

Independent Auditors' Review Report

To COMPAL ELECTRONICS, INC.:

Introduction

We have reviewed the accompanying consolidated balance sheets of COMPAL ELECTRONICS, INC. and its subsidiaries as of March 31, 2019 and 2018, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2019 and 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with Statement of Auditing Standard 65, "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$20,423,715 thousand and \$24,532,469 thousand, constituting 5.2% and 7.1% of consolidated total assets as of March 31, 2019 and 2018, respectively, total liabilities amounting to \$4,898,000 thousand and \$4,250,807 thousand, constituting 1.8% and 1.8% of consolidated total liabilities as of March 31, 2019 and 2018, respectively, and the absolute value of total comprehensive income amounting to \$(67,800) thousand and \$181,255 thousand, constituting 2.8% and 121.9% of consolidated total comprehensive income (loss) for the three months ended March 31, 2019 and 2018, respectively.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of COMPAL ELECTRONICS, INC. and its subsidiaries as of March 31, 2019 and 2018, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2019 and 2018 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Szu Chuan Chien and Yiu Kwan Au.

KPMG

Taipei, Taiwan (Republic of China)
May 13, 2019

Notes to Readers

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

Reviewed only, not audited in accordance with the generally accepted auditing standards as of March 31, 2019 and 2018

COMPAL ELECTRONICS, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

March 31, 2019, December 31, 2018, and March 31, 2018

(Expressed in Thousands of New Taiwan Dollars)

