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E-Life Mall Corporation

2019 ANNUAL REPORT

English Translation

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Annual report enquiry: <http://mops.twse.com.tw>

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Please refer to P. 159-167

III. Shareholder services

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IV. Auditors of the latest audited financial statements

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Name of CPAs: Wei-Ming Shih and Tzu-Chieh Tang

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V. Name of overseas exchange where securities are listed, and the methods for inquiring the foreign-listed securities: None.

VI. Corporate website: <http://www.elifemall.com.tw>

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I. Report to shareholders

Dear Shareholders, ladies, and gentlemen:

2019 is a year of success for the dual-brand strategy, as witnessed by the continuous increase in the number of Digital City stores. In addition to the original four stores, nine new Digital City stores were opened in 2019, adding up to a total of 13 stores across Taiwan by the end of 2019 to successfully attract more young consumers to know and become loyal customers of E-Life Mall. In sales, apart from attracting more young consumers to use ICT products, Digital City boosted the sales of home appliances, making the operational strategy a huge success. 2019 is also the year zero to the online shopping service of E-Life Mall. Apart from providing consumers with more shopping options, online shopping allows us to extend our heartfelt service from physical stores to virtual channels to spread the heartfelt service of offline professionals to online shopping for consumers to feel the warmest online shopping experience.

Looking back at 2019, the US-China trade war brought ups and downs to the world, and challenges were everywhere in the retail industry. We were committed to improving the store environment, optimizing the consumer's shopping experience, and enhancing consumer loyalty with heartfelt service. Apart from expanding the product range to provide consumers with more options, our online shopping platform breaks the limit of time and space for busy consumers to feel our services ubiquitously and further realizes our customer-centered corporate culture.

Financial performance

Benefited from the government's incentivizing policies including the "subsidy for energy-efficient appliances" and "commodity tax refund for purchase of energy-efficient appliances," the sales of appliances, such as air-conditioners, refrigerators, and dehumidifiers, rose. Compared to the previous year, the 2019 revenue increased by NT\$16,343,296,000 or 7.24% to NT\$17,525,668,000, and the income after tax by NT\$405,437,000 or 8.67% to NT\$440,581,000.

Compared to the previous year, the 2019 gross profit margin reduced by 0.48% from 19.22% to 18.7% mainly because of price competitions and product portfolio changes.

In addition, the 2019 EPS was NT\$4.44, with an estimated cash dividend of NT\$4 per share.

Compared to the average closing price of NT\$65.57 per share in 2019, the dividend yield was 6.1%.

Business outlook

Despite the export decline of major countries which also affected Taiwan's economic development resulting from the general pessimism in the market, conservatism and hesitation of suppliers, and weak global economic demand due to the US-China trade war in early 2019. With the effects of order and production base transfer and the sound investment performance in the private sector, the domestic economy began to recover in Q3. With the stable foundation of Taiwanese stocks and the said incentivizing government policies for energy-efficient home appliances, buying was effectively recovered, leading to the outstanding performance in 2019. Looking out to the global economic condition in 2020, despite the phase one US-China economic and trade agreement, COVID-19 has brought a rapid and tremendous economic impact across the globe to fill the consumer market and economic recovery with much uncertainty. E-Life Mall and all employees will pay extra attention to respond to the situation and adjust the business strategy, in order to make greater efforts for better performance and higher profit. Major strategic goals and countermeasures for 2020 are as follows:

1. Furthering the dual-brand strategy and strengthening the “survival of the fittest” in store operations: Apart from increasing the number of stores for the new-brand Digital City, retaining existing customer groups, enhancing the young image, and attracting customer groups pursuing Life quality, we will survive the fittest E-Life Mall stores or transform them to renew old stores, in order to maintain brand competitiveness.
2. O2O integration: The E-Life Mall online shopping platform went live in November 2019 to provide consumers with complete online-to-offline (O2O) shopping experience. Apart from fulfilling their demand for shopping high-quality appliances to enhance life quality through online shopping ubiquitously, we provide consumers with the warmest shopping experience through the complete and excellent offline service from our professionals, in order to optimize online-offline services for consumers to feel our warm services different from other e-commerce platforms.
3. Membership policy: With a considerable population of members from E-Life Mall, we will enhance member management to increase member interaction based on their needs and add digital marketing to traditional media campaigns to increase growth energy.

Future development

Conduct, teamwork, learning, and expertise are the unchanged corporate values at E ife mall. Each will continuously guide our operations and serve as our indicator for challenging the future. In the future, we will pour new elements into the existing business model and proactively seek opportunities for cross-sector cooperation, in order to meet the everyday life needs of modern consumers and provide them with more and diverse shopping experiences in a better way. Internally, we will continue the heartfelt-service corporate culture for employees to make constant self-improvement and create the best return on investment for shareholders in a proactive and progressing environment, in order to build a win-win business for the company, employees, and shareholders.

Lastly, I want to thank all shareholders for your support and faith, and I am looking forward to creating a brighter future through long-lasting cooperation with all.

Wish you health and all the best!

Chi-Min Lin
Chairperson

II. Company profile

I. Date of establishment

E-Life Mall was established on January 11, 1986.

II. Corporate history

(I) Corporate history

Jan 1986 Completed chain integration and officially renamed “E-Life Mall Store Corporation”; increased sales by 2.3 times; and expanded the scope of business to total home appliance supply.

Aug 1997 Introduced the world’s latest chain computer software JDA to enhance overall operational performance.

Jan 1998 Merged with franchisee Chuan Tang Co., Ltd., with authorized capital increasing to NT\$48,000,000.

Mar 1998 Opened over 200 stores across Taiwan and more service locations.

May 1998 Merged with regional franchisees Chuan Shao Co., Ltd., Chuan Yu Co., Ltd., Chuan Chao Co., Ltd., Chuan Hsiung Co., Ltd., and Chuan Che Co., Ltd., with authorized capital increasing to NT\$171,000,000; and completed enterprise integration.

Oct 1998 Passed ISO 9002 certification for quality management.

March 1999 Awarded the 3rd Customer Satisfaction Gold Award.

May 2001 Awarded the 2000 “Consumer Golden Quality Award”

July 2001 Renamed “E-Life Mall Corporation”.

Dec 2002 Publicly offered on at TAIEX.

Dec 2005 Listed on TWSE on December 8.

April 2006 TV commercial “Papa Out of Country” (aka Computer) was rated one of the “Top 10 Best Loved Commercials” by the April issue of *Management Magazine*.

April 2006 “E-Life Mall Heartfelt Service A” was rated one of the “Top 10 Advert Slogans” at the “13th Advert Slogan Awards.”

Feb 2007 TV commercial “Gold List Title” was polled No. 1 in the 2006 Most Favored Advert Poll trialed by *Brain* magazine in February 2007.

Mar 2009 Donated 5,400 kg of Fusho Noodle to the vulnerable families living in affordable housing of the Taipei City Department of Social Welfare.

April 2009 Donated 4,000 sets of baseballs and baseball gears to the student baseball teams in Hualien.

Aug 2009 Launched the “50% Off for 5000 Appliances” for victims of typhoon Morakot in southern Taiwan to rebuild their homes.

April 2011 Chairperson Chi-Min Lin became the CEO concurrently to lead the

- Company to the next stage.
- Sep 2011 Became the first domestic appliance retail chain to acquire the “Digital TV Publicity Mark.””.
 - Dec 2011 The 300th store opened in Ruifang on December 10.
 - Mar 2013 Purchased over 50t of Chinese cabbage from farmers in central Taiwan during the over-yield season for free distribution to community residents through local stores on March 9 to help local farmers.
 - June 2013 Won the Gold Award in the Appliance Retail Chain category at the 2013 The Best Service in Taiwan Evaluation.
 - March 2013 Received a certificate of appreciation from the Taiwan Green Productivity Foundation for participation in the Taipei City energy efficiency ratings (levels 1 and 2 energy-efficient products).
 - March 2013 Awarded the “Energy Conservation Enterprise Award” for conserving electricity by 6% up to 22 GWh in the voluntary energy conservation program of the Bureau of Energy, Ministry of Economic Affairs.
 - Dec 2013 Awarded the “Friend of Environmental Protection” trophy by the Environmental Protection Administration of the Executive Yuan on December 24 for participation in the “2013 Green Consumption Publicity and Green Purchase Promotion Program.””.
 - June 2014 Won the Gold Award from the 2014 The Best Service in Taiwan Evaluation organized by the *Commercial Times*.
 - Aug 2014 Introduced the CHT-Senao booth to the Linkou and Chubei stores of E-Life Mall through collaboration with Chunghwa Telecom and Senao International.
 - June 2015 Won the Gold Award in the Appliance Retail Chain category at the 2015 The Best Service in Taiwan Evaluation.
 - Oct 2015 Won the First Prize in Group B, Appliance Store, “2015 Supplier of Outstanding Energy-Efficient Appliance Promotion” from the Taipei City Department of Economic Development.
 - Oct 2015 Rated No. 1 in the appliance store category at the “Best Service Award” organized by *Next Magazine*.
 - June 2016 Mr. Jeffrey Lin became the CEO of E-Life Mall on June 6.
 - July 2016 Donated NT\$1 million to the social assistance fund special account of the Taitung County Government to help victims of typhoon Nepartak to rebuild their homes and prepared 1,000 appliances for sale below the cost to help them.
 - Oct 2016 Won the First Prize in Group B, Appliance Store, “2015 Supplier of Outstanding Energy-Efficient Appliance Promotion” from the Taipei City Department of Economic Development.
 - Nov 2016 Received the “2016 Water Conservation Enthusiasm Trophy” from the Water Resources Agency, Ministry of Economic Affairs.
 - Nov 2016 Rated No. 1 in the appliance store category at the “Best Service Award” organized by *Next Magazine*.
 - May 2017 Implemented the brand-new Enterprise Resource Planning (ERP) system through collaboration with SAP.

- May 2017 Launched the first Digital City store, a new brand of E-Life Mall, in Kaohsiung. The grand opening of the Minzu Store was held in Sanmin District, Kaohsiung, on May 26.
- Jan 2017 Implemented the three international mobile payment brands: Apple Pay,
- June 2017 Samsung Pay, and Google Pay (formerly Android Pay).
- Oct 2017 Rated No. 1 in the integrated mall category at the “Best Service Award” organized by *Next Magazine*.
- Oct 2017 Awarded the “Best Energy-Efficient Product Promoter” by the Taipei City Department of Economic Development on October 26 for partition in the “2017 Energy-Efficient Product Promotion Program.”
- Dec 2017 Received the “2017 Water Conservation Enthusiasm Trophy” from the Water Resources Agency, Ministry of Economic Affairs.
- Feb 2018 Donated NT\$2 million to help earthquake victims in Hualien to rebuild their homes.
- Feb 2018 Donated over 700 appliances valued over NT\$1 million for the “Happy House In-Kind Bank” of the New Taipei City Social Welfare Department to distribute to vulnerable families before Spring Festival.
- Feb 2018 Became the first appliance merchant of the “Environmental Protection Point Collection Scheme” of the Environmental Protection Administration, Executive Yuan.
- Aug 2018 Introduced the first authorized Apple Shop to the Minzu store of Digital Life in Kaohsiung.
- Aug 2018 Launched the “0823 Flood Charitable Sale” in collaboration with E-Life Mall stores in Yunlin County, Chiayi County, Chiayi City, Tainan City, Kaohsiung City, and Pingtung County to help flood victims rebuild their homes with appliances at special offer.
- Oct 2018 Awarded the “Best Energy-Efficient Product Promoter” by the Taipei City Department of Economic Development for partition in the “2018 Energy-Efficient Product Promotion Program.”
- May 2019 TV commercial “My Variety Father” won the Third Prize Award with at the 2019 New York Festivals | Advertising Awards.
- June 2019 Won the Gold Award from the 2019 The Best Service in Taiwan Evaluation.
- Sep 2019 TV commercial “My Variety Father” won the Gold and Bronze awards at the 2019 AD STARS.
- Nov 2019 Launched E-Life Mall online shopping to provide the warmest online shopping service.

III. Governance

I. Organization

(I) Organization structure

Please refer to P. 8.

(II) Duties of major departments

1. Audit Office

- (1) Make audit policies and supervise competence development.
- (2) Comply with related laws and regulations and coordinate with and implement legal amendments.
- (3) Audit, assess, and improve the fairness and suitability of the eight cycles of internal control.
- (4) Audit, assess, and improve various internal management controls.
- (5) Inspect and help departments assess the integrity and suitability of the design and the effectiveness of implementation of the internal control system.
- (6) Implement the audit-related assignments from the Board of Directors.

2. CEO's Office

- (1) Make business strategies and implement operational goals.
- (2) Coordinate and follow up related work of all units.
- (3) Assist all units in promoting and achieving operational goals.
- (4) Provide legal consultation and advice for corporate operations, including legal risk assessments and management.
- (5) Draft, review, and keep custody of legal documents, contracts, and litigious documents; and review the legitimacy of adverts and publicity materials.
- (6) Represent the company in all lawsuits, mediations, and disputes; and handle emergency significant cases.
- (7) Handle legal compliance, legal research, and other legal affairs.

3. Occupational Safety and Health Office

- (1) Establish, plan, and implement various OH&S plans, policies, work rules, and safety SOPs.
- (2) Hold OH&S Committee meetings and implement other OH&S matters.

4. Financial and Accounting Division

- (1) Produce, review, and keep custody of all types of accounting vouchers.
- (2) Implement affairs relating to final accounting and profit appropriation, compensation, and allocation.
- (3) Produce, provide, and analyze accounting reports.
- (4) Report, pay, check, apply for recheck, make petition of, and apply for administrative litigation of taxes.
- (5) Implement registration, change registration, and business registration for the Company.
- (6) Implement and control capital budgets.
- (7) Study, plan, and implement capital formation.
- (8) Assess and analyze long- and short-term investments.
- (9) Fund collection, payment, and dispatch.
- (10) Audit and establish the audit process for store transactions.
- (11) Serve as the secretary unit of board meetings; provide and prepare board meeting data; and respond to requests from directors to timely assist directors in carrying out their duties.
- (12) Announce company-related information externally.
- (13) Maintain shareholder (including corporate shareholders) relations and media relations.
- (14) Communicate and contact with external units based on the Company's business policy.

5. IT Management Division

- (1) Collate and provide the Company's business information.
- (2) Assess, analyze, develop, set live, and promote new systems.
- (3) Purchase, install, and maintain the computer equipment of all units.
- (4) Integrate and support the computer software of all units.

6.HR Department

- (1) Establish HR development policies; analyze, predict, and plan HR demand; and establish and implement SOPs.
- (2) Establish, management, implement, and review education/training systems, SOP courses, and effectiveness assessment.

7.Logistics Management Division

- (1) Plan, implement, improve, and optimize the framework, systems, resources, SOPs, quality, and efficacy of the Company's overall logistics.
- (2) Shorten RMA time and establish service SOPs and the second repair claim system.
- (3) Plan, coordinate, and manage product RMA services.
- (4) Plan, purchase, and manage various fixed assets.
- (5) Trademark registration and management.
- (6) Assistance with and instruction for the construction, supervision, product display, and decoration technology of stores.
- (7) Accept, coordinate, and follow up customer complaints and customer service.
- (8) Communicate and coordinate customer complaints.

8.Marketing Division

- (1) Plan, promote, design, and implement promotional activities.
- (2) Plan, propose, and implement cross-sector sales cooperation and strategic alliance.
- (3) Plan, propose, and implement marketing products and gifts.

9.Appliance Division/Digital Product Division

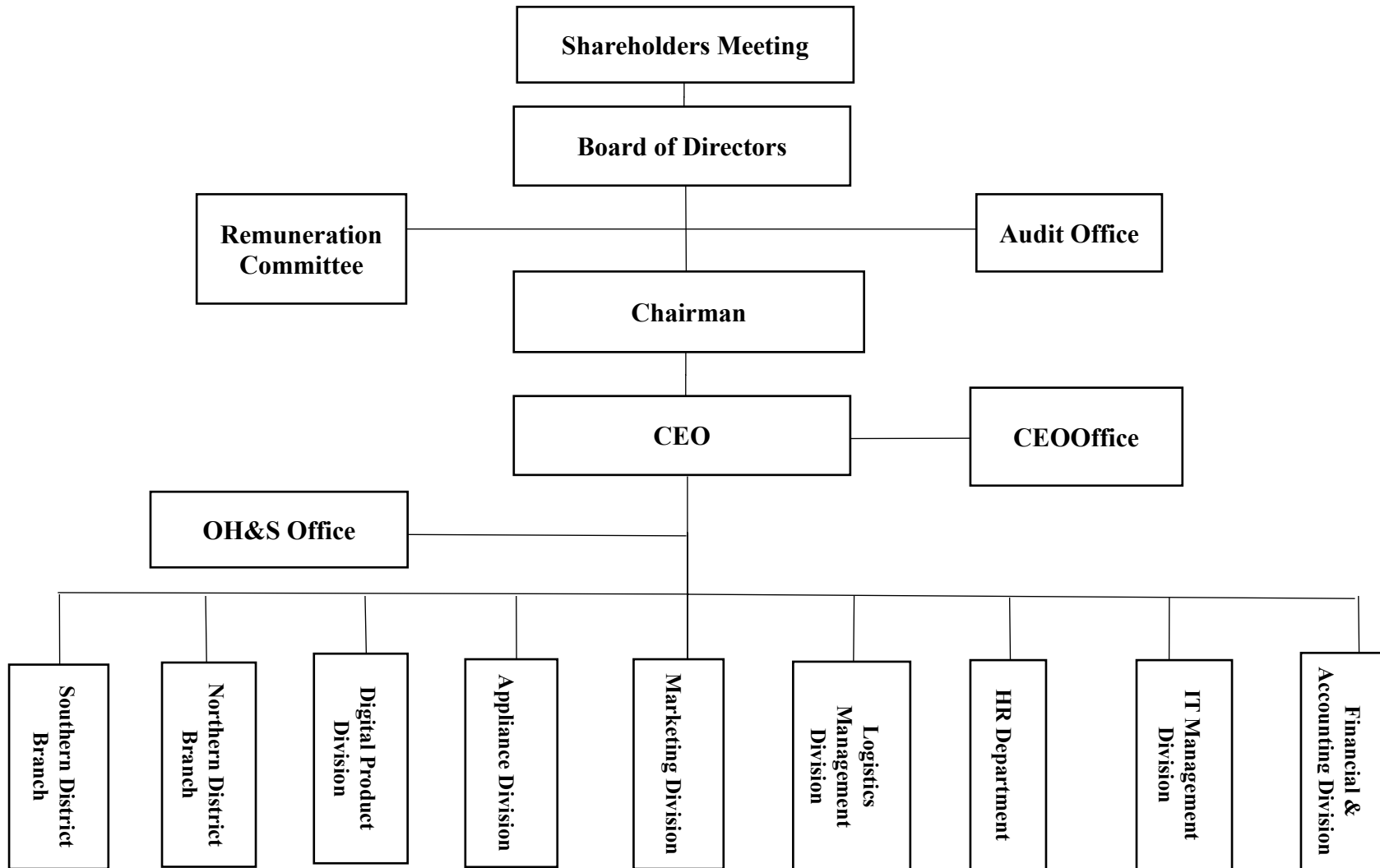
- (1) Plan, coordinate, and implement the Company's overall procurement.
- (2) Analyze purchases, sales, and inventories; and determine product portfolios.
- (3) Plan and implement pricing strategies.

