred income tax. Income tax is recognized in profit or loss, except when income tax relating to items included in other comprehensive income or directly in equity is included in other comprehensive income or directly in equity, respectively.
2. Current income tax is based on the country in which the Group operates and generates taxable income, using tax rates that have been enacted or substantively enacted at the balance sheet date. Management regularly assesses the status of income tax returns on the applicable laws applicable to income tax and, where applicable, estimates the income tax liabilities based on tax expected to be paid to tax authorities. Income tax on unallocated income tax is subject to 10% of the income tax, and on the distribution of actual earnings after the distribution of surplus earnings through the shareholders' meeting, the remaining 10% of unallocated income tax expense is recognized in the next year of the earning year.
3. Deferred income tax is recognized using the balance sheet method, using the temporary differences arising on the basis of the tax on assets and liabilities and their carrying amounts in the

consolidated statement of balance sheet. Deferred tax liabilities arising from the goodwill on the initial recognition are not recognized if the deferred income tax arises from the transaction (Excluding business combinations), and no accounting profits or taxable gains (tax losses) were not fall them at the time of the transaction, they are not recognized. If the temporary differences arising from investing in subsidiaries, the Group can control the timing of the temporary differences and the temporary differences are likely to not be reversed in the foreseeable future, it will not be recognized. Deferred income tax has been enacted at the balance sheet date or has been substantively enacted and is subject to the tax rates (and tax laws) expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

4. Deferred tax assets are probable to be used to offset future taxable income to the extent that they are probable will be tax and revaluation of unquoted and recognized deferred tax assets on each balance sheet date.

5.When there is law enforcement right to recognize the current income tax assets recognized and the amount of liabilities offset each other and is intended to settle on a net basis or realize both assets and liabilities, the current income tax assets and current income tax liabilities When there is statutory execution right to offset current income tax assets and current income tax liabilities, and the deferred income tax assets and liabilities are taxed by the same taxpayer or the same taxpayers, When the net basis is settled or the assets are simultaneously realized and the liabilities are settled, the deferred income tax assets and liabilities are offset from each other.

6. Income tax expense for the interim period is calculated using the estimated annual average effective tax rate using the pre-tax interest of the interim period and exposes the relevant information in line with the aforementioned policy.

7. When the tax rate changes during the interim period, the Group recognizes the impact once in the current period of the change. For those related to income tax and items recognized in profit or loss, the variable impact is recognized in other comprehensive profit or loss or equity items. For

income tax related to items recognized in profit or loss, the variable impact is recognized in profit or loss.

Y. Share capital

Common shares are classified as equity. The incremental cost directly attributable to the issue of new shares or options is net of tax as a charge on items net of income tax.

Z. Dividend distribution

Dividend distribution to shareholders of the Company is recognized in the financial report when the dividends are distributed in the resolution of the Company's shareholders' meeting. The cash dividends distributed are recognized as liabilities. Dividend distributions are recognized as dividends to be allocated and are reversed on the base date of issue of new shares Common stock and share premium.

AA. Revenue recognition

a. Commodity sales

1. The Group's sales of electronic materials and equipment are recognized when the control of the products is transferred to the customers and the performance of the Group's outstanding performance obligations may affect the acceptance of the products. The delivery of the goods occurs when the product is shipped to a designated location, the risk of obsolescence and loss has been transferred to the customer, and the customer accepts the product under a sales contract, or if there is objective evidence that all acceptance criteria have been met.
2. Sales of electronic materials and equipment are recognized at the contract price, net of estimated sales discounts. The discount to sales to customers is usually based on the cumulative sales volume of the business unit. The Group estimates the sales discount based on historical experience. The amount of revenue recognition is limited to the portion of the future that is highly probable that no significant reversal will occur and is updated on each balance sheet date. The terms of payment for the sales transaction are 30 to 120 days after the shipment date, which the

Group did not adjust the transaction price to reflect the time value of money because the time interval between the goods or services promised by the transfer to the customer and the customer was not more than one year.

3. Accounts receivable are recognized when the goods are delivered to the customer. Since the Group has unconditional rights to the contract price from that point on time, it is only necessary to pass the time to collect the consideration from the customer.

b. Customer contract acquired costs

The incremental costs incurred by the Group in obtaining customer contracts are expected to be recoverable, but the relevant contract period is shorter than the following year, so these costs are recognized as expenses when incurred.

BB. Operations

The Group's operating department information is reported in a manner consistent with the internal management reports provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources to the operating department and assessing its performance. The chief operating decision maker identified as the Group is the board of directors.

CC. Significant accounting judgments, assumptions and major sources of estimation Uncertainty

When preparing the consolidated financial statements, the Group makes significant judgments in adopting the accounting policies and makes significant assumptions and estimates on future events. Judgments and estimates made are continually evaluated and adjusted based on historical experience and other factors. These estimates and assumptions have the risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Please refer to the following statement of the significant accounting judgments, estimates and assumptions that are uncertain:

a. Significant judgments adopted in accounting policies

Total revenue or net recognition

The nature of the commitment of the Group to the customer based on the type of transaction and its economic substance is the performance obligation of the specific goods or services provided by the Group itself (i.e., the Group is the principal) or the performance obligation of the other party to provide such goods or services (i.e. the Group is an agent). When the Group controls the goods or services before transferring certain goods or services to customers, the Group is the chief accountant and recognizes the total amount of consideration for the expected transfer of the specific goods or services. If the Group does not control such goods or services before the transfer of certain goods or services to the customer, the Group is an agent. It is the provision of specific goods or services to the other party for the other party to arrange for any fees or commissions that are entitled to be recognized as income.

The Group determines the control of a commodity or service before it is transferred to a customer based on the following indicators:

1. Has primary responsibility for completing the commitment to provide specific goods or services.
2. Bears the inventory risk before the transfer of specific goods or services to the customer or after the transfer of control.

3 Has the discretion to set a price for a particular good or service.

b. Critical accounting estimates and assumptions

1. The realization of deferred income tax assets

Deferred income tax assets are recognized only where it is probable that future taxable income will be available against which the temporary differences can be utilized. The assessment of the achievability of deferred tax assets must involve significant accounting judgments and estimates by management that include assumptions about expected future revenue growth and profitability, tax holiday periods, available income tax credits and tax planning. Any changes in the global economic environment, industrial environment and changes in laws and regulations may result in major adjustments to deferred tax assets.

Up to September 30, 2018, the Group recognized deferred tax assets of $ 39,923.

2. Inventory evaluation

As inventories are stated at the lower of cost and net realizable value, the Group must use judgment and estimation to determine the net realizable value of inventories on the balance sheet date. Due to the rapid technological change, the Group assesses the amount of inventories due to normal wear and tear, obsolete obsolescence or non-market value at balance sheet date and reduces the cost of inventories to net realizable value. This stock assessment mainly depends on the product demand in a specific period in the future as the basis for estimation and may result in significant changes.

The carrying amount of inventories of the Group on September 30, 2018 was $108,865.