Assets		March 31, 2019		December 31, 2018		March 31, 2018		Liabilities and Equity		March 31, 2019		December 31, 2018		March 31, 2018			
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%		
Current assets:									Current liabilities:								
1100	Cash and cash equivalents (note (6)(a))	\$	65,617,467	16.8	70,296,545	17.6	72,194,587	21.0	2100	Short-term borrowings (note (6)(m))	\$	67,763,121	17.4	72,350,197	18.1	61,916,911	18.0
1110	Current financial assets at fair value through profit or loss (note (6)(b))		4,044,240	1.0	4,611,134	1.1	1,686,201	0.5	2120	Current financial liabilities at fair value through profit or loss (note (6)(b))		989	-	26,913	-	18,634	-
1135	Current derivative financial assets for hedging (note (6)(d))		227	-	-	-	-	-	2125	Current derivative financial liabilities for hedging (note (6)(d))		2,217	-	-	-	37,787	-
1136	Current financial assets at amortized cost (note (6)(e))		350,000	0.1	350,000	0.1	350,000	0.1	2130	Current contract liabilities (note (6)(x))		1,463,635	0.4	1,476,304	0.4	1,608,760	0.5
1170	Notes and accounts receivable, net (note (6)(f))		182,776,607	46.9	203,715,965	51.0	156,104,217	45.4	2170	Notes and accounts payable		151,741,350	38.9	152,300,093	38.1	116,709,368	34.0
1180	Notes and accounts receivable due from related parties, net (notes (6)(f) and 7)		23,207	-	58,106	-	108,404	-	2180	Notes and accounts payable to related parties (note 7)		1,558,333	0.4	1,976,620	0.5	1,348,271	0.4
1200	Other receivables, net (notes (6)(f) and 7)		2,684,835	0.7	1,665,249	0.4	1,642,296	0.5	2200	Other payables (note 7)		17,776,350	4.6	19,558,007	4.9	16,210,930	4.7
1310	Inventories (note (6)(j))		92,043,682	23.6	79,148,922	19.8	67,945,186	19.8	2230	Current tax liabilities		3,926,974	1.0	3,722,191	0.9	4,664,070	1.4
1460	Non-current assets classified as held for sale, net (note (6)(h))		-	-	-	-	4,711,834	1.4	2250	Current provisions (note (6)(p))		463,162	0.1	426,981	0.1	405,731	0.1
1470	Other current assets (note 8)		<u>3,056,916</u>	<u>0.8</u>	<u>2,899,329</u>	<u>0.7</u>	<u>3,580,154</u>	<u>1.0</u>	2280	Current lease liabilities (note (6)(o))		630,120	0.2	-	-	-	-
			<u>350,597,181</u>	<u>89.9</u>	<u>362,745,250</u>	<u>90.7</u>	<u>308,322,879</u>	<u>89.7</u>	2300	Other current liabilities		2,773,575	0.7	3,255,135	0.8	3,237,318	0.9
	Non-current assets:								2365	Current refund liabilities (note (6)(q))		1,578,204	0.4	1,579,832	0.4	711,043	0.2
1550	Investments accounted for using equity method (note (6)(h))		7,509,300	1.9	7,364,485	1.9	7,159,420	2.1	2322	Long-term borrowings, current portion (note (6)(n))		<u>10,086,875</u>	<u>2.6</u>	<u>17,535,625</u>	<u>4.4</u>	<u>7,048,125</u>	<u>2.1</u>
1510	Non-current financial assets at fair value through profit or loss (note (6)(b))		91,419	-	69,390	-	44,068	-		Non-Current liabilities:		<u>259,764,905</u>	<u>66.7</u>	<u>274,207,898</u>	<u>68.6</u>	<u>213,916,948</u>	<u>62.3</u>
1517	Non-current financial assets at fair value through other comprehensive income (note (6)(c))		5,487,217	1.4	5,172,295	1.3	6,451,845	1.8	2540	Long-term borrowings (note (6)(n))		12,238,594	3.1	10,998,438	2.7	19,506,769	5.7
1535	Non-current financial assets at amortized cost (notes (6)(e))		-	-	-	-	350,000	0.1	2570	Deferred tax liabilities		503,020	0.1	478,169	0.1	669,560	0.2
1600	Property, plant and equipment (notes (6)(k) and 8)		20,405,435	5.2	20,418,228	5.1	17,527,775	5.1	2580	Non-current lease liabilities (note (6)(o))		1,268,571	0.3	-	-	-	-
1755	Right-of-use assets (note (6)(l))		2,848,983	0.7	-	-	-	-	2640	Non-current net defined benefit liability		706,649	0.2	710,146	0.2	702,406	0.2
1780	Intangible assets		1,695,903	0.4	1,516,253	0.4	1,339,493	0.4	2670	Non-current liabilities, others		<u>194,473</u>	<u>-</u>	<u>238,324</u>	<u>0.1</u>	<u>243,410</u>	<u>0.1</u>
1840	Deferred tax assets		1,025,119	0.3	1,023,948	0.3	1,551,670	0.5		Total liabilities		<u>14,911,307</u>	<u>3.7</u>	<u>12,425,077</u>	<u>3.1</u>	<u>21,122,145</u>	<u>6.2</u>
1985	Long-term prepaid rents		-	-	891,147	0.2	555,676	0.2		Equity:		<u>274,676,212</u>	<u>70.4</u>	<u>286,632,975</u>	<u>71.7</u>	<u>235,039,093</u>	<u>68.5</u>
1990	Other non-current assets (note 8)		<u>609,221</u>	<u>0.2</u>	<u>593,827</u>	<u>0.1</u>	<u>376,233</u>	<u>0.1</u>		Equity attributable to owners of parent:							
			<u>39,672,597</u>	<u>10.1</u>	<u>37,049,573</u>	<u>9.3</u>	<u>35,356,180</u>	<u>10.3</u>	3110	Ordinary share (note (6)(u))		44,071,466	11.3	44,071,466	11.0	44,071,466	12.8
									3200	Capital surplus (note (6)(u))		9,933,014	2.5	9,932,434	2.5	10,787,337	3.1
									3300	Retained earnings (note (6)(u))		61,396,881	15.7	60,060,381	15.0	58,508,748	17.0
									3400	Other equity interest (note (6)(u))		(6,700,115)	(1.7)	(7,459,388)	(1.8)	(10,751,644)	(3.1)
									3500	Treasury shares (note (6)(u))		<u>(881,247)</u>	<u>(0.2)</u>	<u>(881,247)</u>	<u>(0.2)</u>	<u>(881,247)</u>	<u>(0.3)</u>
												<u>107,819,999</u>	<u>27.6</u>	<u>105,723,646</u>	<u>26.5</u>	<u>101,734,660</u>	<u>29.5</u>
									36XX	Non-controlling interests		<u>7,773,567</u>	<u>2.0</u>	<u>7,438,202</u>	<u>1.8</u>	<u>6,905,306</u>	<u>2.0</u>
										Total equity		<u>115,593,566</u>	<u>29.6</u>	<u>113,161,848</u>	<u>28.3</u>	<u>108,639,966</u>	<u>31.5</u>
Total assets		\$	<u>390,269,778</u>	<u>100.0</u>	<u>399,794,823</u>	<u>100.0</u>	<u>343,679,059</u>	<u>100.0</u>	Total liabilities and equity		\$	<u>390,269,778</u>	<u>100.0</u>	<u>399,794,823</u>	<u>100.0</u>	<u>343,679,059</u>	<u>100.0</u>

See accompanying notes to consolidated financial statements.