10.Northern Region Branch/Southern Region Branch

- (1) Communicate the Company's business policies, philosophy, approaches, and regulations.
- (2) Provide guidance for business units to boost sales achievements and gross profit margin.
- (3) Plan the store expansion target, productivity value, and profit target of all units.

(4) Achieve the product portfolio goals and new product goals of all stores within the region.

E-Life Mall Corporation Organization Chart



II. Background information of the directors, supervisors, CEO, vice presidents, assistant vice presidents, and chiefs of departments and branches

(I) Directors, Supervisors

1. Directors and supervisors

April 14, 2020

Title	Nationality or Registration Place	Name (note 1)	Gender	Elected (Inaugurated) Date	Term	Date of Initial Election to Office	Shareholdings at the Time of Election to Office		Current Shareholdings		Shareholdings of Spouse/Minor Children		Shareholdings in the Name of a Third Party		Education and Experience	Concurrent Positions in the Company and Other Companies	Other Officers, Directors, or Supervisors of the Company Who are a Spouse or Relative Within the Second Degree Under the Civil Code			Remarks
							Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
Chairman	ROC	Chi-Min Lin	Male	2019.6.14	3	1998.6.20	2,906,441	2.93%	2,906,441	2.93%	2,820,250	2.84%	-	-	E-Life Mall Corporation Chairman Graduated from Senior high school	Chairperson, Encore Investment Co., Ltd.	Director CEO	Chi-Chen Lin Jeffrey Lin	Brothers Father and son	(note 2)
Vice chairman	ROC	Chun Chao Investment Co., Ltd.		2019.6.14	3	2016.5.18	3,258,844	3.29%	3,258,844	3.29%	-	-	-	-	-	NA	NA	NA	NA	
		Representative Chung-Ho Lin	Male	2019.6.14	3	1998.6.20	235,360	0.24%	235,360	0.24%	936,115	0.94%	-	-	E-Life Mall Corporation Vice chairman MBA, Pacific Western University, USA	Director, Ability Opto-Electronics Technology Co., Ltd.	NA	NA	NA	
Director	ROC	Kuo-Tsai Lu	Male	2019.6.14	3	1998.6.20	1,643,172	1.66%	1,643,172	1.66%	497,036	0.50%	-	-	CEO, Chuan Yu Co., Ltd. Graduated from Provincial Kaohsiung Institute of Technology.	NA	NA	NA	NA	
Director	ROC	Chi-Chen Lin	Male	2019.6.14	3	1998.6.20	1,189,494	1.20%	1,189,494	1.20%	379,823	0.38%	-	-	CEO Chuan Tang Co., Ltd. Graduated from Tung Hai Senior High School	Chairperson, Chengxin Engineering Co., Ltd.	Chairman	Chi-Min Lin	Brothers	

Title	Nationality or Registration Place	Name (note 1)	Gender	Elected (Inaugurated) Date	Term	Date of Initial Election to Office	Shareholdings at the Time of Election to Office		Current Shareholdings		Shareholdings of Spouse/Minor Children		Shareholdings in the Name of a Third Party		Education and Experience	Concurrent Positions in the Company and Other Companies	Other Officers, Directors, or Supervisors of the Company Who are a Spouse or Relative Within the Second Degree Under the Civil Code			Remarks
							Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
Director	ROC	Ching-Feng Hung	Male	2019.6.14	3	1998.6.20	1,444,820	1.46%	1,444,820	1.46%	692,862	0.70%	-	-	CEO, Chuan Che Co., Ltd. Graduated from Far East Junior College of Technology	NA	NA	NA	NA	
Director	ROC	Encore Investment Co., Ltd.		2019.6.14	3	2016.5.18	6,276,957	6.33%	6,276,957	6.33%	-	-	-	-	-	NA	NA	NA	NA	
		Representative	Male	2019.6.14	3	2019.6.14	-	-	-	-	-	-	-	-	Ph.D. in Economics, National Taiwan University, Taiwan, R.O.C. Professor of Economics, Chang Gung University, Taiwan, R.O.C.	NA	NA	NA	NA	
Director	ROC	Cheng Feng Investment Co., Ltd.		2019.6.14	3	2013.6.10	4,404,000	4.44%	4,404,000	4.44%	-	-	-	-	-	NA	NA	NA	NA	
		Representative Jeff Lin	Male	2019.6.14	3	2013.6.10	-	-	-	-	-	-	-	-	Special Assistant, Senao International Co., Ltd. MBA, National Chengchi University, Taiwan, R.O.C.	Director, Senao International Co., Ltd. Director, Tsann Kuen Enterprise Co., Ltd.	Director	Ken Lin	Brothers	
		Representative Ken Lin	Male	2019.6.14	3	2013.6.10	-	-	-	-	-	-	-	-	Director, Operations Planning Office, Senao International Co., Ltd. IMBA, National Chengchi University, Taiwan, R.O.C. Department of Japanese, University of British Columbia, Canada	Director, Senao International Co., Ltd.	Director	Jeff Lin	Brothers	

Title	Nationality or Registration Place	Name (note 1)	Gender	Elected (Inaugurated) Date	Term	Date of Initial Election to Office	Shareholdings at the Time of Election to Office		Current Shareholdings		Shareholdings of Spouse/Minor Children		Shareholdings in the Name of a Third Party		Education and Experience	Concurrent Positions in the Company and Other Companies	Other Officers, Directors, or Supervisors of the Company Who are a Spouse or Relative Within the Second Degree Under the Civil Code			Remarks
							Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
Independent Director	ROC	Scott Lin	Male	2019.6.14	3	2015.6.22	-	-	-	-	-	-	-	-	Senior VP, ACER Incorporated & CEO, Greater China Operations HQ Global CSO, ACER Incorporated Bachelor, Department of Business Administration, National Chengchi University, Taiwan, R.O.C.	Director, ThroughTek Co., Ltd.	NA	NA	NA	
Independent Director	ROC	Jones Yu	Male	2019.6.14	3	2016.5.18	-	-	-	-	-	-	-	-	Chairperson & CEO, Aspire Service & Development Inc. ACER Incorporated Global CHRO MBA, National Chiayi University, Taiwan, R.O.C.	Supervisor and Corporate Representative, Antung Trading Co., Ltd., Member, Remuneration Committee, Lungyen Life Service Corporation	NA	NA	NA	
Independent Director	ROC	Brian Hsu	Male	2019.6.14	3	2019.6.14	-	-	-	-	-	-	-	-	Cirocomm Technology Corporation Financial VP Tailyn Technologies Inc. Special Assistant to CEO CFO, Siltrontech Electronics Corporation Independent Director, ADDA Corporation MBA, National Taiwan University, Taiwan, R.O.C.	Responsible Person, Tsai Hui Management Consulting Co., Ltd. Financial Consultant, Weblink International Inc.	NA	NA	NA	
Supervisor	ROC	Fu-Tsai Lin	Male	2019.6.14	3	1998.6.20	929,479	0.94%	929,479	0.94%	406,505	0.41%	-	-	CEO Chuan Hsiung Co., Ltd. Graduated from Far East Junior College of Technology	NA	NA	NA	NA	

Title	Nationality or Registration Place	Name (note 1)	Gender	Elected (Inaugurated) Date	Term	Date of Initial Election to Office	Shareholdings at the Time of Election to Office		Current Shareholdings		Shareholdings of Spouse/Minor Children		Shareholdings in the Name of a Third Party		Education and Experience	Concurrent Positions in the Company and Other Companies	Other Officers, Directors, or Supervisors of the Company Who are a Spouse or Relative Within the Second Degree Under the Civil Code			Remarks
							Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
Supervisor	ROC	Hsin-Chao Liu	Male	2019.6.14	3	2001.6.20	678,899	0.68%	678,899	0.68%	341,338	0.34%	-	-	CEO, Jung Hsin Co., Ltd. BA, Chinese Culture University	Ying Fu Investment Co., Ltd.	NA	NA	NA	

Note 1: At the election on June 16, 2019, Encore Investment Co., Ltd. changed its representative from Mr. Cheng-Chao Peng to Mr. Kuang-Cheng Andy Wang; and Independent Director Chang Chen resigned.

2: Although the Company's chairperson and CEO are relative within the second degree under the Civil Code, no director concurrently serves as the Company's employee or manager, and independent directors are both professional and independent, the division of labor is clear. In the future, the Company will adjust the number of independent directors at appropriate times.

2. Major Shareholders of Corporate Shareholders

April 14, 2020

Name of Corporate Shareholder	Major Shareholders of Corporate Shareholders	Shareholding Ratio
Chun Chao Investment Co., Ltd.	Su-Min Luan	44.42%
	Ting-Hua Lin	33.33%
	Fang-Yi Lin	11.11%
	Yu-Ching Lin	11.11%
Encore Investment Co., Ltd.	Chi-Min Lin	77.24%
	Jeffrey Lin	17.24%
	Hsiu-Chu Lin Hung	3.45%
	Wen-Hui Lin	0.69%
Cheng Feng Investment Co., Ltd.	Pao-Yung Lin	57.81%
	Yung-Ming Liu	33.59%
	Jeff Lin	0.09%
	Ken Lin	0.09%

3. Profile of Directors and Supervisors

April 14, 2020

Requirements Name	With five or more years of experience and the following professional qualifications			Status of independence(note 1)												Concurrent ly an independe nt director of other public companies
	Public/private college/university instructors or higher levels in commerce, law, finance, accounting, or subjects required by the business of the Company	Passed the qualification examination with proper licensing by the national government as court judge, prosecutor, lawyer, certified public accountant, or other professional designations required by the business of the Company	Experience of commerce, law, finance, accounting, or others as required by the Company	1	2	3	4	5	6	7	8	9	10	11	12	
Chairman Chi-Min Lin			✓						✓	✓	✓	✓		✓	✓	-
Vicechairman Chung-Ho Lin, Representative of Chuan Chao Investment Co., Ltd.			✓		✓		✓	✓	✓	✓	✓	✓	✓	✓		-
Director Kuo-Tsai Lu			✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Director Chi-Chen Lin			✓	✓	✓			✓	✓	✓	✓	✓		✓	✓	-
Director Ching-Feng Hung			✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Director Kuang-Cheng Andy Wang, Representative of Encore Investment Co., Ltd.			✓	✓	✓	✓	✓			✓	✓	✓	✓	✓		-
Director Jeff Lin, Representative of Cheng Feng Investment Co., Ltd.			✓	✓	✓	✓	✓		✓	✓	✓	✓		✓		-
Director Ken Lin, Representative of Cheng Feng Investment Co., Ltd.			✓	✓	✓	✓	✓		✓	✓	✓	✓		✓		-
Independent Director Scott Lin			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Independent Director Jones Yu			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Independent Director Brian Hsu			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Supervisor Fu-Tsai Lin			✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Supervisor Hsin-Chao Liu			✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	-

Note: 1. Check “✓” the qualifications appropriate to each director and supervisor who meet such qualifications two years before assumption of office or at the time of assumption.

- (1) Not an employee of the Company or its affiliates.
- (2) Not a director or supervisor of the company or its affiliates (except for independent directors of concurrently the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (3) Not holding more than 1% of the outstanding shares issued by the company or among the top 10 natural person shareholders by the person or his/her spouse or underage children, or in the name of a third party.
- (4) Not the spouse, the kindred at the second tier under the Civil Code or the direct kin within the third tier under the Civil

Code of the managers stated in (1) or other roles stated in (2), (3).

- (5) Not a director, supervisor or employee of an corporate shareholder directly holding more than 5% of the outstanding shares issued by the company, or a director, supervisor or employee of an corporate shareholder who is among the top 5 shareholders, or a representative of an corporate shareholders appointed as the director or supervisor of the company according to paragraph 1 or 2, Article 27, Company Act (except for independent directors of concurrently the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (6) Not a director, supervisor or employee of a company controlling over one half of the company's director seats or voting shares under one person (except for independent directors of the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (7) Not a director of a company or institution whose chairperson and CEO or equivalent role is the same person or its spouse (except for independent directors of concurrently the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (8) Not a director, supervisor, manager or shareholder holding more than 5% of the outstanding shares of a specific company or institution in a business or financial relation with the company (except for a specific company or institution holding over 20% but less than 50% of the company's outstanding shares, and independent directors of the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (9) Not a professional or owner, partner, director, supervisor, manager or the spouse of these roles of a sole proprietorship, partnership, company, or institution that audits or provides related business, legal, financial, accounting services or consultation with service fees accumulating below NT\$500,000 in the last two years for the company or its affiliates; except for members of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition exercising powers according to the Securities and Exchange Act or the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) Not a spouse or the kindred at the second tier under the Civil Code to any other director.
- (11) Not under any of the categories stated in Article 30 of the Company Act.
- (12) Not being elected as representative of the government, an institution, or others under Article 27 of the Company Act.

(II) Background Information of CEO, Vice Presidents, Assistant Vice Presidents, and Chiefs of Departments and Branches:

April 14, 2020

Title	Nationality	Name (note 1)	Gender	Elected (Inaugurated) Date	Shareholdings		Shareholdings of Spouse/Minor Children		Shareholdings in the Name of a Third Party		Education and Experience	Concurrent Positions in the Company and Other Companies	Other Officers, Directors, or Supervisors of the Company Who are a Spouse or Relative Within the Second Degree Under the Civil Code			Remarks
					Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
CEO	ROC	Jeffrey Lin	Male	2016.6.6	3,046,544	3.07%	24,075	0.02%	-	-	Special Assistant, Chairperson's Office, E-Life Mall Corporation MBA, Georgetown University, USA	NA	Chairman	Chi-Min Lin	Father and son	(note 2)
IT Management Division	VP	ROC	Chun-Ke Wu	Male	2012.3.16	20,502	0.02%	5,765	0.01%	-	-	NA	NA	NA	NA	
Northern District Branch	VP	ROC	Steve Hsieh	Male	2012.2.1	5,909	0.01%	666	0.00%	-	-	NA	NA	NA	NA	
Southern District Branch	VP (Note 3)	ROC	Peter Lin	Male	2002.3.1	20,652	0.02%	7,860	0.01%	-	-	NA	NA	NA	NA	
Financial & Accounting Division	Assistant VP	ROC	Jill Chen	Female	2019.8.12	-	-	-	-	-	-	NA	NA	NA	NA	
Logistics Management & Human Resources Department	Assistant VP	ROC	Eva Liao	Female	2019.3.5	-	-	-	-	-	-	NA	NA	NA	NA	

Title		Nationality	Name (note 1)	Gender	Elected (Inaugurated) Date	Shareholdings		Shareholdings of Spouse/Minor Children		Shareholdings in the Name of a Third Party		Education and Experience	Concurrent Positions in the Company and Other Companies	Other Officers, Directors, or Supervisors of the Company Who are a Spouse or Relative Within the Second Degree Under the Civil Code			Remarks
						Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
Marketing Division	Assistant VP	ROC	Leslie Lin	Female	2019.11.1	-	-	-	-	-	-	Director, Marketing Division, ACER Pan-Asia Operations HQ MBA, Boston University, USA	NA	NA	NA	NA	
Appliance Division	Assistant VP	ROC	Wen-Ching Wei	Male	2016.6.13	1,042	0.00%	-	-	-	-	Manager, E-Life Mall Corporation BA, Department of Business Administration, National Central University	NA	NA	NA	NA	
Digital Product Division	Assistant VP	ROC	Yueh-Wei Wan	Male	2012.7.1	-	-	-	-	-	-	Senior Manager, E-Life Mall Corporation MBA, University of North Alabama, USA	NA	NA	NA	NA	

Note 1: AVP Wan-Cheng Yang of the Financial & Accounting Division retired on August 31, 2019; and AVP Cheng-Ju Lin of the Marketing Division resigned on March 4, 2020.

2: Although the Company's chairperson and CEO are relative within the second degree under the Civil Code, no director concurrently serves as the Company's employee or manager, and independent directors are both professional and independent, the division of labor is clear. In the future, the Company will adjust the number of independent directors at appropriate times.

3: AVP Peter Lin was promoted to VP on April 1, 2020.

(III) Remuneration for Directors, Supervisors, CEO, and Vice Presidents in the Previous Year

1. Remuneration for General and Independent Directors

2019; Unit: NTD thousands

Title	Name	Remuneration for Directors (note 1)								Percentage of the Sum of A to D in the Net Income After Tax		Remuneration for Directors Who are Concurrently Employees								Percentage of the Sum of A to G in the Net Income After Tax		Whether or not receiving remuneration from investees or the parent company other than subsidiaries	
		Remuneration (A)		Severance Pay/Retirement Allowance (B)		Remuneration from Distribution of Earnings (C)		Business Execution Expenses (D)				Salaries, Bonuses, and Special Expenses (E)		Severance Pay/Retirement Allowance (F)		Employee Profit Sharing from Earnings Distribution (G)							
		The Company	All Firms Disclosed in the Financial Statements	The Company	All Firms Disclosed in the Financial Statements	The Company	All Firms Disclosed in the Financial Statements	The Company	All Firms Disclosed in the Financial Statements	The Company	All Firms Disclosed in the Financial Statements	The Company	All Firms Disclosed in the Financial Statements	The Company	All Firms Disclosed in the Financial Statements	Cash Amount	Stock Amount	Cash Amount	Stock Amount	The Company	All Firms Disclosed in the Financial Statements		
Chairman	Chi-Min Lin	5,049	-	-	-	5,796	-	630	-	2.61%	-	-	-	-	-	-	-	-	-	-	2.61%	-	-
Vice chairman	Chung-Ho Lin, Representative of Chuan Chao Investment Co., Ltd.																						
Director	Kuo-Tsai Lu																						
Director	Chi-Chen Lin																						
Director	Ching-Feng Hung																						
Director	Kuang-Cheng Andy Wang, Representative of Encore Investment Co., Ltd. (note 2)																						

	representative Kuang-Cheng Andy Wang of Encore Investment Co., representative Jeff Lin of Cheng Feng Investment Co., Ltd., representative Ken Lin of Cheng Feng Investment Co., Ltd., Chang Chen (note 2), and Brian Hsu.		representative Kuang-Cheng Andy Wang of Encore Investment Co., representative Jeff Lin of Cheng Feng Investment Co., Ltd., representative Ken Lin of Cheng Feng Investment Co., Ltd., Chang Chen (note 2), and Brian Hsu.	
NT\$1,000,000 (included) – NT\$2,000,000 (excluded)	Chun Chao Investment Co., Ltd. Representative Chung-Ho Lin	-	Chun Chao Investment Co., Ltd. Representative Chung-Ho Lin	-
NT\$2,000,000 (included) – NT\$3,500,000 (excluded)	Scott Lin, Jones Yu		Scott Lin, Jones Yu	
NT\$3,500,000 (included) – NT\$5,000,000 (excluded)	Chi-Min Lin		Chi-Min Lin	
NT\$5,000,000 (included) – NT\$10,000,000 (excluded)	-	-	-	-
NT\$10,000,000 (included) – NT\$15,000,000 (excluded)	-	-	-	-
NT\$15,000,000 (included) – NT\$30,000,000 (excluded)	-	-	-	-
NT\$30,000,000 (included) – NT\$50,000,000 (excluded)	-	-	-	-
NT\$50,000,000 (included) – NT\$100,000,000 (excluded)	-	-	-	-
NT\$100,000,000 and Above	-	-	-	-
Total	12 persons	-	12 persons	-

Note 1: At the election on June 16, 2019, Encore Investment Co., Ltd. changed its representative from Mr. Cheng-Chao Peng to Mr. Kuang-Cheng Andy Wang.