DD. Description of important accounting subjects

a. Cash and cash equivalents

	September 30, 2018	December 31, 2017	September 30, 2017
Stock cash and Revolving funds	$ 418	$ 424	$ 433
Check deposit and demand deposit	522,770	203,893	180,797
Certificate of deposit	4,800	6,800	6,800
	527,988	211,117	188,030
Minus：Allowance for Other Financial Assets - Current	(8,038)	(7,954)	(10,005)
Cash presented to the balance sheet	$ 519,950	$ 203,163	$ 178,025

1. The credit facilities of the financial institutions with which the Group operates are of good quality

and the Group has extensive credit facilities with a number of financial institutions and is expected to have a very low probability of default. As at the balance sheet date, the exposure of the maximum exposure to credit risk is the carrying amount of cash.

2. Please refer to Note 8 for the Group's guarantee of cash provided by the Group.

b. Net accounts receivables

	September 30, 2018	December 31, 2017	September 30, 2017
Notes receivable	$ 4,270	$ 3,874	$ 4,353
Accounts	$ 305,101	$ 303,475	$ 310,140
receivable	4,800	6,800	8,300
Minus：Allowance for bad debts	(21)	(1,657)	(569)
	$ 305,080	$ 301,818	$ 309,571

1. The ageing analysis of accounts receivable is as follows:

	September 30, 2018		December 31, 2017		September 30, 2017	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not overdue	$ 271,623	$ 4,270	$ 262,933	$ 3,874	$ 254,444	$ 4,353
Within 30 days	17,288	-	31,774	-	51,704	-
31-90 days	14,487		6,803		3,208	
91 days or more	1,703	-	1,965	-	784	-
	$ 305,101	$ 4,270	$ 303,475	$ 4,270	$ 310,140	$ 4,353

1. The above is based on the number of days' overdue aging analysis.

2. The Group does not hold any collateral.

3. Please refer to Note 12 (II) for relevant credit risk information of Accounts receivable and Notes receivable.

c. Inventories

September 30, 2018			
	Cost	Allow the decline in value loss	Book value
Commodity	$ 122,281	($ 13,416)	$ 108,865
December 31, 2017			
	Cost	Allow the decline in value loss	Book value
Commodity	117,497	12,281	105,216
September 30, 2017			
	Cost	Allow the decline in value loss	Book value
Commodity	121,829	11,722	110,017

	July-September, 2018	July-September, 2017
The cost of inventories sold	$ 328,005	$ 322,895
Inventory decline in value and inventory retention losses (gain from price recovery of inventory)	3,656	742
Others	-	79
	$ 331,661	$ 323,716
	January-June, 2018	January -June, 2017
The cost of inventories sold	1,004,658	966,022
Inventory decline in value and inventory retention losses (gain from price recovery of inventory)	1,060	(2,614)
Others	12	153
	1,005,730	963,561

The Group generated rebound gains as a result of actively handling the loss on value falling and retention inventories from January 1, 2017 to September 30, 2017.

	Land	House and Building	Mechanical Equipment	Transportation Equipment	Office Equipment	Lease Improvement	Other Equipment	Construction in progress (Note)	Total
January 1, 2018									
Costs	$ 17,209	$ 40,313	$ 7,772	$ 5,328	$ 28,865	$ 12,666	$ 1,626	$ 19,413	$ 133,192
Accumulated depreciation	-	(10,866)	(1,337)	(1,045)	(26,108)	(8,983)	(822)	-	(49,161)
	$17,209	$29,447	$6,435	$4,283	$2,757	$3,683	$804	$19,413	$84,031
January 1, 2018	$17,209	$29,447	$6,435	$4,283	$2,757	$3,683	$804	$19,413	$84,031
Add	-	-	-	-	564	-	-	56,121	56,685
Disposal	-	-	-	-	(24)	-	-	-	
Depreciation expense	-	(395)	(648)	(455)	(425)	(900)	(150)	-	(3063)
Net exchange difference	-	-	-	2	8	10			20
June 30	$ 17,209	$ 29,052	$ 5,787	$ 3,830	$ 2,880	$ 2,703	$ 654	$ 75,534	$ 137,649
June 30, 2018									
Costs	$ 17,209	$ 40,313	$ 7772	$ 5,333	$ 29,462	$ 12,765	$ 1,626	$ 75,534	$190,014
Accumulated depreciation	-	(11,261)	(1,985)	(1,503)	(26,582)	(10,062)	(972)		(52,365)
	$ 17,209	$ 29,052	$ 5,787	$ 3,830	$ 2,880	$ 2,703	$ 654	$ 75,534	$ 137,649

	Land	House and Building	Mechanical Equipment	Transportation Equipment	Office Equipment	Lease Improvement	Other Equipment	Total
January 1, 2017								
Costs	$ 17,209	$ 40,313	$3,733	$ 821	$ 29,088	$ 12,843	$ 1,626	$ 105,633
Accumulated depreciation	-	(10,075)	(415)	(520)	(26,035)	(7,199)	(521)	(44,765)
	$ 17,209	$ 30,238	$ 3,318	$ 301	$ 3,053	$ 5,644	$1,105	$84,031
January 1, 2017	$ 17,209	$ 30,238	$ 3,318	$ 301	$ 3,053	$ 5,644	$1,105	$84,031
Add	-	-	2,838	4,335	-	-	-	7,173
Depreciation expense	-	(395)	(341)	(75)	(575)	(1,120)	(151)	(2,657)
Net exchange difference	-	-	-	(10)	(19)	(44)	-	(73)
June 30	$ 17,209	$ 29,843	$ 5,815	$ 4,551	$ 2,459	$ 4,480	$ 954	$ 65,311
June 30, 2017								
Costs	$ 17,209	$ 40,313	$ 6,571	$ 5,132	$ 28,597	$ 12,609	$ 1,626	$112,057
Accumulated depreciation	-	(10,470)	(756)	(581)	(26,138)	(8,129)	(672)	(46,746)
	$ 17,209	$ 29,843	$ 5,815	$ 4,551	$ 2,459	$ 4,480	$ 954	$ 65,311

For details of the guarantees provided by the real estate, plant and equipment, please refer to Note 8; for capital expenditures, in which the real estate, plant and equipment have been contracted but not yet incurred, please refer to Note IX. (II) 6 for details.

Note: The Group is required to develop innovative technologies for the development of regenerative medicine. Therefore, the laboratory will be built to capitalize the relevant input costs.

d. Other non-current assets

	September 30, 2018	December 31, 2017	September 30, 2017
Prepayments	23,662	-	30,258
Refundable deposits	7,114	6,386	17,952
Others	6,624	6,775	12,806
	37,400	13,161	61,061

e. Intangible assets

January 1, 2018(Expertise (Note 2, 3)	
Costs	$ 13,860
Accumulated amortization	-
	$ 13,860
2018	
January 1	$ 13,860
Addition - from individual acquisition	89,683
Amortization expense	$ -
September 30	$ 103,543
September 30, 2018	
Costs	$ 103,543
Accumulated amortization	-
	$ 103,543

January 1, 2017	Expertise
Costs	$ 25,000
Other - price adjustment (Note 1)	(18,333)
Accumulated amortization	(6,667)
	$ -
2017	

January 1	$ -
Amortization expense	$ -
June 30	$ -
June 30, 2017	
Costs	$ 25,000
Other - price adjustment (Note 1)	(18,333)
Accumulated amortization	(6,667)
	$ -

Note 1:

The Group re-revised the contract price of the special technology license with the owner of the technology on December 29, 2016.