Reviewed only, not audited in accordance with generally accepted auditing standards

COMPAL ELECTRONICS, INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Share)

		<u>For the three months ended March 31</u>			
		<u>2019</u>		<u>2018</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Net sales revenue (notes (6)(x) and 7)	\$210,600,553	100.0	196,111,962	100.0
5000	Cost of sales (notes (6)(g), 7 and 12)	<u>202,938,374</u>	<u>96.4</u>	<u>189,488,759</u>	<u>96.6</u>
	Gross profit	<u>7,662,179</u>	<u>3.6</u>	<u>6,623,203</u>	<u>3.4</u>
	Operating expenses: (notes (6)(r), (6)(s) and 12)				
6100	Selling expenses	1,059,264	0.5	884,355	0.5
6200	Administrative expenses	939,683	0.4	999,250	0.5
6300	Research and development expenses	<u>3,241,734</u>	<u>1.5</u>	<u>2,685,529</u>	<u>1.4</u>
		<u>5,240,681</u>	<u>2.4</u>	<u>4,569,134</u>	<u>2.4</u>
	Net operating income	<u>2,421,498</u>	<u>1.2</u>	<u>2,054,069</u>	<u>1.0</u>
	Non-operating income and expenses:				
7020	Other gains and losses, net (notes (6)(d), (6)(z) and (6)(ab))	61,820	-	(75,887)	-
7050	Finance costs	(739,401)	(0.4)	(442,800)	(0.2)
7190	Other income (notes (6)(r) and (6)(z))	428,564	0.2	344,011	0.2
7590	Miscellaneous disbursements	(598)	-	(1,059)	-
7770	Share of profit (loss) of associates and joint ventures accounted for using equity method (note (6)(h))	<u>(62,083)</u>	<u>-</u>	<u>43,677</u>	<u>-</u>
	Total non-operating income and expenses	<u>(311,698)</u>	<u>(0.2)</u>	<u>(132,058)</u>	<u>-</u>
7900	Profit (loss) from continuing operations before tax	2,109,800	1.0	1,922,011	1.0
7950	Less: Income tax expenses (note (6)(t))	<u>450,099</u>	<u>0.2</u>	<u>339,215</u>	<u>0.2</u>
	Profit	<u>1,659,701</u>	<u>0.8</u>	<u>1,582,796</u>	<u>0.8</u>
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	315,189	0.1	(267,432)	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	37,119	-	-	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note (6)(t))	<u>15,695</u>	<u>-</u>	<u>(34,438)</u>	<u>-</u>
	Components of other comprehensive income that will not be reclassified to profit or loss	<u>336,613</u>	<u>0.1</u>	<u>(232,994)</u>	<u>-</u>
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	248,015	0.1	(1,293,465)	(0.7)
8368	Gains (losses) on hedging instrument	(1,990)	-	(37,787)	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	164,782	0.1	126,544	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss (note (6)(t))	<u>873</u>	<u>-</u>	<u>(3,573)</u>	<u>-</u>
	Components of other comprehensive income that will be reclassified to profit or loss	<u>409,934</u>	<u>0.2</u>	<u>(1,201,135)</u>	<u>(0.7)</u>
8300	Other comprehensive income	<u>746,547</u>	<u>0.3</u>	<u>(1,434,129)</u>	<u>(0.7)</u>
8500	Total comprehensive income	<u><u>\$ 2,406,248</u></u>	<u><u>1.1</u></u>	<u><u>148,667</u></u>	<u><u>0.1</u></u>
	Profit, attributable to:				
8610	Profit, attributable to owners of parent	1,350,258	0.7	1,393,302	0.8
8620	Profit, attributable to non-controlling interests	<u>309,443</u>	<u>0.1</u>	<u>189,494</u>	<u>-</u>
		<u><u>\$ 1,659,701</u></u>	<u><u>0.8</u></u>	<u><u>1,582,796</u></u>	<u><u>0.8</u></u>
	Comprehensive income attributable to:				
8710	Comprehensive income (loss), attributable to owners of parent	2,095,773	1.0	(5,035)	-
8720	Comprehensive income (loss), attributable to non-controlling interests	<u>310,475</u>	<u>0.1</u>	<u>153,702</u>	<u>0.1</u>
		<u><u>\$ 2,406,248</u></u>	<u><u>1.1</u></u>	<u><u>148,667</u></u>	<u><u>0.1</u></u>
	Earnings per share (note 6(w))				
9750	Basic earnings per share	<u><u>\$ 0.31</u></u>		<u><u>0.32</u></u>	
9850	Diluted earnings per share	<u><u>\$ 0.31</u></u>		<u><u>0.32</u></u>	