2: At the election on June 16, 2019, Independent Director Chang Chen resigned.

2. Remuneration for Supervisors

2019; Unit: NTD thousands

Title	Name	Remuneration for Supervisors						Percentage of the Sum of A to C in the Net Income After Tax		Whether or not receiving remuneration from investees or the parent company other than subsidiaries
		Remuneration (A)		Remuneration (B)		Business Execution Cost (C)		The Company	All Firms Disclosed in the Financial Statements	
		The Company	All Firms Disclosed in the Financial Statements	The Company	All Firms Disclosed in the Financial Statements	The Company	All Firms Disclosed in the Financial Statements			
Supervisor	Fu-Tsai Lin	-	-	1,449	-	162	-	0.37%	-	-
Supervisor	Hsin-Chao Liu	-	-	1,449	-	162	-	0.37%	-	-

Range of Remuneration

Range of Remuneration for Supervisors	Name of Supervisor	
	Percentage of the Sum of A to C in the Net Income After Tax	
	The Company	All Firms Disclosed in the Financial Statements(D)
Below NT\$1,000,000	Fu-Tsai Lin, Hsin-Cha Liu	Fu-Tsai Lin, Hsin-Cha Liu
NT\$1,000,000 (included) – NT\$2,000,000 (excluded)	-	-
NT\$2,000,000 (included) – NT\$3,500,000 (excluded)	-	-
NT\$3,500,000 (included) – NT\$5,000,000 (excluded)	-	-
NT\$5,000,000 (included) – NT\$10,000,000 (excluded)	-	-
NT\$10,000,000 (included) – NT\$15,000,000 (excluded)	-	-
NT\$15,000,000 (included) – NT\$30,000,000 (excluded)	-	-
NT\$30,000,000 (included) – NT\$50,000,000 (excluded)	-	-
NT\$50,000,000 (included) – NT\$100,000,000 (excluded)	-	-
NT\$100,000,000 and Above	-	-
Total	2 persons	2 persons

3. Remuneration for the CEO and Vice Presidents

2019; Unit: NTD thousands

Title	Name	Salary (A)		Severance Pay/Retirement Allowance (B)		Bonuses & Special Expenses (C)		Amount of Employee Profit Sharing from Earnings Distribution (D)				Percentage of the Sum of A to D in Net Income After Tax		Whether or not receiving remuneration from investees or the parent company other than subsidiaries
		The Company	All Firms Disclosed in the Financial Statements	The Company	All Firms Disclosed in the Financial Statements	The Company	All Firms Disclosed in the Financial Statements	The Company		All Firms Disclosed in the Financial Statements		The Company	All Firms Disclosed in the Financial Statements	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
CEO	Jeffrey Lin	6,492	-	324	-	9,402	-	3,033	-	-	-	4.37%	-	-
VP	Steve Hsieh													
VP	Chun-Ke Wu													

Range of Remuneration

Range of Remuneration for CEO and Vice Presidents	Name of CEO/Vice President	
	The Company	All Firms Disclosed in the Financial Statements
Below NT\$1,000,000	-	-
NT\$1,000,000 (included) – NT\$2,000,000 (excluded)	-	-
NT\$2,000,000 (included) – NT\$3,500,000 (excluded)	-	-
NT\$3,500,000 (included) – NT\$5,000,000 (excluded)	Steve Hsieh, Chun-Ke Wu	Steve Hsieh, Chun-Ke Wu
NT\$5,000,000 (included) – NT\$10,000,000 (excluded)	Jeffrey Lin	Jeffrey Lin
NT\$10,000,000 (included) – NT\$15,000,000 (excluded)	-	-
NT\$15,000,000 (included) – NT\$30,000,000 (excluded)	-	-
NT\$30,000,000 (included) – NT\$50,000,000 (excluded)	-	-

NT\$50,000,000 (included) – NT\$100,000,000 (excluded)	-	-
NT\$100,000,000 and Above	-	-
Total	3 persons	3 persons

Remuneration for Managers

2019; Unit: NTD thousands

	Title		Name	Stock Amount	Cash Amount	Total	Percentage of the sum in net income after tax
Manager	CEO		Jeffrey Lin	-	4,430	4,430	1.01%
	IT Management Division	VP	Chun-Ke Wu				
	Northern District Branch	VP	Steve Hsieh				
	Southern District Branch	VP (note 1)	Peter Lin				
	Financial & Accounting Division	Assistant VP	Wan-Cheng Yang (note 2)				
	Financial & Accounting Division	Assistant VP	Jill Chen				
	Logistics Management & Human Resources Department	Assistant VP	Eva Liao				
	Marketing Division	Assistant VP	Cheng-Ju Lin (note 2)				
	Marketing Division	Assistant VP	Leslie Lin				
	Appliance Division	Assistant VP	Wen-Ching Wei				
	Digital Product Division	Assistant VP	Yueh-Wei Wan				

Note 1: AVP Peter Lin was promoted to VP on April 1, 2020.

Note 2: AVP Wan-Cheng Yang of the Financial & Accounting Division retired on August 31, 2019; and AVP Cheng-Ju Lin of the Marketing Division resigned on March 4, 2020.

(IV) Comparison and disclosure of remuneration in the most recent 2 years paid by the company and all companies included in the consolidated financial statements to the company's directors, supervisors, CEO and vice presidents as a percentage of after-tax net profit. Describe the remuneration policy, standards, and packages, the procedures for determining remuneration and link to business performance and future risks

1. Amount of remuneration paid to directors, supervisors, the CEO and vice presidents of the Company and all companies included in the consolidated financial statements in the last 2 years, and as a percentage of net income

	Percentage of the sum in net income after tax		Increase (Reduction) Percentage
	2019	2018	
Director	4.12%	3.37%	0.75%
Supervisor	0.37%	0.36%	0.01%
CEO/VP	4.37% (note 1)	4.55%	(0.18)%

Note 1: Based on the profit distribution proposal for 2019 approved by the Board of Directors, the amount of profit sharing for employees is NT\$42,620,000. The list of employees receiving profit sharing has not been determined by the date of annual report publication, the proposal of distribution is calculated based on the actual proportion in the last year.

2. Remuneration policies, standards, packages

The honorarium and remuneration for directors, independent directors, and supervisors are determined by the Board of Directors based on the standard in the business and listed companies; the remuneration for the CEO and VPs is determined by the Board of Directors based on the pay standard of employees and related regulations of this Company according to Article 29 of the Company Act; and bonuses and profit sharing for employees are based on the Company's business performance and the sales achievement of individual employees.

3. Procedures for determining remuneration

The Remuneration Committee assesses regularly and determines the remuneration for directors and managers and submits the results to the Board of Directors for approval.

4. Relevance to business performance

The CEO is remunerated in full consideration of its expertise and the Company's business and financial performance. Vice presidents are remunerated according to the Employee Performance Evaluation Regulations by linking individual performance and goal management and assessment.

5. Relevance to future risks

The management must measure various risk factors before making important decisions. The performance of important decisions will be reflected in the Company's income and affect the remuneration of management. That is, the remuneration of the CEO and vice presidents is correlated to the future risk control and performance.

III. Corporate governance

(I) Operation of the Board of Directors

1. In 2019, a total of 14 meetings were held, and the attendance of directors is as follows:

Title	Name	Actual Attendances (Appearances) (B)	Attendances by Proxy	Rate of Actual Attendance (%) [B/A]	Remarks
Chairman	Chi-Min Lin	13	0	93	
Vice chairman	Chung-Ho Lin, Representative of Chuan Chao Investment Co., Ltd.	12	2	86	
Director	Kuo-Tsai Lu	14	0	100	
Director	Chi-Chen Lin	12	0	86	
Director	Ching-Feng Hung	13	0	93	
Director	Jeff Lin, Representative of Cheng Feng Investment Co., Ltd.	11	1	79	
Director	Ken Lin, Representative of Cheng Feng Investment Co., Ltd.	14	0	100	
Director	Cheng-Chao Peng, representative of Encore Investment Co., Ltd.,	7	0	100	Resigned on June 14, 2019. The actual attendance was 7 times.
Director	Kuang-Cheng Andy Wang, Representative of Encore Investment Co., Ltd.	6	0	86	Resigned on June 14, 2019. The actual attendance was 7 times.
Independent Director	Chang Chen	5	0	71	Resigned on June 14, 2019. The actual attendance was 7 times.
Independent Director	Scott Lin	13	0	93	
Independent Director	Jones Yu	13	0	93	
Independent Director	Brian Hsu	7	0	100	Resigned on June 14, 2019. The actual attendance was 7 times.
Supervisor	Fu-Tsai Lin	14	0	100	

Supervisor	Hsin-Chao Liu	13	0	93	
<p>Other information required for disclosure:</p> <p>I. The date, session, proposal content, and resolution specified and the opinion expressed by independent directors shall be specified under any one of the following circumstances:</p> <p>(I) Matters specified in Article 14-3 of the Securities and Exchange Act: Please refer to the important board resolutions in pp. 51-54.</p> <p>(II) Other board resolutions to which objections or qualified opinions for the record or in writing are expressed by independent directors: NA</p> <p>II. When there is avoidance of conflicts of interest by a director, specify the name of that director, the involved proposal(s), the cause(s) of the avoidance of conflicts of interest, and the participation in voting of that director: NA.</p> <p>III. Targets for board competency improvement in the current and previous years and performance evaluation: This Company has three independent directors and established the “Rules Governing the Scope of Powers of Independent Directors” on March 20, 2008. We have also amended the “Rules of Procedure for Meetings of Board of Directors” according to the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” promulgated by the competent authorities. Directors and supervisors of this Company actively participated in board meetings and fully expressed their opinions at the meetings. This Company also disclosed financial information on the Market Observation Post System (MOPS) by law.</p> <p>In addition, this Company established the Remuneration Committee with three committee members on October 29, 2011. Term of the current committee members: From June 14, 2019 to June 13, 2022. By February 21, 2020, a total of six committee meetings were held, and all have been disclosed on the MOPS by law.</p>					

Board meeting attendances of independent directors in 2019 (λ: attendance in person/⊙ attendance by proxy)

Name/Date	1/22	3/8	3/27	4/15	4/29	5/10	5/28	6/14	7/11	8/12	9/17	10/24	11/8	12/13
Chang Chen		•	•	•	•		•							
Scott Lin	•	•	•	•	•	•	•	•	•	•		•	•	•
Jones Yu	•	•	•	•	•	•		•	•	•	•	•	•	•
Brian Hsu								•	•	•	•	•	•	•

2. Status of Board Evaluation

Assessment Cycle	Assessment Duration	Assessment Scope	Assessment Method	Assessment Contents
Once a year	Jan 1-Dec 31, 2019	Board performance assessment	Board performance self-assessment	A. Participation in the company's operations. B. Improvement of board decision quality C. Board composition and

				structure D. Election of directors and continued knowledge development E. Internal control
		Performance assessment of individual directors and functional committee members	Board member performance self-assessment	A. Understanding of company goals and missions B. Directors understanding of their duties and responsibilities C. Participation in the company's operations. D. Internal relation maintenance and communication E. Director's expertise and continuing education F. Internal control

(II) Operation of the audit committee or the involvement of supervisors in board operations

1.Information regarding audit committee operations: This Company has not established an audit committee.

2.Involvement of supervisors in board operations:

A total of 14 board meetings were held in the previous year, and the attendance of supervisors is as follows:

Title	Name	Actual Appearances (B)	Attendances by Proxy	Actual Appearance Rate (%) (B/A)	Remarks
Supervisor	Fu-Tsai Lin	14	0	100	
Supervisor	Hsin-Chao Liu	13	0	93	

Other information required for disclosure:

I. Composition and duties of supervisors

(I) Communication between supervisors and employees and shareholders: Supervisors can directly communicate with employees and shareholders as necessary.

(II) Communication between supervisors and the chief internal auditors and accountants:

1. Within one month after an internal audit, the chief auditor reported to the supervisors of the audit results, and supervisors made no objection to the report.

2. The chief auditor attended the board meeting and presented the audit report, and supervisors made no objection to the report.

3. Every half-year, supervisors communicate the Company's financial condition with accountants either face-to-face or in writing.

II. It supervisors appear and express opinion at a board meeting, the date, session, proposal content, and resolution specified and the opinion expressed by supervisors shall be specified under any one of the following circumstances:

NA

(III) Status of governance and the differences and the cause(s) of differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, Governance Best Practice (Governance Best Practice):

Assessment Item	Status of Operation			Differences and the Cause(s) of Differences from the Governance Best Practice
	Yes	No	Summary Description	
1. Does the Company define and disclose its governance best practice principles in accordance with the “Governance Best Practice”?	V		Although this Company has not established the governance best practice principles, we implement governance with respect to the “Governance Best Practice.”	Implemented in conformity with the “Governance Best Practice”
2. Structure of shareholdings and shareholder’s equity				
(1) Does the Company establish and implement internal procedures for handling shareholder suggestions, questions, disputes, and litigations?	V		We designate responsible staff to take care of shareholder suggestions, questions, and disputes; and disclose related data on the corporate website.	Implemented in conformity with the “Governance Best Practice”
(2) Does the Company keep an up-to-date list of its dominant shareholders and the parties with ultimate control over its dominant shareholders?	V		This Company and the stock service agent keep a regular track on the list of dominant shareholders and the parties with ultimate control over its dominant shareholders.	Implemented in conformity with the “Governance Best Practice”
(3) Does the Company establish and implement a risk control mechanism and firewall between its affiliates?	V		This Company has established the “Procedures for Handling Transactions with Related Parties, Specific Companies and Groups” for responsible staff to keep track of the related matters of affiliates. As we do not have affiliates for the moment, the Procedures are currently inapplicable.	Implemented in conformity with the “Governance Best Practice”
(4) Does the Company establish internal rules to prevent insider trading using undisclosed information?	V		Insiders are regulated in accordance with the Securities and Transaction Act. Although we have not established the corporate governance best practice principles, related regulations have been stated in the Code of Ethical Conduct for Directors and Supervisors and the Code of Ethical Conduct for Employees.	Implemented in conformity with the “Governance Best Practice”
3. Composition and duties of the board of directors				
(1) Does the Company establish and implement a defined policy to diversify board membership?	V		We have established three independent directors, and each director has its own specialties to help make corporate	Implemented in conformity with the “Governance Best

Assessment Item	Status of Operation			Differences and the Cause(s) of Differences from the Governance Best Practice
	Yes	No	Summary Description	
			policies. We also request the management team to implement such policies.	Practice”
(2) In addition to establishing a remuneration committee and an audit committee by law, does the Company voluntarily establish other functional committees?	V		This Company will timely establish various functional committees based on the operational needs.	Implemented in conformity with the “Governance Best Practice”
(3) Does the company establish a method to assess the performance of the board of directors and assess its performance every year? Are the performance assessment results reported to the board of directors and used as a reference for the remuneration and nomination for re-election of directors?	V		We have established the Board Performance Assessment Regulations stating that board performance shall be assessed at least once a year, with targets including the board of directors and individual board members (including members of functional committees). The assessment is administered by means of the “self-assessment questionnaire” by each director. After the gathering the self-assessment results, the agenda working group of the board of directors will report to the board of directors. The results of the 2019 board performance assessment were reported to the board of directors on February 27, 2020.	Implemented in conformity with the “Governance Best Practice”
(4) Does the company regularly evaluate the independence of certified public accountants?	V		This Company regularly assesses the independence of CPAs according to the “Corporate Governance Best Practice Principles” and requests CPAs to submit a statement of independency to the board of directors for discussion. The results of the 2019 CPA independency assessment were submitted to the board of directors for discussion and approval on December 13, 2019.	Implemented in conformity with the “Governance Best Practice”

Assessment Item	Status of Operation			Differences and the Cause(s) of Differences from the Governance Best Practice
	Yes	No	Summary Description	
4. Does a public company deploy sufficient quantity of eligible governance personnel and appoint a chief governance officer to take charge of company's governance affairs (including, without limitation, providing directors with the data required for business operations, assisting directors with legal compliance, handling affairs in relation to holding a board meeting or a general meeting of shareholders, processing company registration and change registration, and keeping minutes for board meetings and general meetings of shareholders)?	V		This Company has a responsible unit to provide directors and supervisors with the data for business execution, take care of matters relating to board meetings and meetings of stakeholders, implement company registration and change registration, produce the minutes of meetings of shareholders and board meetings.	Implemented in conformity with the "Governance Best Practice"
5. Does the company establish channels for communication with interested parties (including, without limitation, shareholders, employees, customers, and suppliers), set up a interested party section on the corporate website, and respond appropriately to material CSR issues that concern shareholders?	V		This Company has established and disclosed on the corporate website the channels for interested party communication.	Implemented in conformity with the "Governance Best Practice"
6. Does the company appoint a professional stock affairs agent to handle shareholder affairs?	V		This Company designates KGI Securities as the stock service agent to organize the general meetings of shareholders.	Implemented in conformity with the "Governance Best Practice"
7. Information Disclosure				
(1) Does the company set up a website to disclose its financial and governance information?	V		This Company has designated responsible staff to gather and disclose corporate information and disclose the Company's financial information on the MOPS.	Implemented in conformity with the "Governance Best Practice"
(2) Does the company try other means to disclose information	V		This Company has established the spokesperson system to immediately	Implemented in conformity with the