Note 2:

The expertise acquired by the Group has not yet reached the usable status, so it is not intended to be amortized. After the availability status is reached, the number of years of durability is assessed and amortized on a straight-line basis. In accordance with IAS 36, the intangible assets that have not yet reached the usable status are compared at least annually for the recoverable amount of the intangible asset and its carrying amount to test whether it is derogated.

Note 3:

For capital expenditures that have been signed but not yet intangible assets, please refer to Note IX. (II) 6 for details

f. Corporate bonds payable

1. The balance of the Company's corporate bonds payable on September 30, 2018, December 31, 2017 and September 30, 2017 is 0.
2. The Company approved by the competent authority, solicited and issued the domestic second guaranteed convertible bonds with a total issuance amount of $ 150,000 thousand and a coupon rate of 0% for a period of 3 years. The circulation period was from July 24, 2014 to July 24, 2017. The convertible corporate bonds are repayable in cash by denomination of bonds upon maturity.

The conversion of corporate bonds on July 24, 2014 in Taipei Exchange listed on the transaction.

3. When the Company issues the second convertible corporate bonds, it is in accordance with International Accounting Standards No. 32 "Financial Instruments: Expressions" that the conversion right that is of an equity nature is separated from the components of each liability, and the "capital reserve – stock option" is accounted for $5,205. Continued due to the holder's exercise of corporate bond conversion rights, the balance of "capital reserve – stock option" was accounted for as $0 on June 30, 2018. The additional right to buy and sell back, in accordance with IAS 39 "Financial Instruments: Recognition and Measurement", is not closely related to the economic characteristics and risks of the main contract debt commodity, so it is separated and its net amount is "financial liabilities measured at fair value through profit or loss" and its net amount is $0 as of June 30, 2018. The holders have all converted to 4,016 thousand shares of common stock before July 24, 2017. As a result, the above-mentioned “capital reserves – stock options” and “financial liabilities measured at fair value through profit or loss” has all been reversed, so the balances are all zero.
4. The amount of “capital reserve – conversion of corporate bond premium” generated by the Company due to the aforementioned corporate bond conversion transaction was $113,824. Since the company's convertible corporate debt of $150,000 has been fully converted, it will be cancelled.

g. Pensions

1. In accordance with the "Labor Standards Act.", the Company has defined a defined benefit retirement scheme which is applicable to the service years of all regular staff before the implementation of the "Labor Pension Act." on July 1, 2005 continue to apply the Labor Standards Act. Staff follow-up service years. Employees meet the retirement conditions, the payment of pensions is based on the length of service and the average salary of the previous month before retirement, and service years within 15 years (inclusive) for each year to give two bases, over 15

years shall be given one base year for each full year, provided that the cumulative maximum is 45 bases. The Company on a monthly basis 4% of the total payroll to the pension fund, the labor retirement reserve fund supervisory committee of the nominal accounts stored in the Bank of Taiwan, but after the approval of the New Taipei City Government, from March 2009 to March 2019, withdrawing labor retirement reserves. In addition, before the end of each year, the Company estimates the balance of the labor retirement reserve account in the preceding paragraph. If the balance falls short of the estimated retirement benefit for the labor eligible for retirement in the next financial year following the above calculation, the Company will make the shortfall before the end of March of the following year.

2.The year of 2018 and from July 1, 2017 to September 30, 2017 and from January 1, 2017 to September 30, 2017, the Group's pension cost benefits recognized under the above pension scheme were ($ 12), $ 0, ($36) and $ 0.

3. The Group expects to provide a disbursement of $ 0 to the retirement plan in 2019.

4. With effect from July 1, 2005, the Company has established a retirement scheme that provides for the appropriation pursuant to the "Labor Pension Act." and applies to employees of nationality. The Company will choose to apply the part of the labor pension system under the "Labor Pension Act." to pay a monthly pension of 6% of the salary to the employee's personal account of the Bureau of Labor Insurance. The employees' pensions shall be paid according to the pensions of individual employees’ special accounts and cumulative income amount of the monthly pension or a pension to receive.

5.Employee retirement approach of MetaTech(S) and MetaTech Ltd. is according to the local government relevant laws and regulations to determine the allocation system.

6. Meta Tec h(S Z) according to the pension insurance system stipulated by the government of the People's Republic of China, monthly pension funds are allocated according to a certain ratio of the local employees' salaries. For the year of 2018 and from January 1, 2017 to September 30, 2017,

the provision rates were 13% and 10% respectively. Employees' pensions are managed by the government. MetaTech (SZ) has no further obligations except for monthly donations.

7.For the year of 2018 and from July 1, 2017 to September 30, 2017 and for the year of 2018 and from January 1, 2017 to September 30, 2017, the pension costs of the Group recognized by the above pension scheme were $1,260, $1 ,155, $ 3,787 and $3 ,319 respectively.

h. Debt preparation

	2018	2017
Balance on June 30	$ 4,433	$ 4,433

The Group entered into a sale and purchase agreement with Bo International Co., Ltd., agreeing to purchase the equipment for a total consideration of $ 33,050 by December 31, 2017,if cancel the order, 20% of the non-purchase price should be paid as liquidated damages, and the contract has not been ordered for a price of $ 29,090. Therefore, the Group provided an amount of $ 4,433 as stipulated in the contract. As of October 31, 2018, the parties are still negotiating the amount of compensation.

i. Share-based payment

1. From January 1 to September 30, 2018, the Group's share-based payment agreement is as follows:

Type of agreement	Give date	Give quantity	Contract period	Vesting conditions
Cash capital increase retains employee subscription	2018.1.2	329 thousand shares	NA	immediately
Employee stock option plan	2018.4.2	2,280 thousand shares	6 years	2~5 years of service
Employee stock option plan	2018.5.14	1,297 thousand shares	6 years	2~5 years of service

In the above share-based payment agreement, it is delivered in equity.

2. The Group's share-based payment for the give date is the fair value of the option of using the Black-Scholes option evaluation model. The relevant information is as follows:

Type of agreement	Give date	Share price	Exercise price	Expected volatility	Expected duration	Expected dividend	Risk free rate	Fair value per unit
Cash capital increase retains employee subscription	2018.1.2	$44.10	$ 36	27.39% (Note1)	2018.1.2 ~2018.1.10	-	0.28 %	$ 8.10
Employee stock option plan	2018.4.2	58.5	58.5	44.54~46.90% (Note 2)	4~5.5 years	-	0.64 ~0.76%	20.61~24.70
Employee stock option plan	2018.5.14	59.2	59.2	44.25~47.03% (Note 2)	4~5.5 years	-	0.64 ~0.76%	20.76~25.07

Note 1:

The expected volatility is based on the daily return, and the average annualized standard deviation of the return rate from July 3, 2017 to January 2, 2018 is assumed.

Note 2:

Referring to the expected duration of existence, the historical daily return rate of the MetaTech (stock code: 3224) was reduced.