See accompanying notes to consolidated financial statements.

Reviewed only, not audited in accordance with generally accepted auditing standards

COMPAL ELECTRONICS, INC. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the three months ended March 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

Equity attributable to owners of parent

	Retained earnings						Total other equity interest									Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Unrealized gains (losses) on available-for-sale financial assets	Unearned employee benefit and others	Total other equity interest	Treasury shares						
Balance at January 1, 2018	\$ 44,191,916	10,938,773	18,252,861	4,339,549	33,964,736	56,557,146	(3,477,376)	-	(5,353,772)	(79,856)	(8,911,004)	(881,247)	101,895,584	6,752,388	108,647,972			
Effects of retrospective application	-	-	-	-	494,051	494,051	-	(5,847,823)	5,353,772	-	(494,051)	-	-	-	-			
Adjusted balance at January 1, 2018	44,191,916	10,938,773	18,252,861	4,339,549	34,458,787	57,051,197	(3,477,376)	(5,847,823)	-	(79,856)	(9,405,055)	(881,247)	101,895,584	6,752,388	108,647,972			
Profit for the three months ended March 31, 2018	-	-	-	-	1,393,302	1,393,302	-	-	-	-	-	-	1,393,302	189,494	1,582,796			
Other comprehensive income	-	-	-	-	28,108	28,108	(1,141,883)	(270,943)	-	(13,619)	(1,426,445)	-	(1,398,337)	(35,792)	(1,434,129)			
Total comprehensive income	-	-	-	-	1,421,410	1,421,410	(1,141,883)	(270,943)	-	(13,619)	(1,426,445)	-	(5,035)	153,702	148,667			
Changes in ownership interests in subsidiaries	-	160	-	-	-	-	-	-	-	-	-	-	160	-	160			
Changes in equity of associates and joint ventures accounted for using equity method	-	170	-	-	-	-	-	-	-	-	-	-	170	-	170			
Share-based payments transaction	(120,450)	(151,766)	-	-	36,141	36,141	-	-	-	79,856	79,856	-	(156,219)	-	(156,219)			
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(784)	(784)			
Balance at March 31, 2018	<u>\$ 44,071,466</u>	<u>10,787,337</u>	<u>18,252,861</u>	<u>4,339,549</u>	<u>35,916,338</u>	<u>58,508,748</u>	<u>(4,619,259)</u>	<u>(6,118,766)</u>	<u>-</u>	<u>(13,619)</u>	<u>(10,751,644)</u>	<u>(881,247)</u>	<u>101,734,660</u>	<u>6,905,306</u>	<u>108,639,966</u>			
Balance at January 1, 2019	\$ 44,071,466	9,932,434	18,827,814	8,831,148	32,401,419	60,060,381	(1,852,952)	(5,606,436)	-	-	(7,459,388)	(881,247)	105,723,646	7,438,202	113,161,848			
Profit for the three months ended March 31, 2019	-	-	-	-	1,350,258	1,350,258	-	-	-	-	-	-	1,350,258	309,443	1,659,701			
Other comprehensive income	-	-	-	-	451	451	409,477	336,288	-	(701)	745,064	-	745,515	1,032	746,547			
Total comprehensive income	-	-	-	-	1,350,709	1,350,709	409,477	336,288	-	(701)	745,064	-	2,095,773	310,475	2,406,248			
Changes in ownership interests in subsidiaries	-	580	-	-	-	-	-	-	-	-	-	-	580	-	580			
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	(14,209)	(14,209)	-	14,209	-	-	14,209	-	-	-	-			
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	24,890	24,890			
Balance at March 31, 2019	<u>\$ 44,071,466</u>	<u>9,933,014</u>	<u>18,827,814</u>	<u>8,831,148</u>	<u>33,737,919</u>	<u>61,396,881</u>	<u>(1,443,475)</u>	<u>(5,255,939)</u>	<u>-</u>	<u>(701)</u>	<u>(6,700,115)</u>	<u>(881,247)</u>	<u>107,819,999</u>	<u>7,773,567</u>	<u>115,593,566</u>			

See accompanying notes to consolidated financial statements.