Assessment Item	Status of Operation			Differences and the Cause(s) of Differences from the Governance Best Practice
	Yes	No	Summary Description	
(such as setting up an English website, designating personnel to gather and disclose organizational information, effectively implementing the spokesperson system, and posting investor conferences on the corporate website)?			disclose information affecting shareholders and interested parties.	“Governance Best Practice”
(3) Does the company announce and report its financial statements within two months after the end of a fiscal year, and publish and declare in advance the financial statements of Q1, Q2, and Q3 and status of monthly operations?	V		In 2019 this Company disclosed the quarterly financial statements and monthly business conditions before the deadline and announced and reported financial statements within two months after the end of the fiscal year.	Implemented in conformity with the “Governance Best Practice”
8. Is there any other material information (including, without limitation, employee rights, employee care, investor relations, supplier relations, interested party rights, further education for directors and supervisors, the performance of the risk management policy and risk measurement standard, the performance of the customer policy, and the purchase of liability insurance for directors and supervisors), that will help interested parties understand governance practices at the Company?	V		<p>1. Employee rights: This Company has an employee welfare committee to hold regular meetings to discuss employee welfare measures with management.</p> <p>2. Employee care: This Company establishes a good relationship with employees through various employee welfare measures and the sound education/training system.</p> <p>3. Investor relations: This Company designates responsible staff to take care of shareholder suggestions, questions, and disputes.</p> <p>4. Supplier relations: This Company always maintains a good relationship with suppliers.</p> <p>5. Interested party rights: Interested parties may communicate with and give advice to this Company to maintain their legal rights and interests.</p> <p>6. Further education for directors and supervisors: Please refer to P.51-54 for details.</p> <p>7. Performance of the risk management</p>	Implemented in conformity with the “Governance Best Practice”

Assessment Item	Status of Operation			Differences and the Cause(s) of Differences from the Governance Best Practice
	Yes	No	Summary Description	
			<p>policy and risk measurement standard: We establish various internal regulations and manage and assess various risks.</p> <p>8. Performance of the customer policy: We have set up a customer service helpline to accept customer complaints and a customer service center to proactively understand customer satisfaction.</p> <p>9. Purchase of liability insurance for directors and supervisors: We have purchased liability insurance for directors and supervisors and disclose related information regularly.</p>	
<p>9. Please specify the status of improvement and the prioritized improvements with reference to the Corporate Governance Evaluation results announced by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the previous year:</p> <p>To maintain the rights and interests of investors, we constantly improve and optimize governance and have provided information regarding corporate performance, financial performance, meetings of shareholders, stock service, corporate governance, and corporate social responsibility and stakeholder groups on the homepage of the corporate website for the reference of investors.</p>				

(IV) If a remuneration committee is in place, disclose its composition, duties, and operation:

1. Profile of Members of the Remuneration Committee

Position	Requirements Name	With five or more years of experience and the following professional qualifications			Status of Independence (note 3)										Concurrently a member of the remuneration committee of other public companies	Remarks	
		College/university instructors or higher levels in commerce, law, finance, accounting, or subjects required by the business of the Company	Passed the qualification examination with proper licensing by the national government as court judge, prosecutor, lawyer, certified public accountant, or other professional designations required by the business of the Company	Commerce, law, finance, or as required by the Company	1	2	3	4	5	6	7	8	9	10			
Independent Director	Scott Lin			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0	Complied.
Independent Director	Jones Yu			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1	Complied.
Independent Director	Brian Hsu			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0	Complied.

Note 1: Members fulfilling the following qualifications two years before assumption of office or at the time of assumption office shall tick “” the appropriate box. ✓

- (1) Not an employee of the company or its affiliates.
- (2) Not a director or supervisor of the company or its affiliates (except for independent directors of concurrently the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (3) Not holding more than 1% of the outstanding shares issued by the company or among the top 10 natural person shareholders by the person or his/her spouse or underage children, or in the name of a third party.
- (4) Not the spouse, the kindred at the second tier under the Civil Code or the direct kin within the third tier under the Civil Code of the managers stated in (1) or other roles stated in (2), (3).
- (5) Not a director, supervisor or employee of an corporate shareholder directly holding more than 5% of the outstanding shares issued by the company, or a director, supervisor or employee of an corporate shareholder who is among the top 5 shareholders, or a representative of an corporate shareholders appointed as the director or supervisor of the company according to paragraph 1 or 2, Article 27, Company Act (except for independent directors of concurrently the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).

- (6) Not a director, supervisor or employee of a company controlling over one half of the company's director seats or voting shares under one person (except for independent directors of the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (7) Not a director of a company or institution whose chairperson and president or equivalent role is the same person or its spouse (except for independent directors of concurrently the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (8) Not a director, supervisor, manager or shareholder holding more than 5% of the outstanding shares of a specific company or institution in a business or financial relation with the company (except for a specific company or institution holding over 20% but less than 50% of the company's outstanding shares, and independent directors of the company and its parent company, subsidiaries or the subsidiaries of the same parent company established in accordance with this Act or the local laws).
- (9) Not a professional or owner, partner, director, supervisor, manager or the spouse of these roles of a sole proprietorship, partnership, company, or institution that audits or provides related business, legal, financial, accounting services or consultation with service fees accumulating below NT\$500,000 in the last two years for the company or its affiliates; except for members of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition exercising powers according to the Securities and Exchange Act or the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) Not under any of the categories stated in Article 30 of the Company Act.

2. Operation of remuneration committee

- (1) The Remuneration Committee consists of three members Term of the current Committee: From June 14, 2019 to June 13, 2022. Six Committee meetings were held by February 21, 2020 (A), and the qualifications and attendance record of members are as follows:

Title	Name	Actual Attendances (B)	Attendances by Proxy	Actual Attendance Rate (%) (B/A)	Remarks
Convener	Jones Yu	6	0	100	
Committee Member	Scott Lin	6	0	100	
Committee Member	Brian Hsu	6	0	100	

Other information required for disclosure:

- When the board of directors ignores or modifies the recommendations made by the remuneration committee, the date and session of the board meeting, the proposal contents, resolutions of the board meeting and its response to the recommendations of the remuneration committee shall be stated: NA.
- When members express an objection or reservation that has been included in records or stated in writing, the date and session of the committee meeting, the proposal content, the opinion of all members, and the response to such opinions shall be stated: NA.

- (2) Important proposals discussed by the remuneration committee in the previous year and resolutions

Date	Committee	Proposal Contents	Remuneration Committee Resolution	Board of Directors Resolution
2019.01.25	3 rd Committee 17 th meeting	Distribution of the performance bonus for Q4 2018 and year-end bonus for managers. The 2019 profit sharing proposal of CEO Review of the salary of some managers	Unanimously approved by all attending members.	Unanimously approved by all attending directors.
2019.03.08	3 rd Committee 18 th meeting	2018 profit sharing for employees, directors, and supervisors.	Unanimously approved by all attending members.	Unanimously approved by all attending directors.
2019.04.29	3 rd Committee 19 th meeting	Distribution of the performance bonus for Q1 2019 for managers.	Unanimously approved by all attending members.	Unanimously approved by all attending directors.
2019.06.14	4 th	Election of the convener of the 4 th Remuneration	Unanimously	Unanimously

	Committee 1 st meeting	Committee.	approved by all attending members.	approved by all attending directors.
2019.06.28	4 th Committee 2 nd meeting	2018 profit sharing for employees, directors, and supervisors. Amendment of the Company's "Regulations of Remuneration for Directors and Supervisors" Proposal for the salary of the Company's chairperson and vicechairman Proposal for the salary of the Company's independent directors Review of the salary of some managers	Approved by all attending members, except for those required for avoidance of conflict of interest.	Approved by all attending directors, except for those required for avoidance of conflict of interest.
2019.07.18	4 th Committee 3 rd meeting	Distribution of the performance bonus for Q2 2019 for managers. Review of the salary of some managers	Unanimously approved by all attending members.	Unanimously approved by all attending directors.
2019.10.30	4 th Committee 4 th meeting	Distribution of the performance bonus for Q3 2019 for managers. Review of the salary of some managers	Unanimously approved by all attending members.	Unanimously approved by all attending directors.
2020.01.16	4 th Committee 4 th meeting	Distribution of the performance bonus for Q4 2019 and year-end bonus for managers. The 2020 profit sharing proposal of CEO	Unanimously approved by all attending members.	Unanimously approved by all attending directors.
2020.02.21	4 th Committee 6 th meeting	2019 profit sharing for employees, directors, and supervisors. Review of the salary of some managers Amendment of the Company's "Regulations for Board Performance Assessment"	Unanimously approved by all attending members.	Unanimously approved by all attending directors.

(V) CSR performance and differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies and the reasons

Assessment Item	Status of Operation			Differences and the cause(s) of differences from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
1. Does the company assess the risk of environmental, social, and governance (ESG) issues in relation to company operations based on the materiality principles and establish policies or strategies in relation to risk management to enforce corporate governance?	V		The management assesses ESG topics relating to the Company's business operations and timely adjusts the management strategy in response.	No nonconformity
2. Does the company have a unit that specializes (or is involved) in CSR practices? Is the CSR unit run by senior management authorized by the Board of Directors and does it report its progress to the board of directors?	V		The Marketing Division promotes CSR and implements matters relating to charity and donation.	No nonconformity
3. Environmental issues				
(1) Does the company have an appropriate environmental management system established in accordance with its industrial characteristics?	V		This Company engages in voluntarily constant environmental improvement to achieve sustainable development.	No nonconformity
(2) Is the company committed to enhancing the efficiency of resources use and using renewable materials with low environmental loads and impacts?	V		This Company provides a platform for in-house repair before delivery to original manufacturers for repair to enhance product repair and reuse rate. We also support the recycling of "waste TVs, waste washing machines, waste refrigerators, and waste aircons" advocated by the environmental protection authority to reduce environmental loads and impacts.	No nonconformity
(3) Does the Company assess the	V		This Company irregularly assesses the risk	No nonconformity

Assessment Item	Status of Operation			Differences and the cause(s) of differences from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
present and future potential risks and opportunities of climate change on the Company and take actions to related issues?			and opportunities of climate change and timely adjusts the operational strategy in response.	
(4) Did the Company produce statistics on the GHG emissions, water consumption, and total waste in the last two years? Has the company established policies for energy conservation, carbon reduction, GHG reduction, water conservation, and waste management?	V		This Company implements energy conservation and carbon reduction measures. Apart from replacing lighting fixtures, installing auto doors, and cleaning and maintaining aircons to enhance energy efficiency (save energy), we trace and review the performance in water and electricity consumption and waste sorting and recovery every month to conserve energy and reduce waste.	No nonconformity
4. Social issues				
(1) Does the Company establish management policies and procedures in accordance with relevant laws and International Bill of Human Rights?	V		This Company is committed to maintaining basic human rights and supporting and complying with international human rights conventions including the "Universal Declaration of Human Rights," "United Nations Global Compact," "UN Guiding Principles on Business and Human Rights," and the "Declaration of Fundamental Principles and Rights at Work" of the International Labour Organisation to eliminate behavior that prejudices and violates human rights for internal and external members to enjoy fair and dignified treatment. Related policies of this Company are as follows: 1. Provision of a safe and healthy work environment: Committed to creating a safe and healthy work environment, we establish an OHS management organization, make continual improvement of the work environment and hygiene, and promote occupational	No nonconformity

Assessment Item	Status of Operation			Differences and the cause(s) of differences from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
			<p>safety education to reduce OH&S risk and protect the mental and human health of employees.</p> <p>2. Respect for workplace human rights: We abide by the labor laws and regulations to ensure no child labor and eliminate differential treatment or discrimination of any form based on gender (including sexual orientation), race, social class, age, marital status, language, ideology, religion, political party, native place, place of birth, look, facial features, and mental/physical disabilities to create a work environment of diversity, liberation, equality, and free from harassment.</p> <p>3. Multiple communication channels: We establish unfettered and transparent communication channels, including the periodic labor-management meeting, to create a workplace environment with labor-management harmony.</p> <p>4. Enforcement of information security: We respect the privacy of all stakeholders, protect the collection and legal use of personal data, and establish and complete information security management mechanisms to maintain the privacy, rights, and interests of employees and customers.</p>	
(2) Does the company establish and implement reasonable employee welfare measures (including remuneration, leave, and other benefits) and appropriately reflect business performance and achievements in the remuneration for employees?	V		Employees can file complaints to the HR department. The Staff Review Committee properly handles significant incidents for full communication with employees and proper settlements.	No nonconformity

Assessment Item	Status of Operation			Differences and the cause(s) of differences from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
(3) Does the company provide employees with a safe and healthy work environment and arrange regular safety and health education for employees?	V		To maintain employee safety, offices are equipped with the access control system, and personnel are requested to exchange IDs before entry. Apart from the annual general health checkups, we arrange irregular cancer screening for employees. Warehouse and store personnel participate in the "Fire Prevention Management and Training Course" every year to maintain the safety of the Company, employees, and consumers.	No nonconformity
(4) Does the company establish effective career development and training plans for employees?	V		We provide in-service training for store and installation personnel, such as orientation training for new employees, customer engineer training and periodic tests and training, heartfelt marketing training, aircon installation engineer training, and sales training.	No nonconformity
(5) Does the company comply with the related laws and regulations and international standards regarding the customer health and safety, customer privacy, market communication, and labeling of its products and services and establish policies to protect the rights and interests of customers and procedures for grievances?	V		We maintain consumer rights and interests in conformity with related laws and regulations and provide customers with clear information of promotional activities through newspapers and the corporate website. We have also established a "0800" grievance hotline to settle consumer disputes.	No nonconformity
(6) Does the company establish supplier management policies and request suppliers to comply with the relevant laws and regulations of environmental protection, occupational safety or labor human rights? Does the company keep track of the	V		This Company treats suppliers as the community of life. To enhance the effectiveness of social and environmental responsibilities, we communicate and work with suppliers to build a supply chain for sustainable development. We sign supply contracts with suppliers. If suppliers breach our CSR policy with significant environmental and social impacts, we may	No nonconformity

Assessment Item	Status of Operation			Differences and the cause(s) of differences from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
implementation of such policies?			terminate the supply contract at any time.	
5. Does the company, following internationally recognized guidelines, prepare and publish reports such as its corporate social responsibility report to disclose non-financial information of the company? Does the company apply for assurance or guarantee of such reports to a third-party certification body?		V	We have not produced the CSR report.	We will produce the CSR report based on the status and scale of operations.
6. If the company has established its own corporate social responsibility best practice principles with reference to the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX-Listed Companies," please state the differences from its own CSR best practice principles: NA				
7. Other important information that helps the public understand CSR operations: We implement energy conservation through store management (lamps/electricity consumption control/aircon cleaning and maintenance) to practice energy conservation and carbon reduction to love Earth.				

(VI) Performance in ethical corporate management and differences from the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and the reasons:

Assessment Item	Status of Operation			Differences and the cause(s) of differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
1. Establishing ethical corporate management policies and programs				
(1) Does the company establish policies for ethical corporate management approved by the board of directors and state such policies and practices in its regulations and external documents and in the commitment made by the board of directors and senior management to actively implement such policies?	V		We state in the “Employee Work Rules” that this Company may discharge, without prior notice, employees engaging in “embezzlement or corruption, acceptance of bribes,” “willful leakage of the Company’s technical and trade secrets that cause damages to the Company.”	No nonconformity
(2) Does the company establish an assessment mechanism of risk from unethical behavior to regularly analyze and assess business activities with higher risk of involvement in unethical behavior and preventive programs for unethical behaviors containing at least the preventive measures stated in paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies”?	V		<ol style="list-style-type: none"> In the “Employment Contract,” new employees promise to not accept payment at different amounts of any kind, expensive treatment, travel or leisure treatment, and gifts other than symbolic meaning, or other treatments provided by suppliers, competitors, or customers. In handling business, they promise to abide by the highest standard of business ethics to maintain open and fair competitions based on service, quality, and prices. In all areas where business activities are conducted, they promise to abide by all local laws and regulations. New employees agree to assume all responsibilities, including criminal liability, for violating any of the above promises. 	No nonconformity
(3) Does the company establish in the	V		We arrange awareness education for	No

Assessment Item	Status of Operation			Differences and the cause(s) of differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
preventive programs the operating procedures to prevent unethical behavior, penalties and grievance systems of breaching the guidelines for conduct, and implement and periodically review and revise them?			employees from time to time for them to fully understand the Company's ethical corporate management policy and the consequences of unethical behavior. We also provide grievance and reporting channels on the corporate website.	nonconformity
2. Implementing ethical corporate management				
(1) Does the company assess the ethical records of its counterparts and explicitly include clauses on ethical behavior in transaction contracts?	V		In the "supply contract" signed with this Company, suppliers promise to not provide for our employees with payment at different amounts of any kind, expensive treatment, vacation or leisure travel, and gifts other than symbolic meaning, or other treatments; except for acceptable general treatments reported in advance or determined according to general business practices and proper judgement. Suppliers breaching the above agreement will be requested to compensate for this Company as liquidated damages.	No nonconformity
(2) Does the company establish a unit specializing in implementing ethical corporate management under the Board of Directors and report regularly (at least once a year) to the board of directors the status of implementation and supervision of the ethical corporate management policy and preventive programs of unethical behavior?	V		This company has not established a unit specializing in implementing ethical corporate management. However, we crosscheck employees through internal control to prevent unethical behavior in employees. We implemented the quarterly audit according to the control points and found not significant nonconformity in the report of each audit.	No nonconformity
(3) Does the company establish and	V		Business conflicts of interest must be	No

Assessment Item	Status of Operation			Differences and the cause(s) of differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
implement a policy to prevent conflicts of interest and provide suitable channels for reporting such conflicts?			reported to officers and avoided in advance. Directors are requested to avoid discussion and voting of proposals with conflicts of interest.	nonconformity
(4) Does the company establish an effective accounting system and an internal control system for the internal audit unit to establish related audit programs based on the results of risk assessment of involvement in unethical behavior to audit and prevent the compliance with the preventive programs of unethical behavior or hire a CPA to perform the audit?	V		This Company establishes the accounting system according to the Securities and Exchange Act, Company Act, Business Entity Accounting Act, Regulations Governing the Preparation of Financial Reports by Public Companies (Securities Issuers), International Financial Reporting Standards (IFRS), and the Company's business operations. We also establish and implement related regulations according to the Regulations Governing Establishment of Internal Control Systems by Public Companies. The audit department also regularly audits the compliance with the accounting system and internal control system and reports to the Board of Directors.	No nonconformity
(5) Does the Company regularly organize internal and external education and training activities for ethical corporate management?	V		<ol style="list-style-type: none"> 1. Both the Board of Directors and management actively implement and comply with ethical corporate management. 2. On the arrival of employees, we educate them with the Company's ethical corporate management policy. 3. The legal affairs unit concludes contracts throughout the Company to prevent unlawful contents in any contracts. The Audit Office implements audits irregularly. 	No nonconformity

Assessment Item	Status of Operation			Differences and the cause(s) of differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description	
3. Operating the whistleblower system				
(1) Does the Company establish explicit whistleblower and reward schemes and convenient reporting channels, and assign appropriate personnel to investigate the target of a whistleblower report?	V		This Company has specified the whistleblower and reward schemes in the "Employee Work Rules" and publicizes them to all employees.	No nonconformity
(2) Does the company establish standard operating procedures for investigation, post-investigation measures, and related mechanisms to ensure the confidentiality of a whistleblower complaint?	V		This Company has specified the whistleblower and reward schemes in the "Employee Work Rules" and publicizes them to all employees.	No nonconformity
(3) Does the company establish measures to protect whistleblowers against retaliation?	V		This Company has specified the whistleblower and reward schemes in the "Employee Work Rules" and publicizes them to all employees.	No nonconformity
4. Enhancing information disclosure				
Does the company disclose the ethical corporate management principles it establishes and their effectiveness on the corporate website and the MOPS?	V		We set up a corporate website to disclose Company's operations, basic data, and financial information. We also openly and transparently disclose information on the MOPS as scheduled.	No nonconformity
5. If the company has established its own ethical corporate management best practice principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies," please state the status of operations and differences in the principles it establishes: NA				
6. Other material information that helps us understand the operation of the company's ethical corporate management (such as the Company review of its ethical corporate management best practice principles): NA				

(VII)Methods to access them the Company’s ethical corporate management and related regulations.:

This Company will establish related regulations according to the status and scale of business operations.