3. Share basis payment transaction costs incurred as follows:

	July 1, 2018- September 30, 2018	July 1, 2017-September 30, 2017
Equity delivery	$ 6,754	-
	January 1, 2018- September 30, 2018	January 1, 2018- September 30, 2017
Equity delivery	$ 14,914	-

j. Share capital

1. Up to September 30, 2018, the Company had a fixed capitalization of $ 1 ,00 0,0 0 0 divided into 100,000 thousand shares (including 15,000 thousand shares subscribed by its employees' warrants) Paid-in capital amounted to $ 580,160 and the number of outstanding shares was 58,016 thousand shares, with a denomination of $ 10. The shares of the issued shares of the Company have been received.

The number of shares outstanding at the beginning and the end of the common shares of the Company is adjusted as follows:

		Unit: thousand shares
	2018	2017
January 1	44,016	40,000
Corporate bonds convert common shares	-	4.016
Cash capital increase	14,000	-
June 30	58,016	44,016

2. The Company decided on March 24, 2017, upon the resolution of the board of directors, to cash increase for issue 14,000 thousand new shares with a nominal value of $10 per share. It is intended to be issued at a premium of $ 36 per share, and is expected to raise $ 504,000 thousand. The cash capital increase case was approved on October 13, 2017 by the Financial Supervisory Commission with the approval letter No. 1060036940, and was approved by the Board of Directors on December 11, 2017 with January 16, 2018 as the capital increase base date.

3. On December 11, 2017, the Company passed the issuance of employee stock options by the board of directors, with a total issued amount of 4,000 units, and each unit was recognized as 1,000,000 shares of the company's common stock. It was approved on January 8, 2018 by the Financial Management Committee's Golden Control with the approval letter No. 1060051040.

k. Capital reserve

1. According to the Company Law, the over amount of shares issued in excess of par value and capital surplus of gift income, apart from being used to make up for losses, in the absence of any accumulated losses in the company, new shares or cash are issued in proportion to the original shares of the shareholders. In addition, according to the relevant provisions of the Securities and Exchange Act., the above capital reserve capitalization of capital reserve, each of its total number does not exceed 10% of the paid-up capital. When a company is not deficient in surplus reserves to cover its capital losses, it may not supplement it with capital reserve.
2. For details of capital reserve - share options, please refer to Note VI (7).

l. Retained Earnings

1. In accordance with the Articles of Association of the Company, if there is a surplus in the annual total accounts, the tax shall be first collected to make up for the losses previously made, and the remaining 10% shall be statutory surplus reserves. The remaining balances shall be submitted by the board of directors to the shareholders for resolution on the remaining undistributed earnings of the previous years reserved or assigned; dividend distribution of shareholders, the cash dividend distribution ratio of not less than 30%. The rest is distributed in the form of stock dividends.
2. Statutory surplus reserve shall not be used except for offsetting the company's loss and issuing new shares or cash in proportion to the original shares of the shareholders; however, to the new shares or cash, the public reserve exceeds 25% of the paid-up capital.
3. When the Company distributes the surplus, according to the law, it shall distribute the special

surplus reserve for the debit balance of the other equity items on the balance sheet date of the current year, the balance of the other equity items is subsequently reversed, the amount of the reversal shall be included in the distributable surplus.

4. The Company's 2017 and 2016 was a cumulative loss, no surplus can be distributed. The Company's 2017 and 2016 annual loss allocation proposal was resolved by the shareholders' meeting on June 25, 2018 and June 20, 2017.

5. Please refer to Note VI(16) for details on remuneration (bonus) and remuneration information of directors and supervisors.

m. Operating income

July 1, 2018-September 30, 2018	
Revenue from customer contracts	$ 367,667
Others	1,190
Total	$ 368,857
January 1, 2018- September 30, 2018	
Revenue from customer contracts	$ 1,122,421
Others	2,515
Total	$ 1,124,936

1. Segmentation of customer contract revenue

The Group's revenue is derived from goods and services that are transferred at a certain point in time. The revenue can be broken down into the following geographical areas:

January 1-June30, 2018							
Taiwan							
	Hong Kong and Mainland China	Southeast Asia	Electronic	Biomedical	Others	Reversal	Total

Department income	$183,593	$ 88,246	$100,538	$ 940	$ 262	($ 4,722)	$756,079
Inter-departmental income	(3,076)	(960)	(674)	-	(14)	4,722	-
External customer contract income	$ 180,517	$ 87,286	$ 99,864	$ 940	$ 250	$ -	$ 368,857

January 1-June30, 2018							
Taiwan							
	Hong Kong and Mainland China	Southeast Asia	Electronic	Biomedical	Others	Reversal	Total
Department income	$549,564	$ 295,758	$320,596	$ 1,970	$ 619	($ 7,571)	$1,124,936
Inter-departmental income	(4,216)	(2,038)	(1,243)	-	(74)	7,571	-
External customer contract income	$ 545,348	$ 257,720	$ 319,353	$ 1,970	$ 545	$ -	$1,124,936

2. Contract liability

The Group recognizes contract liabilities related to customer contract revenue as follows:

	September 30, 2018
Contract liability:	$ 6,054
Advance payment	

This is not the case for significant changes in contract liabilities.

Initial contract liabilities recognized income in the current period

	July 1, 2018-September 30, 2018
The beginning balance of the contract liability is recognized in the current period.	$ -

	January 1, 2018- September 30, 2018
The beginning balance of the contract liability is recognized in the current period.	$ 4,196

n. Other benefits and losses

	July 1- September 30, 2018	July 1- September 30, 2017
Net (loss) profit on financial assets and liabilities measured at fair value through profit or loss	-	49
Net foreign exchange loss	(1,756)	(649)
Miscellaneous Disbursements	(2,786)	1,237
Total	($ 1,756)	(608)

	January 1- September 30, 2018	January 1- September 30, 2017
Net (loss) profit on financial assets and liabilities measured at fair value through profit or loss	-	308
Dispose of fixed assets	(24)	-

Net foreign exchange loss	1,800	(7,316)
Miscellaneous Disbursements	-	(1,089)
Total	$ 1,856	(8,713)

o. Employee benefits, depreciation and amortization expenses (all are operating expenses)

Employee benefits costs		
	July 1- September 30, 2018	July 1-September 30, 2017
Salary costs	31,345	23,352
Labor health insurance costs	1,602	1,136
costs		
Pension costs	1,248	1,155
Other costs of employment	5,840	811
	$ 40,035	$ 26,454
Depreciation expense-Operating expenses	$ 827	$ 736
Depreciation expense - Operating costs	$ 723	$ 743
Amortization expense-Operating expenses	$ 188	$ 167

Employee benefits costs		
	January 1- September 30, 2018	January 1- September 30, 2017
Salary costs	86,787	61,294
Labor health insurance costs	4,210	3,142
costs		
Pension costs	3,751	3,319
Other costs of employment	7,938	1,875
	$ 102,686	$ 69,630
Depreciation expense-Operating expenses	$ 2,444	$ 2,778
Depreciation expense - Operating costs	$ 2,169	$ 1,358

Amortization expense-Operating expenses	$ 536	$ 508

1. According to the Company passed the amendment of the Articles of Association by the board of directors, if the Company's annual accounts make any profit, employees should be remunerated at a rate of 1% to 5%, however, when the company still has accumulated losses, it should reserve the amount of compensation in advance.
2. The Company has accumulated losses for September 30, 2018, December 31, 2017 and September 30, 2017, so there is no need to assess the employee bonus and director's remuneration. The employees and director's remuneration information passed by the board of directors of the Company can be found at the "Market Observation Post System".