Reviewed only, not audited in accordance with generally accepted auditing standards**COMPAL ELECTRONICS, INC. AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the three months ended March 31, 2019 and 2018****(Expressed in Thousands of New Taiwan Dollars)**

	For the three months ended March 31	
	2019	2018
Cash flows from (used in) operating activities:		
Profit before tax	\$ 2,109,800	1,922,011
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation and amortization	1,499,139	1,169,368
Increase (decrease) in expected credit loss	9,339	(60,188)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(62,021)	(189,702)
Finance cost	739,401	442,800
Interest income	(379,750)	(260,820)
Compensation cost of share-based payments	25,112	(157,426)
Share of profit of associates and joint ventures accounted for using equity method	62,083	(43,677)
Loss (gain) on disposal of property, plant and equipment	(969)	(40,722)
Long-term prepaid rents	-	3,367
Total adjustments to reconcile profit (loss)	1,892,334	863,000
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in financial assets at fair value through profit or loss	311,420	(384,485)
Decrease (increase) in notes and accounts receivable	20,960,308	21,312,140
Decrease (increase) in other receivable	(1,050,630)	(643,828)
Decrease (increase) in inventories	(12,894,760)	1,511,901
Decrease (increase) in other current assets	(157,587)	(129,218)
Decrease (increase) in other non-current assets	(21,532)	(83,340)
Total changes in operating assets	7,147,219	21,583,170
Changes in operating liabilities:		
Increase (decrease) in financial liabilities at fair value through profit or loss	(25,924)	(5,829)
Increase (decrease) in notes and accounts payable	(977,030)	(23,960,185)
Increase (decrease) in other payable	(1,651,874)	36,349
Increase (decrease) in refund liabilities	(1,628)	(808,263)
Increase (decrease) in provisions	36,181	18,584
Increase (decrease) in contract liabilities	(12,669)	(56,561)
Increase (decrease) in other current liabilities	(481,560)	213,775
Others	(3,455)	27,603
Total changes in operating liabilities	(3,117,959)	(24,534,527)
Total changes in operating assets and liabilities	4,029,260	(2,951,357)
Total adjustments	5,921,594	(2,088,357)
Cash inflow (outflow) generated from operations	8,031,394	(166,346)
Interest received	412,870	250,360
Interest paid	(883,025)	(432,053)
Income taxes paid	(175,827)	(85,879)
Net cash flows from (used in) operating activities	7,385,412	(433,918)
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method and financial assets at fair value through other comprehensive income	(6,524)	(87,525)
Proceeds from disposal of financial assets at fair value through other comprehensive income	791	-
Acquisition of financial assets at fair value through profit or loss	(25,000)	-
Proceeds from disposal of financial assets at fair value through profit or loss	326,137	-
Acquisition of property, plant and equipment	(1,037,784)	(1,093,681)
Proceeds from disposal of property, plant and equipment	3,891	82,148
Acquisition of intangible assets	(286,942)	(116,547)
Acquisition of right-of-use assets	(78,910)	-
Others	6,138	27,496
Net cash flows from (used in) investing activities	(1,098,203)	(1,188,109)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term borrowings	(4,587,076)	5,401,386
Proceeds from long-term borrowings	5,601,675	1,718,150
Repayments of long-term borrowings	(11,810,269)	(2,616,144)
Payment of lease liabilities	(191,259)	-
Acquisition of non-controlling interests	-	(485)
Change in non-controlling interests	1,259	1,068
Others	(43,851)	63,203
Net cash flows from (used in) financing activities	(11,029,521)	4,567,178
Effect of exchange rate changes on cash and cash equivalents	63,234	(813,277)
Net increase (decrease) in cash and cash equivalents	(4,679,078)	2,131,874
Cash and cash equivalents at beginning of period	70,296,545	70,062,713
Cash and cash equivalents at end of period	\$ 65,617,467	72,194,587

See accompanying notes to consolidated financial statements.