(VIII)Other important information that helps understand the performance of corporate governance may be disclosed at the same time:

This Company has established the “investor relations” section in the homepage of the corporate website to disclose information regarding corporate performance, financial performance, meetings of shareholders, stock service, corporate governance, and corporate social responsibility and stakeholder groups.

The further education of directors and supervisors in 2019 is as follows:

Title	Name	Inauguration Date	Further Education Date	Organizer	Course Title	Training Length	Course Compliance
Director	Chi-Min Lin	2019/06/14	2019/11/08	Taiwan Corporate Governance Association	Risk Management, Internal Control, and Information Management Practice	3H	Yes
Director	Chi-Min Lin	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes
Representative of corporate director	Chung-Ho Lin	2019/06/14	2019/11/15	Vision International Management Consulting	Corporate Governance and Strategic CSR Practice	3H	Yes
Representative of corporate director	Chung-Ho Lin	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes
Director	Kuo-Tsai Lu	2019/06/14	2019/11/08	Taiwan Corporate Governance Association	Risk Management, Internal Control, and Information Management Practice	3H	Yes

Title	Name	Inauguration Date	Further Education Date	Organizer	Course Title	Training Length	Course Compliance
Director	Kuo-Tsai Lu	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes
Director	Chi-Chen Lin	2019/06/14	2019/11/08	Taiwan Corporate Governance Association	Risk Management, Internal Control, and Information Management Practice	3H	Yes
Director	Chi-Chen Lin	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes
Director	Ching-Feng Hung	2019/06/14	2019/11/08	Taiwan Corporate Governance Association	Risk Management, Internal Control, and Information Management Practice	3H	Yes
Director	Ching-Feng Hung	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes
Representative of corporate director	Kuang-Cheng Andy Wang	2019/06/14	2019/11/08	Taiwan Corporate Governance Association	Risk Management, Internal Control, and Information Management Practice	3H	Yes
Representative of corporate director	Kuang-Cheng Andy Wang	2019/06/14	2019/11/27	Securities and Futures Institute	Techniques to Interpret Financial Information for Directors and Supervisor	3H	Yes
Representative of corporate director	Kuang-Cheng Andy Wang	2019/06/14	2019/11/27	Securities and Futures Institute	Corporate Governance and Operation of the Board of Directors	3H	Yes
Representative of corporate director	Kuang-Cheng Andy Wang	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes

Title	Name	Inauguration Date	Further Education Date	Organizer	Course Title	Training Length	Course Compliance
Representative of corporate director	Jeff Lin	2019/06/14	2019/09/27	Taiwan Corporate Governance Association	Precautions of Practical Problems in Non-arms Length Transactions for Directors and Supervisors (I and II)	6H	Yes
Representative of corporate director	Ken Lin	2019/06/14	2019/01/23	Taiwan Institute of Directors	2019 Foreign Investment Forum: Attracting Good Foreign Investments x Investing in Good Taiwanese Businesses	3H	Yes
Representative of corporate director	Ken Lin	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes
Independent Director	Brian Hsu	2019/06/14	2019/07/24	Accounting Research and Development Foundation in Taiwan	Explaining and Professional Training Course of IFRS 16 Leases	3H	Yes
Independent Director	Brian Hsu	2019/06/14	2019/11/08	Taiwan Corporate Governance Association	Risk Management, Internal Control, and Information Management Practice	3H	Yes
Independent Director	Brian Hsu	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes
Independent Director	Jones Yu	2019/06/14	2019/11/08	Taiwan Corporate Governance Association	Risk Management, Internal Control, and Information Management Practice	3H	Yes
Independent Director	Jones Yu	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes
Independent Director	Scott Lin	2019/06/14	2019/11/08	Taiwan Corporate Governance Association	Risk Management, Internal Control, and Information	3H	Yes

Title	Name	Inauguration Date	Further Education Date	Organizer	Course Title	Training Length	Course Compliance
				Association	Management Practice		
Independent Director	Scott Lin	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes
Supervisor	Fu-Tsai Lin	2019/06/14	2019/11/08	Taiwan Corporate Governance Association	Risk Management, Internal Control, and Information Management Practice	3H	Yes
Supervisor	Fu-Tsai Lin	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes
Supervisor	Hsin-Chao Liu	2019/06/14	2019/11/08	Taiwan Corporate Governance Association	Risk Management, Internal Control, and Information Management Practice	3H	Yes
Supervisor	Hsin-Chao Liu	2019/06/14	2019/12/13	Taiwan Corporate Governance Association	Directorial Leadership in Rapidly Changing Macro Environment by Technology	3H	Yes

(IX) Implementing the internal control system:

1.Statement of Internal Control

Please refer to P. 37

2.Companies auditing own internal control systems by a CPA shall disclose the CPA audit report:

This Company did not hire CPAs to audit the internal control system in 2019.

(X) If, in the previous fiscal year and by the date of annual report publication, there were punishments on the company or its employees by law or punishments on employees by the company for violating the internal control regulations with results that may cause significant impacts to the rights and interests of shareholders or the stock price, state the

content of punishments, major defects, and improvements:

NA

(XI) Important resolutions made by meetings of shareholders and meetings of the board of directors in the previous fiscal year and by the date of annual report publication

1. Resolutions made at the 2019 annual general meeting of shareholders (AGM)

- (1) Ratification of the Company's 2018 financial statements and business report.

Resolution: Approved.

- (2) Ratification of the Company's 2018 profit distribution proposal.

Resolution: Approved and implemented according to the AGM resolution. Cash dividend amounting to NT\$396,691,780 (distribution from earnings NT\$366,939,897 and distribution from additional paid-in capital NT\$29,751,883) was distributed on July 26, 2019.

2. Important resolutions made by meetings of the board of directors in 2019 and by the date of annual report publication

Date	Proposal
2019.03.08	Discussion of the profit sharing (remuneration) for employees, directors, and supervisors in 2018.
	Discussion of the 2018 financial statements.
	Discussion of the 2018 profit distribution proposal.
	Discussion of convening the 2019 AGM.
	Discussion of the amendment of part of the "Articles of Incorporation." (amendment made according to legal amendment)
	Discussion of the amendment of part of the "Procedures for Acquisition or Disposition of Assets." (amendment made according to legal amendment)
	Discussion of the election off the directors and supervisors of the 8 th board of directors.
	Discussion of the proposal to hire CPA Tzu-Chieh Tang of KPMG Taiwan to take over CPA Huei-Chen Chang to be the certifying account of this Company's financial statements.
2019.03.27	Discussion of the "Internal Control System Self-Assessment Report" and "Statement of Internal Control" for 2018.
2019.04.29	Discussion of the nomination and list of candidates for the election of the 8 th board of directors.
2019.05.10	Discussion of the Company's financial report of Q1 2019.
	Discussion of the establishment of the "Response to Requests from Directors SOP."
	Discussion of the change in the chief internal auditor.

Date	Proposal
2019.06.14	Chairperson and vice chairperson election.
	Discussion of the proposal to appoint all independent directors (directors Scott Lin, Jones Yu, and Brian Hsu) to be the members of the 4 th Remuneration Committee.
2019.08.12	Discussion of the financial statements of the first half of 2019.
	Discussion of the determination of the remuneration for chairperson and vice chairperson.
	Discussion of the amendment to the "Regulations of Remuneration for Directors and Supervisors."
	Discussion of the determination of the contents of the guaranteed salary and remuneration for independent directors of the year.
	Discussion of the change in the Company's FAO.
2019.11.08	Discussion of the financial statement of Q3 2019.
2019.12.13	Discussion of the establishment of the 2020 BE budget.
	Discussion of the establishment of the 2020 annual audit program.
	Discussion of the results of CPA independence assessment.
2020.02.27	Discussion of the profit sharing (remuneration) for employees, directors, and supervisors in 2019.
	Discussion of the 2019 financial statements.
	Discussion of the 2019 profit distribution proposal.
	Discussion of the amendment of part of the "Articles of Incorporation." (amendment made according to legal amendment)
	Discussion of the establishment of the "Audit Committee Articles of Organization."
	Discussion of the amendment to the Company's "accounting system."
	Discussion of the amendment of part of the "Procedures for Acquisition or Disposition of Assets." (Amendment made according to legal amendment)
	Discussion of convening the 2020 AGM.
	Discussion of the "Internal Control System Self-Assessment Report" and "Statement of Internal Control" for 2019.
2020.04.23	Discussion of the establishment, change, and cancellation of branches.

Opinion of independent directors for the above proposals: NA

Decision of the Board of Directors: NA

(XII) In the previous fiscal year and by the date of annual report publication, for directors

or supervisors who have expressed different opinions on important resolutions with a record or written statement made, please state the content of the different opinion in details:

NA

- (XIII) In the previous fiscal year and by the date of annual report publication, the summary of the resignation or dismissal of the company’s chairman, CEO, chief accounting officer, chief finance officer, chief internal auditor, chief governance officer, and chief R&D officer:

Apr 21, 2020

Title		Name	Inauguration Date	Release Date	Reasons for resignation or release
Chief Internal Auditor	Manager	Hui-Qiong Wu	2001.4.25	2019.2.28	Retired
CAO & CFO	Assistant VP	Wan-Cheng Yang	2013.12.13	2019.8.12	Retired on Aug 31, 2019

E-Life Mall Corporation
Statement of Internal Control

Date: February 27, 2020

With respect to the results of the 2019 self-assessment of the internal control system, we hereby declare as follows:

1. We acknowledge and understand that it is the responsibility of our Board of Directors and managers to establish, implement, and maintain an internal control system, and we have established such a system. The purpose is to fairly ensure the effect and efficiency of operations (including profitability, performance, and security of assets); the reliability, timeliness, and transparency of financial reporting; and the achievement of legal compliance.
2. There is a limitation inherent to each internal control system, however perfect the design is. As such, an effective internal control system can only fairly ensure the achievement of the aforementioned goals. Furthermore, the effectiveness of an internal control system may vary as the macro environment and situation change. By equipping our internal control system with a self-monitoring mechanism, we can take immediate corrective actions against any defects once identified.
3. Referring to the criteria for determining the effectiveness of an internal control system as specified in the “Regulations Governing Establishment of Internal Control Systems by Public Companies” (the “Criteria”), we judge the effectiveness of design and implementation of our internal audit system. With respect to the management control process, the Criteria divide an internal control system into five elements: a) control environment, b) risk evaluation, c) control operation, d) information and communication, and e) monitoring. Each element in turn contains certain audit items, and the Criteria shall be referred to for details.
4. We have assessed the effectiveness of design and implementation of our internal control system with such criteria.
5. With respect to the findings from the above assessment, we hold that the design and implementation of our internal control system (including the supervision and management of subsidiaries) as of December 31, 2019 were effective to achieve the above goals in terms of the effect and efficiency of operations; the reliability, timeliness, and transparency of financial reporting; and the achievement of legal compliance.
6. This statement shall form an integral part of the Annual Report and the prospectus of this Company and will be disclosed to the public. If there is any fraud, concealment, or unlawful practice found in the above contents, we shall be liable for the legal consequences under Article 20, Article 32, Article 171, and Article 174 of the

Securities and Exchange Act.

7. This statement of declaration was approved unanimously by the Board Meeting held on February 27, 2020 with the presence of 11 directors attending the meeting

E-Life Mall Corporation

Chairperson Chi-Min Lin Signature

CEO Jeffrey Lin Signature

IV. Information of accountant audit Fee

Name of CPA Firm	Names of CPAs		Audit Period	Remarks
KPMG Taiwan	Wei-Ming Shih	Tzu-Chieh Tang	January 1-December 31, 2019	

Unit: NTD thousands

Amount Bracket		Audit Fees	Audit Fee	Non-audit Fee	Total
1	Below NT\$2,000,000		1,950	10	1,960

- (1) Disclose the amount of audit fees and non-audit fees and the audit content when the amount of non-audit fees paid to a CPA, a CPA firm, and its affiliates above a quarter of the audit fee.

NA

- (2) Disclose the amount of audit fees before the CPA change and the reasons when the audit fee of the year is lesser than that of the previous years after changing a CPA firm.

NA

- (3) Disclose the amount and proportion less and the reasons when the audit fee is lesser than that of the previous year by over 15%.

NA

V. Change of Accountants

NA

VI. Disclose the name, title, and the term of service of at the CPA firm or its affiliates when the chairperson, CEO, and financial or accounting officer of the company holding a position of the accounting firm in charge of the independent audit or its affiliates in the previous year:

NA

VII. In the previous fiscal year and by the date of annual report publication, the equity transfer and change in pledged equity of the directors, supervisors, managers, and shareholders with more than 10% shareholding:

(1) Changes in Shareholdings of Directors, Supervisors, Managers, and Major Shareholders:

Unit: Shares

Title	Name	2019		By April 14, 2019	
		Increase (reduction) in shares held	Increase (reduction) in shares pledged	Increase (reduction) in shares held	Increase (reduction) in shares pledged
Chairman	Chi-Min Lin	-	-	-	-
Vicechairman	Chuan Chao Investment Co., Ltd. (represented by Chung-Ho Lin)	-	-	-	-
Director	Kuo-Tsai Lu	-	-	-	-
Director	Chi-Chen Lin	-	-	-	-
Director	Ching-Feng Hung	-	-	-	-
Director	Encore Investment Co., Ltd. (represented by Kuang-Cheng Andy Wang)	39,000	-	(39,000)	-
Director	Cheng Feng Investment Co., Ltd. (represented by Jeff Lin)	-	-	-	-
Director	Cheng Feng Investment Co., Ltd. (represented by Ken Lin)	-	-	-	-
Independent Director	Scott Lin	-	-	-	-
Independent Director	Jones Yu	-	-	-	-
Independent Director	Brian Hsu	-	-	-	-
Supervisor	Fu-Tsai Lin	-	-	-	-
Supervisor	Hsin-Chao Liu	-	-	-	-
CEO	Jeffrey Lin	-	-	-	-
VP	Chun-Ke Wu	-	-	-	-
VP	Steve Hsieh	-	-	-	-
VP	Peter Lin (note 1)	-	-	-	-
Assistant VP	Jill Chen	-	-	-	-
Assistant VP	Leslie Lin	-	-	-	-
Assistant VP	Wen-Ching Wei	-	-	-	-

Title	Name	2019		By April 14, 2019	
		Increase (reduction) in shares held	Increase (reduction) in shares pledged	Increase (reduction) in shares held	Increase (reduction) in shares pledged
Assistant VP	Yueh-Wei Wan	-	-	-	-
Assistant VP	Eva Liao	-	-	-	-

Note 1: AVP Peter Lin was promoted to VP on April 1, 2020.