p. Income tax

1.Income tax costs component:

	July 1- September 30, 2018	July 1-September 30, 2017
Current income tax：Income tax arising from current income	$ 1,810	$ 1,030
Deferred income tax：		
The original generation and rotation of temporary differences	(3,176)	(547)
Impact of tax rate changes	-	-
Income tax (benefit) costs	($ 1,366)	$ 483

	January 1- September 30, 2018	January 1-September 30, 2017
Current income tax：Income tax arising from current income	$ 2,764	$ 4,430
Deferred income tax：		
The original generation	(2,857)	798

and rotation of temporary differences		
Impact of tax rate changes	(3,523)	-
Income tax (benefit) costs	($ 3,346)	$ 5,228

2. Income tax related to other comprehensive income

	July 1- September 30, 2018	July 1-September 30, 2017
Foreign operating agencies conversion difference	($ 100)	$ 13
Impact of tax rate changes	-	-
	($ 100)	$ 13
	January 1- September 30, 2018	January 1-September 30, 2017
Foreign operating agencies conversion difference	($ 1,600)	$ 2,522
Impact of tax rate changes	608	-
	($ 992)	$ 2,522

3. The profit-making business of the Company tax revenue tax collection agencies approved by the government to 2016.

4. The amendments to the Taiwan Income Tax Law came into effect on February 7, 2018, and the tax rate for the profit-making business income tax has been increased from 17% to 20%. This amendment has been applied since 2018. The Company has assessed the related income tax implications for this tax rate

q. Profits (Loss) per share

July - September, 2018			
	Weighted average number of shares outstanding		
Basic profits per share	After-tax amount	Loss per share	(NT $)
Net profits attributable to common shares holders of Parent	($ 11,979)	$ 58,016	$ 0.21

July - September, 2017			
	Weighted average number of shares outstanding		
Basic profits per share	After-tax amount	Loss per share	(NT $)
Net profits attributable to common shares holders of Parent	($ 5,810)	44,016	$ 0.13

January - September, 2018			
	Weighted average number of shares outstanding		
Basic profits per share	After-tax amount	Loss per share	(NT $)
Net profits attributable to common shares holders of Parent	($ 34,080)	57,247	$ 0.60

January - September, 2017			
	Weighted average number of shares outstanding		
Basic profits per share	After-tax amount	Loss per share	(NT $)
Net profits attributable to common shares holders of Parent	($ 5,493)	43,182	($ 0.13)

From January 1 to September 30, 2018, due to the anti-dilution effect of the employee stock options issued by the Group, it is not included in the diluted earnings per share calculation.

From January 1 to September 30, 2017, the convertible corporate bonds issued by the Group have been converted into ordinary shares, so they are not included in the diluted earnings per share calculation.

r. Business lease

The Group leases offices and warehouses under operating leases for a period of one to ten years. For the year of 2018 and from July 1, 2017 to September 30, 2017 and for the year of 2018 and from January 1, 2017 to September 30, 2017, were recognized respectively $ 3 ,288, $2 ,605, $7, 534 and $8 ,497. The total amount of the minimum lease payments to be paid in the future as stipulated in the lease is as follows:

	June 30, 2018	December 31,2017	June 30, 2017
No more than 1 year	$ 11,823	$ 6,442	$ 6,369
More than 1 year but not more than 5 years	23,488	6,222	573
Over 5 years	27,320	-	-
	$ 62,631	$ 12,664	$ 6,942

s. Cash flow supplementary information

1. Investment activities with only partial cash payments:

	January- September, 2018	January- September, 2017
Purchase of real estate, plant and equipment	$ -	$ 7,679
Plus: Purchase of notes payable for real estate, plant and equipment at the beginning of the period	-	807
Less: Purchase of notes payable for real estate, plant and equipment at the end of the period	-	-
Cash payment in the current period	$ -	$ 8,486

2. Not affect the cash flow of fund-raising activities:

	January- September, 2018	January- September, 2017
Convertible bonds convertible into common shares (including conversion premiums)	$ -	$ 148,779

EE. **Party Trading**

a. The name and relationship of Parties :No.

b. The major transactions with Parties: No.

c. The main management salary information

	July 1-September 30, 2018	July 1-September 30, 2017
Salary and other short-term employee benefits	$ 3,658	$ 2,883
After retirement benefits	148	142
Share-based payment	1031	-
Total	$ 4,837	$ 2,995

	January 1- September 30, 2018	January 1- September 30, 2017
Salary and other short-term employee benefits	$ 11,422	$ 8,518
After retirement benefits	444	423
Share-based payment	2,027	-
Total	$ 13,893	$ 8,941

FF. Mortgage (Pledge) of assets

Details of the Group's asset guarantees are as follows:

Book value				
Names of Assets	September 30, 2018	December 31, 2017	September 30, 2017	Secured use
Other current assets				
- Current account special account	$ 3,238	$ 3,154	$ 3,205	Short-term loan guarantee
- Certificate of deposit	4,800	4,800	4,800	Customs margin guarantee
Real estate, plant and equipment				
- Land	17,209	17,209	17,209	Short-term credit

				line guarantee
- Houses and buildings	28,854	29,447	29,645	〃
	$ 54,292	$ 54,610	$ 54,859	

GG. Major or unrecognized liabilities of contract promise

a. Contingency No.

b. Commitment

1. Up to September 30, 2018, the Company issued a guaranteed ticket of $ 10,000 to suppliers for purchase.

2. Up to September 30, 2018, the Company entered into a purchase contract with a bank loan amount of $ 5,000 as a performance bond.

3. As of September 30, 2018, the Company provided a promissory note of $10,000 as a guarantee for obtaining the Industrial Development Bureau Program of the Ministry of Economics, and a bank loan amount of $10,000 as a performance bond.

4. The Company's guarantee notes and endorsement guarantees for the subsidiaries' borrowings on September 30, 2018, December 31, 2017 and September 30, 2017 were $25,230 (NT$10,000 and US$500,000 respectively), $14,880 (US$500,000) and $15,130 (US$500).

5. The short-term guaranteed loan amount of the Group's shared financial institutions is NT$45,000 thousand on September 30, 2018, December 31, 2017 and September 30, 2017; September 30, 2018, December 31, 2017 and September 30, 2017, the promissory note will be issued in NT$60,000 thousand to the bank as a guarantee; the amount of the pre-opening guarantee will be NT$15,000 thousand on September 30, 2018, and NT$5,000 has been used on December 31, 2017 and September 30, 2017.

6. Capital expenditures that have been signed but have not yet occurred

	September 30, 2018	December 31, 2017	September 30, 2017
Real estate, plant and equipment	$ 19,568	$ 80,988	$ 35,000
Intangible assets	189,597	277,410	327,250
Total	$ 209,165	$ 358,398	$ 362,250

On December 21, 2016, the Company signed a start-up contract with CellSeed Inc. of Japan for the cooperation in regenerative medicine of cell sheets for the purpose of expanding the Company's research and development of biomedicine and business and promoting the innovative transformation of the company's regenerative medicine, and the contract price is JPY 50,000,000. On March 24, 2017, the board of directors of the Company signed a contract for the contract of renaissance of cell layer regenerative medicine with CellSeed Inc. of Japan. Both parties signed the contract of regenerative medicine cooperation on April 24, 2017. The contract price was JPY 1,250,000,000. As of September 30, 2018, the company has paid a payment of JPY 555,700,875 in accordance with the contract.

HH. **Major disaster losses:** No.

II. **Material subsequent events:** No.

JJ. Others

a. Financial report expression

The Group's capital management objectives are to safeguard the Group's ability to continue shareholders. In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce its debt.

b. Financial instruments

c. Financial instruments

1. Types of financial instruments

Financial assets	September 30, 2018	December 31, 2017	September 30, 2017
Financial assets/receivables measured at amortized cost			
Cash and cash equivalents	519,950	203,163	178,025
Notes receivable	4,270	3,874	4,353
Accounts receivable	305,080	301,818	309,571
Other receivables	11,797	12,867	3,124
Refundable deposits	7,114	6,386	17,952
Other financial assets	8,038	7,954	10,005
	$ 856,249	$ 536,062	$ 523,030
Financial liability			
Financial liabilities measured by amortized cost			
Notes payable	3,182	422	142
Accounts payable	149,560	145,025	142,457
Other accounts payable	25,658	14,295	16,335
Guarantee deposits	-	3	3
	$178,400	$159,745	$158,937

2. Risk Management Policy

3.The Group's ordinary operations are affected by a number of financial risks, including market risk (including exchange rate risk and interest rate risk), credit risk and liquidity risk.

4. Risk management is performed by the financial department of the Group in accordance with the policies approved by the board of directors. The Group's finance department is responsible for identifying, assessing and circumventing financial risks through its close cooperation with the

operating units of the Company. The board of directors has written principles on overall risk management and also provides written policies on specific areas and issues such as exchange rate risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and investment in the remaining liquidity.

5.The nature and extent of the significant financial risk

6.Market risk: Currency risk

7.The Group is a multinational operation and therefore is subject to exchange rate risk arising from transactions that are different from the functional currencies of the Company and its subsidiaries, mainly in US dollars. The relevant exchange rate risk arises from future commercial transactions and recognized assets and liabilities.

8. The management of the Group has established policies that require each company in the group to manage the exchange rate risk relative to its functional currency.

9. The Group holds investments in certain foreign operating agencies and its net assets are exposed to foreign currency translation risk.

10.The Group's operations involve certain non-functional currencies (The functional currency of the Company is NTD, and the functional currencies of some subsidiaries are HKD and SGD). Therefore, the foreign currency assets and liabilities with the effect of significant exchange rate fluctuations under the influence of exchange rate fluctuations are as follows:

September 30, 2018			
			Carrying amount
(Foreign currency: functional currency) profit and loss after tax	Foreign Currency (thousand)	Exchange rate	NTD
Financial assets Monetary items			
USD：NTD	3,189	30.525	97,344
USD：HKD	6,265	7.8281	191,239
JPY：NTD	328,650	0.2692	88,473

Financial liabilities Monetary items			
USD：NTD	1,429	30.525	43,620
USD：HKD	2,705	7.8281	82,570

December 31, 2017			
			Carrying amount
(Foreign currency: functional currency) profit and loss after tax	Foreign Currency (thousand)	Exchange rate	NTD
Financial assets Monetary items			
USD：NTD	3,153	29.76	93,833
USD：HKD	6,335	7.8118	188,530
Financial liabilities Monetary items			
USD：NTD	1,337	29.76	39,789
USD：HKD	2,673	7.8118	79,548

September 30, 2017			
			Carrying amount
(Foreign currency: functional currency) profit and loss after tax	Foreign Currency (thousand)	Exchange rate	NTD
Financial assets Monetary items			
USD：NTD	3,515	30.26	106,364
USD：HKD	5,734	7.809	173,511
USD：SGD	2,737	1.362	82,822
Financial liabilities Monetary items			
USD：NTD	1,897	30.26	57,403
USD：HKD	2,018	7.809	61,065
USD：SGD	567	1.362	17,157

d. The monetary items of the Group have a significant effect on the exchange gains (losses) recognized for the year of 2018, from July 1, 2017 to September 30, 2017 and for the year of 2018, from January 1, 2017 to September 30, 2017; the aggregated amounts are ($1 ,756) , ($649) , $1,880 and ($7, 316) respectively.

e. The foreign currency market risk analysis of the Group due to significant exchange rate fluctuation is as follows:

April 1-June 30, 2018			
Sensitivity Analysis			
(Foreign currency: functional currency) profit and loss after tax	Change range Impact on other	Impact on comprehensive	after-tax income
Financial assets Monetary items			
USD：NTD	1%	1,106	_
USD：HKD	1%	2,061	_
JPY：NTD	1%	885	
Financial liabilities Monetary items			
USD：NTD	1%	436	_
USD：HKD	1%	826	_

January 1- September 30, 2017			
Sensitivity Analysis			
(Foreign currency: functional currency) profit and loss after tax	Change range Impact on other	Impact on comprehensive	after-tax income
Financial assets Monetary items			
USD：NTD	1%	1,064	_
USD：HKD	1%	1,735	_
USD：SGD	1%	828	
Financial liabilities Monetary items			
USD：NTD	1%	574	
USD：HKD	1%	611	

USD：SGD	1%	172	

f. Credit risk

1.The Group's credit risk is the risk of financial loss of the Group due to the inability of customers to perform their contractual obligations, mainly due to the inability of the counterparty to pay off the accounts receivable payable on the terms of the collection.

2.The Group is required to conduct management and credit risk analysis for each of its new customers before the terms and conditions of the payment and delivery are set out in accordance with the internal credit policy. The internal risk control system assesses the credit quality of customers by considering their financial status, past experience and other factors. The individual risk limits are established by the management based on internal or external ratings and regularly monitor the use of credit lines. The main credit risk arises from the credit risk of wholesale and retail customers and includes unreceived accounts receivable.

3.The Group uses IFRS 9 to provide the following assumptions as a basis for determining whether there is a significant increase in the credit risk of financial instruments after the original recognition:When the contract amount is overdue for more than 30 days according to the agreed payment terms, the credit risk has been significantly increased since the original recognition of the financial assets.

4.The Group uses IFRS 9 to provide a premise that if the contract payment is overdue for more than 90 days in accordance with the agreed payment terms, it is deemed to have been breached.

5.The Group classifies the customer's accounts receivable according to the characteristics of the customer's rating, and uses the simplified method to estimate the expected credit loss based on the loss rate method.

6.The Group's forward-looking considerations adjust the loss rate established by the history of specific periods and current information to estimate the allowance for accounts receivable, and the expected credit loss rate of the Group's outstanding overdue receivables was not significant on September 30, 2018.

7.The Group's allowance for receivables for the simplified practice is not significant and was not recognized from January 1 to September 30, 2018.

January 1	$	1,657
Less Loss of rotation	(	1,657)
Impact of exchange rate		1
September 31	$	21

2018

January 1	$	1,657
Less Loss of rotation	(	1,657)
March 31	$	-

g. Please refer to Note 12 and (4) for the credit risk information of 2017.