(2) Shares are transferred to a related party:

NA

(3) Shares are pledged to a related party:

NA

VIII. Related parties, spouse, or relatives in the second degree to top ten shareholders

April 14, 2020/Unit: thousand shares

Name	Shareholding of the Principal		Shareholdings of Spouse/Minor Children		Shares Held in the Name of Others		Company name/name and relationship of related parties, spouse, or relatives in the second degree to top ten shareholders as stated in SFAS 6.		Remarks
	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Company name (or name)	Relationship	
Encore Investment Co., Ltd. Responsible person: Chi-Min Lin	6,276,957	6.33%	-	-	-	-	Chi-Min Lin Hsiu-Chu Lin Hung Jeffrey Lin	Chairperson of the Company Spouse Father and son	
Fubon Life Assurance Co., Ltd. Responsible person: Richard Tsai	5,177,000	5.22%	-	-	-	-	NA	NA	
Cheng Feng Investment Co., Ltd. Responsible person: Pao-Yung Lin	4,404,000	4.44%	-	-	-	-	Jeff Lin Ken Lin	Father and son	
Yu Yu Investment Co., Ltd. Responsible person: Jeff Lin	4,398,000	4.43%	-	-	-	-	Pao-Yung Lin Ken Lin	Father and son Brothers	
Cheng Kang Investment Co., Ltd. Responsible person: Jeff Lin	4,207,000	4.24%	-	-	-	-	Pao-Yung Lin Ken Lin	Father and son Brothers	
Chun Chao Investment Co., Ltd. Responsible person: Ting-Hua Lin	3,258,844	3.29%	-	-	-	-	NA	NA	
Jeffrey Lin	3,046,544	3.07%	-	-	-	-	Chi-Min Lin Hsiu-Chu Lin Hung	Father and son Mother and son	
Chi-Min Lin	2,906,441	2.93%	-	-	-	-	Hsiu-Chu Lin Hung Jeffrey Lin	Spouse Father and son	
Hsiu-Chu Lin Hung	2,820,250	2.84%	-	-	-	-	Chi-Min Lin Jeffrey Lin	Spouse Mother and son	
Hua Shun Investment Co., Ltd. Responsible person: Ken Lin	2,706,000	2.73%	-	-	-	-	Pao-Yung Lin Jeff Lin	Father and son Brothers	

IX. The total shareholding of the company, the company's directors, supervisors, managers, and the invested company directly or indirectly controlled by the company, and the comprehensive shareholding ratio calculated

NA

IV. Fundraising

I. Capital and Shares

(1) Source of Capital

1. Process of Capital Formation

Unit: thousand shares; NTD thousands

Year Month	Issuance Price (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Paid-in Capital Paid with Consider ations Other Than Cash	Others
1997.12	10	2,000	20,000	2,000	20,000	Establishment	NA	NA
1998.01	10	4,800	48,000	4,800	48,000	Capital increase by merger: 28,000	NA	NA
1998.05	10	17,100	171,000	17,100	171,000	Capital increase by merger: 123,000	NA	NA
1998.08 (note 1)	10	50,000	500,000	50,000	500,000	Issuance of common stock for cash: 329,000	NA	NA
1999.06 (note 2)	10	60,500	605,000	60,500	605,000	Capitalization of retained earnings: 90,000 Capitalization of capital reserves: 15,000	NA	NA
2000.01 (Note 3)	10	90,500	905,000	90,500	905,000	Issuance of common stock for cash: 300,000	NA	NA
2000.08 (note 4)	10	110,000	1,100,000	96,569	965,688	Capitalization of retained earnings: 54,300 Capitalization of employee profit sharing: 6,388	NA	NA
2002.08 (note 5)	10	119,650	1,196,500	96,569	965,688	Including employee stock option certificates: 9,650	NA	NA
2003.07 (note 6)	10	124,480	1,244,800	96,569	965,688	Including employee stock option certificates: 14,480	NA	NA
2004.11 (note 7)	10	124,480	1,244,800	96,930	969,300	Exchanged employee stock option certificates with common stock: 3,612.5 (note 16)	NA	NA
2005.02 (note 8)	10	124,480	1,244,800	98,002	980,021	Exchanged employee stock option certificates with common stock: 10,720 (note 16)	NA	NA

Year Month	Issuance Price (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Paid-in Capital Paid with Consider ations Other Than Cash	Others
2005.05 (note 9)	10	124,480	1,244,800	100,145	1,001,451	Exchanged employee stock option certificates with common stock: 21,430 (note 16)	NA	NA
2005.07 (note 10)	10	124,480	1,244,800	100,501	1,005,011	Exchanged employee stock option certificates with common stock: 3,560 (note 16)	NA	NA
2005.08 (note 11)	10	124,480	1,244,800	103,029	1,030,289	Capitalization of retained earnings: 20,278.76 Capitalization of employee profit sharing: 5,000	NA	NA
2005.12 (note 12)	10	140,000	1,400,000	107,683	1,076,834	Exchanged employee stock option certificates with common stock: 46,545 (note 17)	NA	NA
2005.12 (note 13)	10	140,000	1,400,000	122,363	1,223,634	Issuance of common stock for cash: 146,800	NA	NA
2006.01 (note 14)	10	140,000	1,400,000	124,450	1,244,497	Exchanged employee stock option certificates with common stock: 20,862.5 (note 17)	NA	NA
2006.04 (note 15)	10	140,000	1,400,000	125,560	1,255,599	Exchanged employee stock option certificates with common stock: 11,102.5 (note 17)	NA	NA
2006.07 (note 18)	10	140,000	1,400,000	126,606	1,266,057	Exchanged employee stock option certificates with common stock: 10,457.5 (note 17)	NA	NA
2006.08 (note 19)	10	140,000	1,400,000	128,274	1,282,741	Capitalization of retained earnings: 12,684.65 Capitalization of employee profit sharing: 4,000	NA	NA
2006.10 (note 20)	10	140,000	1,400,000	128,348	1,283,476	Exchanged employee stock option certificates with common stock: 735 (note 21)	NA	NA

Year Month	Issuance Price (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Paid-in Capital Paid with Consider ations Other Than Cash	Others
2007.01 (note 22)	10	140,000	1,400,000	128,443	1,284,429	Exchanged employee stock option certificates with common stock: 952.5 (note 23)	NA	NA
2007.08 (note 24)	10	140,000	1,400,000	130,327	1,303,273	Capitalization of retained earnings: 12,844.29 Capitalization of employee profit sharing: 6,000	NA	NA
2008.07 (note 25)	10	140,000	1,400,000	132,231	1,322,306	Capitalization of retained earnings: 13,032.73 Capitalization of employee profit sharing: 6,000	NA	NA
2009.10 (note 26)	10	140,000	1,400,000	99,173	991,729	Capital reduction by cash: 330,576.48	NA	NA

Note 1: The capital increase project of August 1998 was approved by Letter (87) Tai-Cai-Cheng-(1) No. 97821 issued by the Securities and Futures Commission, Ministry of Finance on December 1, 1998.

Note 2: The capital increase project of June 1999 was approved by Letter (88) Tai-Cai-Cheng-(1) No. 58640 issued by the Securities and Futures Commission, Ministry of Finance on June 25, 1999.

Note 3: The capital increase project of January 2000 was approved by Letter (89) Tai-Cai-Cheng-(1) No. 113378 issued by the Securities and Futures Commission, Ministry of Finance on January 13, 2000.

Note 4: The capital increase project of August 2000 was approved by Letter (89) Tai-Cai-Cheng-(1) No. 67184 issued by the Securities and Futures Commission, Ministry of Finance on August 2, 2000.

Note 5: The issuance of the employee stock option certificates of August 2002 was approved by Letter Tai-Cai-Cheng-(1) No. 0910142318 issued by the Securities and Futures Commission, Ministry of Finance on July 31, 2002.

Note 6: The issuance of the employee stock option certificates of July 2003 was approved by Letter Tai-Cai-Cheng-(1) No. 0920132650 issued by the Securities and Futures Commission, Ministry of Finance on July 21, 2003.

Note 7: Approved by Letter Sho-Shang-Zi No. 09301207280 on November 1, 2004.

Note 8: Approved by Letter Sho-Shang-Zi No. 09401020920 on February 3, 2005.

Note 9: Approved by Letter Sho-Shang-Zi No. 09401078760 on May 4, 2005.

Note 10: Approved by Letter Sho-Shang-Zi No. 09401132150 on July 19, 2005.

Note 11: The capital increase project of June 2005 was approved by Letter Jin-Guan-Cheng-(1)-Zi No. 0940124436 issued by the Financial Supervisory Commission, Executive Yuan, on June 17, 2005; Letter Sho-Shang-Zi No. 09401148890 on August 3, 2005.

Note 12: Approved by Letter Sho-Shang-Zi No. 09401249340 on December 8, 2005.

Note 13: The capital increase project of October 2005 was approved by Letter Jin-Guan-Cheng-(1)-Zi No. 0940147805 issued by the Financial Supervisory Commission, Executive Yuan, on December 22, 2005; Letter Sho-Shang-Zi No. 09401262390 on December 22, 2005.

Note 14: Approved by Letter Sho-Shang-Zi No. 09501010220 on January 17, 2006.

Note 15: Approved by Letter Sho-Shang-Zi No. 09501067870 on April 28, 2006.

- Note 16: Exchanged employees stock option certificates with common stock at NT\$9.6/share.
- Note 17: Exchanged employees stock option certificates with common stock at NT\$9.4/share and NT\$11.7/share.
- Note 18: Approved by Letter Sho-Shang-Zi No. 09501149640 on July 20, 2006.
- Note 19: The capital increase project of August 2006 was approved by Letter Jin-Guan-Cheng-(1)-Zi No. 0950127510 issued by the Financial Supervisory Commission, Executive Yuan, on June 30, 2006; Letter Sho-Shang-Zi No. 09501173310 on August 8, 2006.
- Note 20: Approved by Letter Sho-Shang-Zi No. 09501232170 on October 16, 2006.
- Note 21: Exchanged employees stock option certificates with common stock at NT\$9.3/share and NT\$11.6/share.
- Note 22: Approved by Letter Sho-Shang-Zi No. 09601016840 on January 23, 2007.
- Note 23: Exchanged employees stock option certificates with common stock at NT\$9.3/share.
- Note 24: The capital increase project of August 2006 was approved by Letter Jin-Guan-Cheng-(1)-Zi No. 0960033507 issued by the Financial Supervisory Commission, Executive Yuan, on July 2, 2007; Letter Sho-Shang-Zi No. 09601191990 on August 10, 2007.
- Note 25: The capital increase project of July 2008 was approved by Letter Jin-Guan-Cheng-(1)-Zi No. 0970031686 issued by the Financial Supervisory Commission, Executive Yuan, on June 25, 2008; Letter Sho-Shang-Zi No. 09701190030 on July 31, 2008.
- Note 26: The capital increase project of October 2009 was approved by Letter Jin-Guan-Cheng-(1)-Zi No. 0980053483 issued by the Financial Supervisory Commission, Executive Yuan, on October 20, 2009; Letter Sho-Shang-Zi No. 09901001050 on January 8, 2010.

2.Types of the currently outstanding issued shares

April 14, 2020

Types of Shares	Authorized Capital			Remarks
	Outstanding Shares	Unissued Shares	Total	
Common Stock (Listed Company Stock)	99,172,945 shares	40,827,055 shares	140,000,000 shares	—

3.Information relating to the shelf-registration system: NA

(2)Shareholder Structure

April 14, 2020

Shareholder Structure Quantity	Gove rnm ent	Financial Institutions	Other Companies	Individual	Foreign Institutions and Foreign	Total
Number	—	10	47	7,381	50	7,488
Shares Held	—	8,618,888 shares	34,736,869 shares	53,908,819 shares	1,908,369 shares	99,172,945 shares
Sharehold	—	8.69%	35.03%	54.36%	1.92%	100.00%

(3)Equity Dispersion

April 14, 2020

Shareholding Bracket	Number of	Shares Held	Shareholding Ratio
1 to 999	1,577	337,639	0.34
1,000 to 5,000	4,713	9,381,662	9.46
5,001 to 10,000	632	5,020,679	5.06
10,001 to 15,000	170	2,201,158	2.22
15,001 to 20,000	128	2,346,268	2.37
20,001 to 30,000	92	2,332,750	2.35
30,001 to 50,000	62	2,488,741	2.51
50,001 to 100,000	38	2,611,643	2.63
100,001 to 200,000	18	2,535,666	2.56
200,001 to 400,000	23	6,771,186	6.83
400,001 to 600,000	11	5,382,588	5.43
600,001 to 800,000	4	2,885,569	2.91
800,001to 1,000,000	3	2,718,993	2.74
1,000,001 and above	17	52,158,403	52.59
Total	7,488	99,172,945	100.00

Note: This Company does not issue preferred stock.

(4)List of Major Shareholder

April 14, 2020

Name of Major Shareholders	Shares	Shares Held (shares)	Shareholding Ratio (%)
Encore Investment Co., Ltd.		6,276,957	6.33
Fubon Life Assurance Co., Ltd.		5,177,000	5.22
Cheng Feng Investment Co., Ltd.		4,404,000	4.44
Yu Yu Investment Co., Ltd.		4,398,000	4.43
Cheng Kang Investment Co., Ltd.		4,207,000	4.24
Chun Chao Investment Co., Ltd.		3,258,844	3.29
Jeffrey Lin		3,046,544	3.07
Chi-Min Lin		2,906,441	2.93
Hsiu-Chu Lin Hung		2,820,250	2.84
Hua Shun Investment Co., Ltd.		2,706,000	2.73

(5)Price per Share, Net Worth, Earnings, and Dividend in the Last Two Years

Item		Year	2019	2018
Market Price per Share	Maximum		68.30	68.00
	Minimum		62.60	61.50
	Average		65.57	64.30
Net Value per Share	Before Distribution		24.65	24.20
	After Distribution		Undistributed	20.20
Earnings Per Share	Weighted Average Shares (1,000 shares)		99,173	99,173
	Earnings Per Share		4.44	4.09
Dividends per Share	Cash dividend		Undistributed	4
	Stock Dividends	—	—	—
	Stock Dividends from Earnings		—	—
Return on Investment Analysis	Price-to-Earnings Ratio (P/E Ratio) (Note 1)		14.77	15.72
	Ratio of Dividends (Note 2)		Undistributed	16.08
	Cash Dividend Yield Rate (Note 3)		Undistributed	6.22%

Note: 1. P/E ratio = Average closing price per share/Earnings per share for the year.

2. Ratio of dividend = Average closing price per share/Cash dividends per share for the year.

3. Cash dividend yield rate = Cash dividends per share/Average closing price per share for the year.

(6)The company’s dividend policy and performance

1.Dividend Policy

With respect to the Company’s Articles of Incorporation, this Company’s dividend policy is established in consideration of the capital demand, financial structure, and earnings of the company and in combination with the macro environment and characteristics of industrial growth. Every year the Board of Directors draws up the proposal for profit distribution implemented after the approval through resolution by the AGM. As the Company is at the steady growth period, to constantly expand the scale of operations for sustainable development and growth, this Company adopts the residual dividend policy. In the future, we will distribute profit by means of stock dividend or cash dividend based on the Company’s operational performance. To enforce corporate governance, the Board of Directors has specified the divided policy and profit distribution ratio (pending for AGM approval) in the Articles of Incorporation. Every year, no less than 60% of distributable earnings will be appropriated as shareholder dividend. However, to prevent over-dilution of the EPS, cash dividend will be distributed no less than 50% of the total dividend distributed in the year.

2.Dividend distribution to be discussed at the current AGM.

The Board of Directors approved the earnings of the year on February 27, 2020. With the AGM’s approval by resolution, a total of NT\$396,691,780 will be distributed as cash dividend (temporarily set at NT\$4/share). Cash dividend will be distributed on the ex-dividend date and the ratio of shareholding as registered in the shareholder’s list. With the AGM’s approval, the Board of Directors will be authorized to set the ex-dividend date for distribution.

3.Description of expected changes in the dividend policy: NA.

(7)The impact of the stock dividend proposed at the current AGM on the company’s operational performance and earnings per share:

NA

(8)Employee profit sharing and remuneration to directors and supervisors

1.With respect to Article 33 of the Company’s Article of Incorporation, the ratio of appropriation of employee profit sharing and remuneration to directors and supervisors proposed at the Remuneration Committee meeting on November 20, 2015 was approved without objection by the board meeting on December 4, 2015. According to the amended Article of Incorporation, if there is profit in the year, with the income before tax without deducting the employee profit sharing and remuneration

to directors and supervisors as the basis, 5-8% of the income before tax shall be appropriated as employee profit sharing and 2% as the remuneration to directors and supervisors.

2. Differences between the estimation basis of the estimated remuneration to employees and directors in the current period, the basis for the calculation of stock dividends to employees, and the actual distribution amount from the estimated amount will be recognized as gains/losses of 2020.

3. Proposal of remuneration to employees approved by the board of directors

(1) Amount of remuneration to employees in cash and stock and remuneration to directors and supervisors

A. Remuneration to employees: To be appropriated according to the Articles of Incorporation, i.e. NT\$42,620,000 payable in cash.

B. Remuneration to directors and supervisors: To be appropriated according to the Articles of Incorporation, i.e. NT\$7,970,000 payable in cash.

(2) The amount of the proposed stock dividends distributed to employees and their ratio to the net income and total remuneration to employees on the only or individual financial report: NA.

(3) Trial balance of EPS after distributing the proposed remuneration to employees, directors, and shareholders: NA.

4. Actual distribution of employee profit sharing and remuneration to directors and supervisors in the previous year:

	Actual distribution approved by AGM
Distribution (unit: NTD thousands)	
1. Employee Profit Sharing	39,000
2. Remuneration to Directors and Supervisors	6,630
EPS (unit: NTD)	4.09

The proposed employee profit sharing and remuneration to directors and supervisors in the previous year were approved as proposed by the board of directors.

(9) Shares repurchased by the company:

NA

II. Corporate bond issuance

NA

III. Preferred stock issuance

NA

IV. Disclosure in relation to global depository receipts

NA

V. Employee stock warrants issuance

NA

VI. Restricted stock awards issuance

NA

VII. New shares in connection with a merger or acquisition, or new shares in connection with acquisition of another company's shares

NA

VIII. Fund implementation plan

NA

V. Operational highlights

I. Business contents

(1) Scope of business

1. Main content of the business:

- (1) E601020 Electric Appliance Installation
- (2) F102020 Wholesale of Edible Oil
- (3) F102030 Wholesale of Tobacco Products and Alcoholic Beverages
- (4) F102170 Wholesale of Food and Grocery
- (5) F104110 Wholesale of Cloth, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products
- (6) F105050 Wholesale of Furniture, Bedclothes Kitchen Equipment and Fixtures
- (7) F106010 Wholesale of Ironware
- (8) F108040 Wholesale of Cosmetics
- (9) F109070 Wholesale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
- (10) F110010 Wholesale of Clocks and Watches
- (11) F110020 Wholesale of Spectacles
- (12) F111090 Wholesale of Building Materials
- (13) F113010 Wholesale of Machinery
- (14) F113020 Wholesale of Household Appliance
- (15) F113030 Wholesale of Precision Instruments
- (16) F113050 Wholesale of Computing and Business Machinery Equipment
- (17) F113070 Wholesale of Telecom Instruments
- (18) F116010 Wholesale of Photographic Equipment
- (19) F119010 Wholesale of Electronic Materials
- (20) F203010 Retail Sale of Food and Grocery
- (21) F203020 Retail Sale of Tobacco and Alcoholic Beverages
- (22) F204110 Retail sale of Cloth, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products
- (23) F205040 Retail sale of Furniture, Bedclothes, Kitchen Equipment and Fixtures
- (24) F206010 Retail Sale of Ironware
- (25) F208040 Retail Sale of Cosmetics
- (26) F209060 Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles

- (27) F210010 Retail Sale of Watches and Clocks
- (28) F210020 Retail Sale of Spectacles
- (29) F211010 Retail Sale of Building Materials
- (30) F213010 Retail Sale of Household Appliance
- (31) F213030 Retail sale of Computing and Business Machinery Equipment
- (32) F213040 Retail Sale of Precision Instruments
- (33) F213060 Retail Sale of Telecom Instruments
- (34) F213080 Retail Sale of Machinery and Equipment
- (35) F216010 Retail Sale of Photographic Equipment
- (36) F219010 Retail Sale of Electronic Materials
- (37) F301020 Supermarkets
- (38) F399010 Convenience Stores
- (39) G801010 Warehousing and Storage
- (40) I103060 Management Consulting Services
- (41) I401010 General Advertising Services
- (42) IZ06010 Cargoes Packaging
- (43) J303010 Magazine and Periodical Publication
- (44) J304010 Book Publishers
- (45) J305010 Audio Tape and Record Publishers
- (46) J701090 Videotape Programs Broadcasting Business
- (47) JD01010 Industry and Commerce Credit Bureau Services
- (48) JZ99030 Photographic Studios
- (49) F208031 Retail Sale of Medical Equipment
- (50) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Ratio of the scope of business

We are an appliance and electronic product retail chain. The business ratio in the previous year is as follows:

Unit: NTD thousands

Major Product	2019	
	Consolidated revenue	Business ratio
Home appliances	15,251,980	87.03
ICT and other products	2,171,865	12.39

Others (gains on repair and installation)	101,823	0.58
Total	17,525,668	100.00

3.Current products and services

Based on the core brand spirit: “heartfelt service,” we fuse with modern value and connect with three innovative concepts: fashion, smartness, and technology, we build stores to provide comprehensive appliances and services to bring Taiwan consumers a new type of appliance shopping experience through 320 stores across Taiwan and our online shopping platform.