1. Liquidity risk

1.1. The cash flow forecast is implemented by individual operators within the group and is aggregated by the group finance department. The Group's finance department monitors the Group's liquidity requirements forecast to ensure that it has sufficient funds to meet operating needs and maintain sufficient borrowing commitments at any time. These projections take into account the group's debt financing plans and the terms of the debt to be followed, In line with the financial ratios of the internal balance sheet.

1.2. The following tables represent the Group's non-derivative financial liabilities grouped by their respective maturity dates. Non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contractual maturity date. The amount of contractual cash flows disclosed in the table below represents the undiscounted amount.

Non-derivative financial liabilities:				
June 30, 2018	1 year or less	Within 1 to 2	Within 2 to 5	5 years or more

		years	year	
Notes payable	$ 3,182	$ -	$ -	$ -
Accounts payable	149,560	-	-	-
Other payables	25,658	-	-	-

Non-derivative financial liabilities:				
June 30, 2018	1 year or less	Within 1 to 2 years	Within 2 to 5 year	5 years or more
Notes payable	$ 422	$ -	$ -	$ -
Accounts payable	145,025	-	-	-
Other payables	14,295	-	-	-
Deposit(as listed in "Other current liabilities")	3			

Non-derivative financial liabilities:				
June 30, 2018	1 year or less	Within 1 to 2 years	Within 2 to 5 year	5 years or more
Notes payable	$ 142	$ -	$ -	$ -
Accounts payable	142,457	-	-	-
Other payables	16,335	-	-	-
Deposit(as listed in "Other current liabilities")	3			

h. Fair value information

1. The levels of valuation techniques used to measure the fair value of financial and non-financial instruments are defined as follows:

Level 1:

Quoted prices (unadjusted) in active markets of the same assets or liabilities that the Company obtains on the measurement date. An active market is a market in which transactions in assets or liabilities of sufficient frequency and quantity occur to provide pricing information on an ongoing basis.

Level 2:

Inputs for the asset or liability, directly or indirectly, are observable except where quoted prices have been included in level 1.

Level 3:

Assets or liabilities cannot be observed input values.

2. The Group's balance of financial instruments measured at fair value on September 30, 2018, December 31, 2017 and September 30, 2017 was $0, so there is no disclosure of relevant fair value information.

3. The methods and assumptions used by the Group to measure fair value are as follows:

   The Group adopts the market quotation as the input value of fair value (i.e. the first grade). According to the characteristics of the instruments, the quoted price of the open-end fund market is based on the net value.

4. The year of 2018 and from January 1, 2017 to September 30, 2017, there is no transfer between Level 1 and Level 2.

5. There is no transfer from and to the third level in 2018 and from January 1, 2017 to September 30, 2017.

6. The Group's evaluation process of categorizing the fair value at the third level is conducted by the accounting department in charge of the independent fair value verification of the financial instrument, using independent source data to bring the evaluation results close to the market state, the data sources are confirmed to be independent, reliable, consistent with other resources and representing the executable price, and the evaluation models are regularly calibrated, retrospectively tested, the input values and data needed for the evaluation models are updated, and others any necessary fair value adjustments to ensure that the evaluation results are

reasonable.

i. Impact of the initial application of International Financial Reporting Standard No. 9 and the application of IAS 39 information in 2017

1. The major accounting policies adopted in 2017 are as follows:

2.Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss is financial assets held for trading. Financial assets, if acquired primarily for short-term sale, are classified as holding financial assets for trading. Derivatives are classified as holding financial assets for trading, except that hedge accounting is designated as a hedge.

3.The Group's financial assets measured at fair value through profit or loss in accordance with the trading conventions are accounted for on the trade date.

4. When the original recognition is measured at fair value, the related transaction costs are recognized as current gains and losses. Subsequent changes in fair value are measured at fair value through profit or loss.

5. Receivables

It is the amount due from customers in the normal course of business for the sale of goods or services. At the time of original recognition, measured by fair value, the subsequent effective interest method is measured by deducting the amount of the deducted cost after amortization. However, the short-term accounts receivable that are unpaid interest rates are not affected by the discount, and are subsequently measured by the original invoice amount.

6.Depreciation of financial assets

On each balance sheet date, the Group assesses whether there is any objective evidence of impairment, which indicates that one or more items (i.e. “losses”) occurred after the original recognition of a certain group or group of financial assets, and the loss has a reliable estimate of the estimated future cash flows of a financial asset or group of financial assets.

B. The policies used by the Group to determine whether there is objective evidence of impairment loss are as follows:

7. significant financial difficulties of the issuer or debtor;

7.1. default, such as delay or non-payment of interest or principal payments;

7.2 The Group gives concessions that the debtor could not have considered due to economic or legal reasons related to the financial difficulties of the debtor;

7.3 The possibility that the debtor will enter bankruptcy or other financial restructuring is greatly increased; the active market of the financial asset disappeared due to financial difficulties;

7.4Observable information showing that the estimated future cash flows of a group of financial assets are measurably reduced after the original recognition of the assets, although the reduction is not yet recognized as belonging to a particular financial asset in the group, such information includes adverse changes in the debtor's repayment status of the group of financial assets, or a national or regional economic situation related to the default of assets in the group of financial assets;

7.5 The Group has assessed that when there is objective evidence of impairment and impairment losses have occurred, the following categories are treated: Financial assets measured by amortized costThe difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the original effective interest rate of the financial asset is recognized in profit or loss. When the amount of the impairment loss decreases in the subsequent period, and the reduction can be objectively linked to the occurrence of the impairment loss, the 0previously recognized impairment loss is reversed in the current profit and loss within the limits of the amortized cost of the reversal on the reversal date. The amount of recognition and reversal loss is adjusted by the allowance account to adjust the carrying amount of the asset.

7.6. The descriptions of important accounting items on December 31, 2017 and September 30, 2017 are as follows:

8. The Group's financial assets measured at fair value through profit or loss have a balance of 0 on December 31, 2017 and September 30, 2017.

9. The Group's financial assets held for trading are recognized as net (loss) benefits in 2017 and from July 1 to September 30, 2017 and from January 1 to September 30, 2017 ($308) , $49 and ($308) respectively.

10. The credit risk information for December 31, 2017 and September 30, 2017 is as follows:

11. Credit risk is the risk of financial loss caused by the Group's inability to perform its contractual obligations. The Group is required to conduct management and credit risk analysis for each of its new customers before the terms and conditions of the payment and delivery are set out in accordance with the internal credit policy. The internal risk control system assesses the credit quality of customers by considering their financial status, past experience and other factors. The main credit risk is derived from cash and deposits placed with banks and financial institutions, as well as from unreceived receivables and committed transactions.

12. As of December 31, 2017 and September 30, 2017, there was no credit limit. In addition, the creditworthiness of the Group's debtors is good and most of them are domestic electronics manufacturers. Therefore, there is no significant credit risk assessed. The Group's trade receivables that are not past due and not derogated are in accordance with the credit criteria set by the trading entity's industrial characteristics, business scale and profitability.

13. The Group's trade receivables that are not past due and not derogated are in accordance with the credit criteria set by the trading entity's industrial characteristics, business scale and profitability.