4.New products and services planned for development

- (1) Smart appliance: With the rise of the Internet of Things, we can operate appliances, such as TVs, aircons, air purifiers, and fans, from the mobile, tablet, or PC to easily enjoy the exclusive convenience of smart appliances, which bring consumers a smart on-demand lifestyle. We will continue to cultivate our products and services in “smart appliances” to fulfill the consumer’s longing in the smart generation.
- (2) Diverse shopping experience: In May 2017, we unveiled the brand-new appliance channel brand “Digital City.” Until April 2020, there are 15 stores across Taiwan. With “fashion, technology, digitization” as the brand slogan, a spacious, well-lighted, comfortable, and diversified situated shopping environment is created to enrich the shopping experience of consumers and attract young customers. In the future, we will continue to find new locations for store expansion to create smart services in the digital city. We will continue to cultivate shopping areas with the dual-brand strategy: “E-Life Mall” and “Digital City” to provide consumers with more comprehensive shopping experience.
- (3) O2O: Our online shopping platform went live in November 2019. We have 320 offline physical stores to provide power support through over 1,000 staff to provide professional appliance services and the resources of a complete home delivery network. We provide well-planned services for online shoppers to enjoy the professional service and warranty from our offline resources while shopping online. In the future, we will continue to combine the advantages of O2O to fulfill the demand of different customer groups.

(2)Industry overview

1.Current status and development of the industry

The boundary of enterprise competitions becomes gradually unclear. There are

many competitors in the computer, communication and consumer electronics market. From physical channels (retailers), brand marketing channels, wholesalers, department stores, virtual e-commerce platforms, to TV shopping channels, each strives for market through competitions. Major trends of development for competition

- (1) Product and service diversification: Expand to the products and services of smart appliances; provide system-based integrated services for smart home products; provide consumers with the convenience of one-stop shopping; launch composite products to attract different customer groups to boost buying.
- (2) Shopping experience improvement: For physical stores, plan well-lighted and spacious access; enrich product ranges and well-aligned display settings; arrange explanation and interaction by professional personnel; and provide consumers with fluent shopping processes. For the online shopping platform, display a wide range of products to provide more options; establish smooth and easy-to-operate shopping service; enhance the customer's brand satisfaction and adherence; and enhance brand competitive strength.
- (3) Complete integrated media marketing: In a time of information explosion, the buying behavior of consumers is no more a linear purchasing act but a series of complex decision-making processes. Through complete integrated media marketing planning, information of sales and promotional activities can be demassified to reach the existing and potential customer groups through the mixed use of advantages of different types of media to raise brand visibility while increase the chances of deal at the same time.
- (4) Sales on special festivities: Festivities create countless business opportunities and sales. Business owners thus launch promotional activities and sales based on the festive theme and even create festive events to create more topics for the brand and arouse competitors to join the event to create new business opportunities for the overall market and narrow the gap with consumers.
- (5) Shopping channel diversification: The multi-screen lifestyle of modern people has nourished the dependency on quick understanding of product information and fast shopping products over e-commerce channels in consumers. By contrast, consumers accustomed to walking around shops long to acquire a sense of security from the service of physical stores. Either online shopping platforms or traditional physical stores provide integrated shopping service to successfully create better sales performance with the O2O advantages.

2.Competition

The appliance market is highly competitive. E-commerce channels like PCHome and Momo, traditional retailers and grocery stores like Gseven, other O2O channels like Tsannkuen, Sunfar 3C, Carrefour, RT Mart, etc. all scramble for the market.

(3)Technology and R&D

We constantly invest in considerable labor and capital to launch new services and products to fulfill the consumer's appliance demand. As a retailer, we do not engage in technology R&D.

(4) Long-term and short-term business development plans

1. Short-term development plan

- (1) Dual-brand strategy: In addition to the local "E-Life Mall" brand with a history of over 40 years, we launched in 2017 a new-styled brand "Digital City" to focus on "fashionable, technology, and digital" products to successfully enter Taiwan's computer, communication, and consumer electronics market with a "most fashionable 3C mall." By April 2020, there are 15 "Digital City" stores across Taiwan. In the future, we will continue to open new stores in different parts of Taiwan, with a short-term target of 20 stores by the end of 2020. We also implement brand revitalization and store upgrading for "E-Life Mall" stores. In the future, "E-Life Mall" stores will re-appear in the market in a brand-new image for Taiwan's consumers. Currently, we have 320 stores under both brands: "E-Life Mall" and "Digital City" to fulfill the expectations and demand of different consumer groups through different brand positioning and services and bring different appliance shopping experiences to consumers.
- (2) Digital transformation and brand rejuvenation: Brand rejuvenation and digital transformation are the mainstream in the digital age. Brand rejuvenation can effectively attract young potential customer groups that have never been reached to expand the breadth of customers. Apart from directly reducing operating costs and enhancing management efficiency, digital transformation brings greater flexibility for branding, creates digital adverts and publicity and marketing that can stimulate topics, enhance brand recognition, catch consumer attention, and thereby boost sales and enhance brand designation.

2. Long-term development plan

- (1) Brand digital transformation: The brand-new ERP system went live in early 2018 to enhance internal resources integration and operational efficiency. In the future, we will enhance membership digital management to constantly strengthen customer relationship management (CRM) and combine with O2O to achieve the new retail plan.
- (2) Active talent recruitment and development: Human resources have always been the most important asset to E-Life Mall. To achieve sustainable development, talent education and development is our feature long-term plan. In the future, we will continue to maintain this talent policy to recruit externally or develop internally outstanding talents.
- (3) New business development: In addition to the existing business models, we will expand to cross-sector cooperation through the developmental

advantages and core competitiveness accumulated over time of existing channels to extend to non-appliance products.

II. Market and production/distribution overview

(1) Market analysis

1. Major products and sales regions

As an appliance retailer, we mainly sell appliances in the domestic market and currently do not engage in export sales.

2. Future supply and demand and market growth

We are a specialist appliance retailer. The market growth of appliances, consumer electronics, and ICT products are as follows:

(1) Appliances and consumer electronics

According to the survey on the popularity of major home appliances in Taiwan by the Directorate General of Budget, Accounting and Statistics, Executive Yuan, the traditional market of consumer electronics and home appliances has saturated. In response to technology advancement, smart appliances arise to bring an appliance replacement trend and boost sales. For example, TV has evolved from the cathode ray tube (CRT) type through the high-definition (HD) type to the 4K type. In the last couple of years, QLED TV and 8K TV became emerging topics. The technological advancement of products and new technology acceptance of consumers will continue to pour new growth momentum to product sales. Global air quality is deteriorating, environmental issues are gaining importance, and people's demand for air purifiers escalates, spiking the sales of air purifiers to create new sales high.

(2) IT products

As the market trend diversifies, people replace computers, communications, and consumer electronics more frequently; the life-span of digital ICT products reduces; product functions are integrated, and the mutual replacement of products becomes more obvious. Digital ICT market operations can be adjusted with reference to market technology development and technology advancement. For example, the business opportunities from AI, online streaming service, and VR and AR entertainments that sweep across the globe will initiate another wave of digital product demand.

3.Competitive niche

(1) Scale and efficiency of operations

Currently we have 320 stores and possess the dividend of the scale of economy including purchasing advantage, institutionalized management, and professional training. In the future, we will continue to implement digital management tools, such as ERP and CRM, to integrate operational management and sales data to capture customer demands and market movements at all times and effectively allocate and utilize resources to enhance operational efficiency.

(2) Professional and practical frontline employees

Through steady operations for 40 years or so, we have over 1,000 employees across Taiwan, including shopkeepers and internal personnel. Through institutionalized management and the complete internal training/education mechanism, we communicate the brand service objective to every employee to provide customers with the most appropriate professional services and information at all times. These are the core competitiveness of E-Life Mall.

(3) Active deployment of digital transformation

We actively implement digital management tools; activate brand digital transformation and rejuvenation and new management and operational thoughts in line with times; lead the organization to implement quick digital transformation; enhance organizational management efficiency, and reduce operating costs to bring positive assistance for business operations and competition.

4.Favorable and unfavorable factors for development and as countermeasures

(1) Favorable factors

A.Brilliant performance through channel integration from the success of the dual-brand strategy

Currently, we have two brands: “E-Life Mall” and “Digital City” with a total of 320 stores across Taiwan. The progressive success of the dual-brand operating strategy meets the demands of different consumer groups, elaborates shopping area operations, creates new customer groups for the Company, and increases market share.

B. Constant improvement of shopping experience from care for consumer needs

We have sales locations across Taiwan. Based on the attributes of consumers in different regions, we introduce different product portfolios and adjust our service to meet the needs of customers in local shopping areas. In terms of brand, “E-Life Mall” fulfill the customer’s demand for convenient services based on the “good neighbor in the daily life,” and the new brand “Digital City” provides consumers with a more spacious, more comfortable, and brighter fashionable shopping environment; a full display of the most popular ICT products and appliances. By serving different customer groups and markets, both brands create revenue for the Company.

(2) Unfavorable factors

A. Competition from e-commerce platforms

Online shopping is ubiquitous. Alongside with the price competition from time to time, e-commerce platforms bring direct impacts to retailers.

Countermeasure: We have 320 physical stores, and our online shopping platform went live in November 2019. The rich offline resources and experience as a strong backup for the online shopping platform will facilitate the realization of clicks and mortar.

B. Keen market competition

Due to the homogeneity and similarity of products and brands in the ICT product and appliance market, price competitions among competitors are increasingly keener, and the whole ICT product and appliance market is like a battlefield.

Countermeasure: Our dual-brand strategy: “E-Life Mall” and “Digital City” can fulfill the demands of different target groups and markets. With the unique advantages of our products and services and outstanding price competitiveness and service capacity, we can maintain leadership in the ICT product and appliance market.

C. Increasing risking costs

As the domestic market in Taiwan is not big enough, and store rent and personnel expenses are high, the overall operating cost is increasing.

Countermeasure: Our dual-brand strategy: “E-Life Mall” and “Digital City” provides more suitable products and services to different markets; introduces exclusive products, diversifies store operations, optimizes management, maintains high product circulation, enhances unit area performance, and improves sales performance.

(2) Main purpose of major products

Product	Purpose
Home Appliance	Household or Personal Consumer Electronics
ICT and Other Products	Household or Personal ICT Products

(3) Supply of Major Products

We mainly sell home appliances, communications, and ICT products from manufacturers or distributors. With a large number of sales locations and stable sales, we can fully capture the ability to disperse purchase and secure sources.

(4) List of major suppliers and customers in the last two years

1. List of top ten customers in the last two years

As we sell products to general consumers, the purchasing amount of the top ten customers in the last two years is below 1% of the total sales amount.

2. List of the top ten suppliers in the last two years

Unit: NTD thousands

2019					2018				
Item	Supplier ID	Amount	Ratio in the net annual purchase (%)	Relationship with Issuer	Item	Supplier ID	Amount	Ratio in the net annual purchase (%)	Relationship with Issuer
1	V005057	3,102,075	21.69	NA	1	V005057	2,994,484	22.85	NA
2	V017006	1,166,805	8.16	NA	2	V 017006	1,342,036	10.24	NA
3	V005013	1,050,826	7.35	NA	3	V 005013	1,048,324	8.00	NA
4	V004026	695,504	4.86	NA	4	V 017034	766,473	5.85	NA
5	V008074	673,595	4.71	NA	5	V 008074	716,834	5.47	NA
6	V017034	653,526	4.57	NA	6	V 004026	625,272	4.77	NA
7	V004068	533,166	3.73	NA	7	V 008069	592,743	4.52	NA
8	V013038	510,989	3.57	NA	8	V 005105	591,745	4.52	NA
9	V009031	471,776	3.30	NA	9	V 004068	458,904	3.50	NA
10	V005105	460,047	3.22	NA	10	V 009031	449,479	3.43	NA
	Others	4,984,932	34.84	NA		Others	3,518,389	26.85	NA
	Net Purchase	14,303,241	100.00			Net Purchase	13,104,683	100.00	

(1) As major suppliers maintain sound cooperation with this Company in terms of quality, price, and delivery time, they were all major suppliers in the last two years.

(2) We mainly purchase home appliances, computer and communication products. Major suppliers have been supplying goods to us for a long time. We implement supplier evaluation in terms of quality, price, and deliver time regularly to determine the quantity and amount of purchase. Therefore, changes are little.

(5) Production Volume and Value in the Last Two Years

NA

(6) Sales Volume and Value in the Last Two Years

1. Sales Volume in the Last Two Years

Unit: NTD thousands

Year Sales Volume and Value Major Product	2019				2018			
	Domestic Sales		Export Sales		Domestic Sales		Export Sales	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Home appliances	2,966,062	15,251,980	—	—	3,084,154	13,971,596	—	—
ICT and other products	2,113,626	2,171,865	—	—	1,317,939	2,271,949	—	—
Others (gains on repair and installation)	—	101,823	—	—	—	99,750	—	—
Total	5,079,688	17,525,668	—	—	4,402,093	16,343,295	—	—

2. Change analysis

Benefited from the government's incentivizing policies including the "allowance for energy-efficient appliances" and "commodity tax refund for purchase of energy-efficient appliances," the 2019 revenue increased by 7.23% from the last year.

III. Employees

Year		2018	2019	By March 31 for 2020
Number of Employees	Managers and Above	30	25	26
	Internal Personnel	299	282	278
	Field Personnel	1,352	1,314	1,308
	Total	1,681	1,621	1,612
Average Age		38.6	39.2	39.4
Average Service Length		12.6	13.1	13.3
Education Distribution Ratio	Doctorate	0.06%	0.06%	0.06%
	Master	2.26%	2.34%	2.36%
	Diploma	55.68%	55.52%	55.40%
	High School and Below	42.00%	42.07%	42.18%

IV. Environmental Expenditure

1. Any losses (including compensations) or fines incurred from environmental pollution in the previous year and by the date of annual report publication

Neither losses nor fines have been incurred or will be incurred in the future.

2. Estimated amount at present and in the future and countermeasures (including improvement measures)
 1. Proposed improvement measures: NA.
 2. Unadopted improvement measures: NA.

V. Labor-management relations

3. The companys various employee welfare measures, further education, training, retirement system, and their implementation, as well as labor-management agreements and the measures to maintain the rights and interests of employees:

1. Employee benefits

In addition to the Labor Insurance, National Health Insurance, and group insurance, we have established the employee welfare committee to improvement various welfare measures, such as cash gifts for three major folk festivals (Dragon Boat Festival, Mid-Autumn Festival, and Spring Festival), birthday cash gift, allowances for marriage and funeral, birth allowance, employee tour payment, and staff discount.

2. Employee further education and training

(1) Employees are the most important corporate asset. We provide them with necessary and appropriate training and development courses for them to demonstrate their specialties and develop work competencies to achieve organizational missions and create corporate competitiveness.

(2) Training in 2019

Type of Training	No. of Sessions	Total Person-Times	Total Man-Hours
Orientation Training Courses	6	197	6,112
Professional Courses	36	2,656	228,210
Management Courses	1	181	3,801
E-learning Courses	34	14,380	8,980

3. Retirement system and its performance

This Company adopts the defined contribution plan for the employee retirement system. Before the applicability of the Labor Standards Act, we contribute 2% of the employee's actual pay as their pension. After the applicability of the Labor Standards Act on December 31, 1998, the retirement system has been changed as follows:

(1) Voluntary retirement

- A. Service at this Company for over 15 consecutive years and aged 55.
- B. Service at this Company for over 25 consecutive years.
- C. Service at this Company for over 10 consecutive years and aged 60.
- D. Employees servicing at this Company for over 15 consecutive years and aged 50 may apply for advance retirement. However, this Company may not grant the retirement for business considerations, if any.

(2) Compulsory Retirement

- A. Aged 65.
- B. Incompetent for work due to insanity or physical disabilities.
- C. Engagement in dangerous work or special work requiring intensive labor with retirement age adjustments reported to and approved by competent authorities.

In addition, this Company estimates the amount of pension payable to

employees meeting the retirement requirements in the next year and contribute in one time the difference to the labor pension reserve special account by the end of March in the next year. Furthermore, we hold the pension reserve supervisory committee meeting every three months for supervise and management of the reserve through labor-management collaboration.

4.Labor-management agreements and the measures to maintain the rights and interests of employees

This Company holds the employee welfare committee meeting and labor-management communication meeting periodically to discuss and communicate employee welfare measures, important operational plans, and implementation details to enhance labor-management harmony.

5.Employee protection measures

- (1) We are an appliance retail chain with stores located on the first and second floors. In addition to the fire insurance, public liability insurance, and employers liability insurance, we examine and maintain fire equipment twice a year by law and submit the examination results to the competent authorities. We also arrange fire prevention and management training to maintain the safety of the Company, employees, and consumers.
- (2) To maintain employee safety, offices are equipped with the access control system, and personnel are requested to exchange IDs before entry.
- (3) Apart from establishing the OH&S Work Rules, we arrange annual general health checkups for employees to take care of their health.

2. Losses arising from labor-management disputes in the last year up and by the date of annual report publication; and the estimated amounts that may occur at present and in the future and countermeasures.

Adhering to the win-win strategy for customers, employees, and shareholders, we are committed to cohering labor-management understanding to work for the organization’s sustainable development. No significant labor-management dispute that causes losses to the Company has been reported lately. In the future, we will constantly enhance labor-management two-way communication to eliminate potential disputes.