14. The ageing analysis of financial assets that have been past due but not derogated is as follows:

	December 31, 2017	September 30, 2017
Within 30 days	28,159	31,385
31-90 days	4,416	1,656

More than 91 days	177	-
	$ 32,752	$ 33,041

The above is an aging analysis based on the number of overdue days.

15. Analysis of changes in financial assets that have been depreciated by the group assessment:

16. As of December 31, 2017 and September 30, 2017, the Group's deductible accounts receivable amounted to $1,657 and $ 569, respectively.

17. The allowance for bad debt changes is as follows:

	2017
January 1	$ 4,441
Less Loss of rotation The write-off due to inability to recover the money	(3,673)
Exchange	(196)
rate impact	(3)
June 30	$ 569

18.The initial application of International Financial Reporting Standard No. 9 has no material impact on the financial position and financial performance of the Group for December 31, 2017 and September 30, 2017.

j. Impact of the initial application of International Financial Reporting Standard No. 15 and the application of IAS 11 and IAS 18 information in 2017

1. The revenues used in 2017 are recognized as follows:

received or receivable for sales of goods to customers outside the Group during normal business activities, which is deducted from the net amount of business tax, sales return, quantity discount and discount. Commodity sales are delivered to the buyer, the amount of sales can be reliably measured, and future economic benefits are likely to be recognized when they flow into the company. When the significant risks and rewards related to ownership have been transferred to the customer, the Group does not continue to participate in the management and maintains effective control of the goods and the customer accepts the goods according to the sales contract, or there is objective evidence that all acceptance terms have been met, the goods are delivered to the party.

2. If the Group continues to apply the above accounting policies in the third quarter of 2018, the impacts and explanations on the current balance sheet and consolidated profit and loss form line items are as follows:

	Balance sheet item	The balance recognized in the original accounting policy	The impact of changes in accounting policies
Adopted the balance recognized by IFRS 15			
Contract liability	$ 6,054	$ -	6,054
Other current liabilities	$ -	6,054	(6,054)

Note: According to IFRS 15, the contractual liabilities recognized in the contract are expressed on the balance sheet as advance receipts (listed for other current liabilities) in the past reporting period.

3. The initial application of International Financial Reporting Standard No. 15 has no material impact on the financial position and financial performance of the Group for December 31, 2017 and September 30, 2017.

KK. Reference of disclosures

Information about the investees should be disclosed in accordance with the audited financial statements of the investee companies. The following transactions with the subsidiaries are eliminated in the preparation of the consolidated report. The information disclosed below is for reference only.

a. Information about major transactions

1. Loan to others: Please see Table I for details.

2. Endorsement guarantee for others: Please refer to Table II for details.

3. Securities held at the end of the period (excluding investment subsidiaries): None.
4. Accumulative purchases or sales of the same security amounting to NT $ 300 million or over 20% of paid-up capital: None.
5. Acquisition of real estate amounting to NT $ 300 million or over 20% of paid-up capital: None.
6. Disposal of real estate amounting to NT $ 300 million or over 20% of the paid-up capital: None.
7. To enter into relationships with other people, the sales volume of NT $ 100 million or over 20% of the paid-in capital: None.
8. Receivables from related parties amount to NT $ 100 million or over 20% of the paid up capital: None.
9. Engaged in derivative financial transactions: None.
10. Business relationship between the parent company and its subsidiaries and its subsidiaries and significant transactions and amounts: Please refer to Table III for details.

b.Transfer investment business information

Invested company name, location, etc. Related information（Does not include in Mainland invested companies）：Please refer to Table IV for details.

c. Mainland investment information

1. Invest in the cause of investing in the Mainland Related Information: Please refer to Table V for details.
2. The significant transactions that occurred in the investee company of the mainland of China directly or indirectly through the third regional undertaking and the reinvestment of capital, its price, terms of payment, and unrealized gain / loss: Please refer to Table III.

LL.Operating Department Information

a. General information

The management of the Group has identified the departments to be reported based on the information reported by the decision makers in making their decisions. The Group conducts its business from a geographical point of view.

b. Department information

The reportable departmental information provided by the Group to the chief operating decision maker is as follows:

July 1-September 30, 2017							
	Taiwan						
	Hong Kong and Mainland China	Southeast Asia	Electronic	Biomedical	Others	Reversal	Total
External customer income	$ 157,687	$ 89,373	$ 110,659	$ 1,736	$ 101	$ -	$359,556
Department income	273	779	498	-	8	(1,558)	-
Total income	$ 157,960	$ 90,152	$ 111,157	$ 1,736	$ 109	($ 1,558)	$359,556
Department profit and loss	$ 5,192	$ 758	($ 956)	($8,159)	($135)	$ 33	$ 4,783
Depreciation and amortization	$ 108	$ 41	$ 234	$ 1,263	$ -	$ -	$ 1,646

January 1- September 30, 2018							
Taiwan							
	Hong Kong and Mainland China	Southeast Asia	Electronic	Biomedical	Others	Reversal	Total
External customer income	$ 545,348	$ 257,720	$ 319,353	$ 1,970	$ 545	$ -	$1,124,936
Department income	4,216	2,038	1,243	-	74	(7,571)	-
Total income	$ 549,564	$259, 758	$ 320,596	$ 1,970	$ 619	($ 7,571)	$1,124,936
Department profit and loss	$ 17,217	$ 1,617	($25,348)	($43,903)	($300)	$ 43	($ 50,674)
Depreciation and amortization	$ 323	$ 95	$701	$ 4,030	$ -	$ -	$ 5,149

January 1-September 30, 2017							
Taiwan							
	Hong Kong and Mainland China	Southeast Asia	Electronic	Biomedical	Others	Reversal	Total
External customer income	$ 508,676	$ 250,783	$ 318,337	$ 3,736	$ 440	$ -	$ 1,081,972

Department income	561	3,824	2,092	-	34	(6,512)	-
Total income	$ 509,237	$254, 607	$ 320,430	$ 3,736	$ 474	(6,512)	$ 1,081,972
Department profit and loss	$ 28,056	$3,774	($7,099)	($17,237)	($491)	$ 133	$ 7,136
Depreciation and amortization	$ 370	$414	$752	$ 3,108	$ -	$ -	$ 4,644

The Group does not provide a measure of the total assets and total liabilities of the chief operating decision maker for its operating decisions.

c. Regulatory information on departmental profit and loss

External revenue reported to the chief operating decision maker is measured consistently with revenue in the income statement.

Profit and loss for the year of 2018 and from July 1, 2017 to September 30, 2017 and for the year of 2018 and from January 1, 2017 to September 30, 2017 are as follows:

	July - September, 2018	July - September, 2017
The department should report the undistributed amount of profit or loss	($ 21,702)	($ 4,783)
Other income	10,113	85
Other benefits and losses	(1,756)	(608)
Financial costs	-	(21)
Income before tax from continuing operations	($ 13,345)	($ 5,327)
	January - September, 2018	January - September, 2017
The department should report the undistributed	($ 50,674)	7,136

amount of profit or loss		
Other income	11,409	2,002
Other benefits and losses	1,856	(8,713)
Financial costs	(17)	(690)
Income before tax from continuing operations	($ 37,426)	($ 265)