VI. Important Contracts

Supply and technical cooperation contracts expired in the previous year and still valid by the date of annual report publication

Construction contracts, long-term loan contracts, and other important contracts that may affect the rights and interests of shareholders are as follows:

Type of	Concluded by	Contract Term	Major Contents	Restrictio
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Contract				ns
Technological Cooperation	JDA Worldwide Inc.	1997.8.31-2047.7.31 Unless otherwise an advance termination is requested by both parties, the Contract shall be valid for a term of 50 years.	Product circulation computer software license	NA
Technological Cooperation	SAP SAP SE	2017.6.1-2020.12.31	SAP system maintenance fee	NA

VI. Financial Highlights

I. Condensed statement of financial positions, consolidated statement of comprehensive income, and the names and opinions of CPAs of the last five years

1. Condensed statement of financial positions and comprehensive income

1. Condensed statement of financial positions

Unit: NTD thousands

Item		Financial Information for the Last Five Years (Note 1)				
		2015	2016	2017	2018	2019
Current assets		4,734,699	4,404,784	4,057,871	3,685,311	4,317,708
Property, plant, and equipment (Note 2)		301,720	245,760	229,597	299,852	377,226
Intangible assets		4,494	3,977	5,106	73,661	57,670
Others assets		410,874	431,648	516,677	450,299	2,874,316
Total assets		5,451,787	5,086,169	4,809,251	4,509,123	7,626,920
Current liabilities	Before	2,865,414	2,429,739	2,136,639	1,851,755	3,091,218
	After	3,232,354	2,856,183	2,533,331	2,248,447	Undistributed
Non-current liabilities		322,066	285,617	289,757	257,442	2,090,618
Total liabilities	Before	3,187,480	2,715,356	2,426,396	2,109,197	5,181,836
	After	3,554,420	3,141,800	2,823,088	2,505,889	Undistributed
Equity attributed to owners of the parent		-	-	-	-	-
Capital		991,729	991,729	991,729	991,729	991,729
Capital reserve		466,046	466,046	466,046	436,294	436,294
Retained earnings	Before	806,532	913,038	925,080	942,151	1,017,061
	After	439,592	486,594	528,388	575,211	Undistributed
Other equities		-	-	-	-	-
Treasury stock		-	-	-	-	-
Non-controlling		-	-	-	-	-
Total equity	Before	2,264,307	2,370,813	2,382,855	2,399,926	2,445,084
	After	1,897,367	1,944,369	1,986,163	2,003,234	Undistributed

- Note: 1. The above financial data has been verified and certified by an accountant.
2. No asset revaluation was implemented in the year.
 3. The 2019 profit distribution proposal has not been settled by the AGM.

2. Condensed Statement of Financial Position

Unit: NTD thousands

Item \ Year	Financial Information for the Last Five Years (Note 1)				
	2015	2016	2017	2018	2019
Operating revenue	16,501,728	16,812,380	16,372,659	16,343,295	17,525,668
Gross profit	3,339,502	3,424,930	3,211,854	3,140,517	3,276,685
Operating gains/losses	489,954	575,828	524,505	469,890	560,000
Non-operating income and expenses	32,540	19,715	21,233	37,020	6,997
Income before tax	522,494	595,543	545,738	506,910	553,003
Net income of continuing operations	433,782	494,069	452,916	405,437	440,581
Gains/losses of discontinued operations	-	-	-	-	-
Net income	433,782	494,069	452,916	405,437	440,581
Other comprehensive income (net after tax)	(20,657)	(20,623)	(14,430)	8,326	1,269
Total comprehensive income	413,125	473,446	438,486	413,763	441,850
Net income attributed to owners of the parent	-	-	-	-	-
Net profit attributed to non-controlling interests	-	-	-	-	-
Total profit and loss attributed to the owners of the parent	-	-	-	-	-
Total profit and loss attributed to non-controlling interests	-	-	-	-	-
Earnings Per Share	4.37	4.98	4.57	4.09	4.44

Note: 1. The above financial data has been verified and certified by an accountant.

2. Names and Opinions of CPAs of the Last Five Years

Year	2015	2016 (note 1)	2017	2018	2019 (note 2)
CPA Firm	KPMG Taiwan	KPMG Taiwan	KPMG Taiwan	KPMG Taiwan	KPMG Taiwan
CPA Name	Chia-Hsin Chang Huei-Cheng	Wei-Ming Shih Huei-Cheng Chang	Wei-Ming Shih Huei-Cheng Chang	Wei-Ming Shih Huei-Cheng Chang	Wei-Ming Shih Tzu-Chieh Tang

	Chang				
Audit Opinions	Unqualified Opinion	Unqualified Opinion	Unqualified Opinion	Unqualified Opinion	Unqualified Opinion

Note: 1. CPAs Chia-Hsing Chang and Huei-Cheng Chang were replaced by CPAs Wei-Ming Shih and Huei-Cheng Chang in 2016 due to the internal organizational adjustment of KPMG Taiwan.

2. : CPAs Wei-Ming Shih and Huei-Cheng were replaced by CPAs Wei-Ming Shih and Tzu-Chieh Tang in 2019 due to the internal organizational adjustment of KPMG Taiwan.

II. Financial Analysis in the Past Five Years

Item		Year	Financial Information for the Last Five Years (Note 1)				
		2015	2016	2017	2018	2019	
Financial Structure (%)	Liabilities to Assets Ratio	58.47	53.39	50.45	46.78	67.94	
	Long-term Capital to PP&E Ratio	857.21	1,080.90	1,164.04	886.23	1202.38	
Solvency	Current ratio (%)	165.24	181.29	189.92	199.02	139.68	
	Quick ratio (%)	79.09	90.23	89.90	80.89	61.80	
	Debt Service Coverage Ratio	20,900.76	25,894.17	22,740.08	22,040.57	21.78	
Utility	Average Collection Turnover (times)	301.98	227.84	160.97	119.72	118.18	
	Average Collection Days	1.20	1.60	2.26	3.04	3.08	
	Average Inventory Turnover (times)	5.08	5.73	6.06	6.12	6.21	
	Average Payable Turnover (times)	7.05	8.02	9.65	12.59	13.16	
	Average day(s) of sales	71.85	63.69	60.23	59.64	58.77	
	PP&E Turnover (times)	55.42	61.42	68.89	61.74	51.77	
	Total Assets Turnover (times)	3.09	3.19	3.31	3.51	2.89	
Profitability	Return on assets (%)	8.12	9.38	9.15	8.70	7.61	
	Return on equity (%)	19.27	21.32	19.06	16.95	18.19	
	Profit Before Tax to Capital Stock (%)	52.69	60.05	55.03	51.11	55.76	

	Profit margin (%)	2.63	2.94	2.77	2.48	2.51
	EPS	4.37	4.98	4.57	4.09	4.44
Cash Flow	Cash Flow Ratio (%)	33.02	13.34	13.93	5.25	52.96
	Cash Flow Adequacy Ratio (%)	69.18	71.43	73.18	78.69	119.08
	Cash Reinvestment Ratio (%)	19.85	-1.46	-4.33	-9.92	24.89
Degree of Leverage	Degree of operating leverage	2.37	2.18	2.29	2.49	2.32
	Degree of Leverage (DOL)	1.00	1.00	1.00	1.00	1.05

Accounts for changes in financial ratio (up to 20%) in the past two years:

1. Liabilities to assets ratio: The ratio increased compared to 2018 because liabilities increased after the adoption of IFRS 16 in this year.
2. Long-term capital to PP&E ratio: The ratio increased compared to 2018 because non-current liabilities increased after the adoption of IFRS 16 in this year.
3. Current ratio: The ratio reduced compared to 2018 because current liabilities increased after the adoption of IFRS 16 in this year.
4. Quick ratio: The ratio reduced compared to 2018 because current liabilities increased after the adoption of IFRS 16 in this year.
5. Debt service coverage ratio: The ratio reduced compared to 2018 because interest expenses increased after the adoption of IFRS 16 in this year.
6. Cash flow ratio: The ratio increased compared to 2018 because depreciation expenses increased to cause net operating cash flow to increase after the adoption of IFRS 16 in this year.
7. Cash flow adequacy ratio: The ratio increased compared to 2018 because net operating cash flow increased after the adoption of IFRS 16 in this year.
8. Cash reinvestment ratio: The ratio increased compared to 2018 because net operating cash flow increased after the adoption of IFRS 16 in this year.

Note 1: The above financial data has been audited by an accountant.

Note 2: Calculation formulas are as follows:

1. Financial structure

(1) Liabilities to assets ratio = Total Liabilities/Total Assets

(2) Long-term capital to PP&E ratio = (Total Equity + Non-Current Liabilities) / Net PP&E

2. Solvency

(1) Current ratio = Current Assets/ Current Liabilities

(2) Quick ratio = $(\text{Current Assets} - \text{Inventory} - \text{Prepaid Expenses}) / \text{Current Liabilities}$

(3) Interest coverage ratio = $\text{Net Income Before Income Tax and Interest Expense} / \text{Interest Expenses}$

3. Management Ability

(1) Balance of Receivables (including accounts receivable and notes receivable due to business) Turnover = $\text{net sales} / \text{average receivables for each period (including accounts receivable and notes receivable due to business)}$.

(2) Average Collection Days = $365 / \text{receivables turnover}$.

(3) Inventory Turnover = $\text{cost of goods sold} / \text{average inventory amount}$.

(4) Balance of Payables (including accounts payable and notes payable due to business) Turnover = $\text{cost of goods sold} / \text{average payables for each period (including accounts payable and notes payable due to business)}$.

(5) Average Sales Days = $365 / \text{inventory turnover}$.

(6) PP&E Turnover = $\text{net sales} / \text{net average PP\&E}$

(7) Total Asset Turnover = $\text{net sales} / \text{average total assets}$.

4. Profitability

(1) Return on Assets = $[\text{after-tax profit (loss)} + \text{interest expense} \times (1 - \text{tax rate})] / \text{average total assets}$.

(2) Return on Equity = $\text{after-tax profit (loss)} / \text{average equity}$.

(3) Net Profit Rate = $\text{after-tax profit (loss)} / \text{net sales}$.

(4) EPS = $(\text{Equity attributable to owners of the parent} - \text{dividend from preferred shares}) / \text{weighted average number of outstanding shares}$.

5. Cash Flow

(1) Cash Flow Ratio = $\text{net cash flow from operation} - \text{current liabilities}$

(2) Net Cash Flow Adequacy Ratio = $\text{net cash flow from operation over the past five years} / (\text{capital expense} + \text{addition to inventory} + \text{cash dividend}) \text{ over the past five years}$.

(3) Cash Reinvestment Ratio = $(\text{net cash flow from operating} - \text{cash dividend}) / (\text{gross PP\&E} + \text{long-term investment} + \text{other non-current assets} + \text{working capital})$.

6. Leverage

(1) Degree of operating leverage = $(\text{net income} - \text{variable cost and expenses from operation}) / \text{operating profit}$.

(2) Financial Leverage = $\text{operating income} / (\text{operating income} - \text{interest expenses})$.

III. Supervisor’s review report on financial statements in the previous year

Please refer to P. 98-99

IV. Financial statements in the previous year

Please refer to P. 100-152

V. Consolidated financial statement of the parent and subsidiaries of the previous year certified by a CPA

NA

VI . Insolvency that occurs in the Company and affiliates in the previous year and by the date of annual report publication, and its impacts on the Company’s financial status.

NA

Supervisor's Review Report of E-Life Mall Corporation

This is to certify that:

The Board of Directors have prepared and submitted to us the Company's 2019 (January 1, 2019 to December 31, 2019) Business report, Financial Statements and proposal for profit distribution. The above Business report, Financial Statements and proposal have been examined as being correct and accurate by the undersigned, the supervisor of E-Life Mall Corporation. According to Article 39 of the Securities and Exchange Act, we hereby submit this report.

Supervisors:



Date February 27, 2020.

Supervisor's Review Report of E-Life Mall Corporation

This is to certify that:

The Board of Directors have prepared and submitted to us the Company's 2019 (January 1, 2019 to December 31, 2019) Business report, Financial Statements and proposal for profit distribution. The above Business report, Financial Statements and proposal have been examined as being correct and accurate by the undersigned, the supervisor of E-Life Mall Corporation. According to Article 39 of the Securities and Exchange Act, we hereby submit this report.



Supervisors:

Date February 27, 2020.

Independent Auditors' Report

To the Board of Directors
E-Life Mall Corporation:

Opinion

We have audited the accompanying financial statements of E-Life Mall Corporation (the "Company"), which comprise the balance sheets as of December 31, 2019 and 2018, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards, International Accounting Standards, interpretations, as well as related guidance endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's financial statements for the year ended December 31, 2019 are stated as follows:

1. Valuation of inventories

Please refer to Note 4(f) "Inventories" for the significant inventory accounting policies, Note 5(a) "Critical accounting judgments and key sources of estimation uncertainty" for estimation uncertainty of inventory valuation and Note 6(d) "Inventories" for the related disclosures.

Description of key audit matter:

The inventory of the Company is primarily the home appliances, computer and mobile devices. Inventories are measured at the lower of cost and net realizable value. With the rapid development in technology, the advance of new electronic products may significantly affect customers' demands, which can lead to the obsolescence of the Company's inventory that may result in the cost of inventory to be higher than its net realizable value. Consequently, the valuation of inventories has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain audit procedures including obtaining the inventory aging report, analyzing the fluctuation of inventory aging; verifying the accuracy of inventory aging report; inspecting whether inventories were measured in accordance with the Company's accounting policies, and testing the reasonableness of the write-down of inventories.

2. Recognition of supplier rebate income

Please refer to Note 4(m) "Rebate income from suppliers" for the significant accounting policies on the measurement and recognition of rebate income from suppliers.

Description of key audit matter:

The Company has agreements with suppliers whereby volume-related allowance, promotions and marketing allowances are received in connection with the purchase of goods for resale from those suppliers. As such, the Company recognizes the rebate income from suppliers as a reduction to cost of sales based on the contractual rebate terms agreed by the procurement agreements and consent letters with suppliers. The rebate income is significant to the Company's operating performance. Consequently, the recognition of rebate income from suppliers has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain audit procedures including obtaining the procurement agreements with main suppliers, interviewing procurement supervisor to understand the contractual terms and controls regarding rebates, and testing the internal control; analyzing the fluctuation of the rebate amount to assess whether there are material difference; selecting samples of the procurement agreements with main suppliers and testing the commercial income in accordance with contractual rebate terms; for outstanding rebate receivable accounts, sampling accounts and checking the agreements or supporting rebate documents to verify the accuracy of accounts balance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, interpretation as well as related guidance endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the supervisors) are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercised professional judgment and maintained professional skepticism throughout the audit. We also:

1. Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Wei-Ming Shih and Tzu-Chieh Tang.

KPMG

Taipei, Taiwan (Republic of China)
February 27, 2020

Notes to Readers

The accompanying financial statements are intended only to present the 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 audit such financial statements are those generally accepted and applied in the Republic of China.

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

(English Translation of Financial Statements Originally Issued in Chinese)
E-LIFE MALL CORPORATION

Balance Sheets

December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2019		December 31, 2018		
	Amount	%	Amount	%	
Assets					
Current assets:					
1100	Cash and cash equivalents (note 6(a))	\$ 463,622	6	421,369	9
1136	Current financial assets at amortized cost (note 6(b) and 8)	1,300,937	17	907,500	20
1150	Notes and accounts receivable, net (note 6(c) and (o))	136,386	2	160,201	4
1200	Other receivables	1,939	-	1,640	-
130X	Inventories (note 6(d))	2,402,453	32	2,183,053	49
1470	Other current assets	12,371	-	11,548	-
	Total current assets	<u>4,317,708</u>	<u>57</u>	<u>3,685,311</u>	<u>82</u>
Non-current assets:					
1535	Non-current financial assets at amortized cost (note 6(b) and 8)	55,000	1	55,000	1
1600	Property, plant and equipment (note 6(e))	377,226	5	299,852	7
1755	Right-of-use assets (note 6(f))	2,412,850	31	-	-
1760	Investment property (note 6(g))	196,174	2	198,188	4
1780	Intangible assets (note 6(h))	57,670	1	73,661	2
1840	Deferred income tax assets (note 6(l))	55,780	1	45,004	1
1915	Prepayments for equipment	11,073	-	6,283	-
1920	Refundable deposits (note 7)	143,439	2	145,824	3
	Total non-current assets	<u>3,309,212</u>	<u>43</u>	<u>823,812</u>	<u>18</u>
	Total assets	<u>\$ 7,626,920</u>	<u>100</u>	<u>4,509,123</u>	<u>100</u>

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
E-LIFE MALL CORPORATION

Balance Sheets

December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2019		December 31, 2018	
	Amount	%	Amount	%
Liabilities and Equity				
Current liabilities:				
2130	\$ 589,478	8	414,612	9
2150	1,306,890	17	858,096	19
2200	588,415	8	562,205	13
2280	586,450	8	-	-
2300	19,985	-	16,842	-
	3,091,218	41	1,851,755	41
Total current liabilities				
Non-current liabilities:				
2580	1,848,209	24	-	-
2640	194,947	2	212,647	5
2645	47,462	1	44,795	1
	5,181,836	68	2,109,197	47
Total liabilities				
Equity (note 6(m)):				
3100	991,729	13	991,729	22
3200	436,294	6	466,046	10
	Retained earnings:			
3310	567,100	7	526,556	12
3350	449,961	6	415,595	9
	2,445,084	32	2,399,926	53
	Total equity			
	\$ 7,626,920	100	4,509,123	100
Total liabilities and equity				

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
E-LIFE MALL CORPORATION

Statements of Comprehensive Income

For the years ended December 31, 2019 and 2018

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

		2019		2018	
		Amou nt	_9	Amou nt	_9
4000	Revenue (note 6(o) and 14)	\$ 17,525,668	100	16,343,295	100
5000	Cost of revenue (note 6(d))	<u>(14,248,983)</u>	<u>(81)</u>	<u>(13,202,778)</u>	<u>(81)</u>
	Gross profit	<u>3,276,685</u>	<u>19</u>	<u>3,140,517</u>	<u>19</u>
	Operating expenses (note 6(e)(f)(h)(i)(j)(k)(p), 7 and 12):				
6100	Selling expenses	(2,374,672)	(14)	(2,319,556)	(14)
6200	Administrative expenses	<u>(342,013)</u>	<u>(2)</u>	<u>(351,071)</u>	<u>(2)</u>
	Total operating expenses	<u>(2,716,685)</u>	<u>(16)</u>	<u>(2,670,627)</u>	<u>(16)</u>
	Operating income	<u>560,000</u>	<u>3</u>	<u>469,890</u>	<u>3</u>
	Non-operating income and loss:				
7010	Other income (note 6(g)(i)(q), 7 and 12)	25,277	-	41,191	-
7020	Other gains and losses—net	(5,665)	-	(4,148)	-
7050	Finance costs	<u>(26,609)</u>	<u>-</u>	<u>(23)</u>	<u>-</u>
	Total non-operating income and loss	<u>(6,997)</u>	<u>-</u>	<u>37,020</u>	<u>-</u>
	Income before income tax	<u>553,003</u>	<u>3</u>	<u>506,910</u>	<u>3</u>
7950	Income tax expenses (note 6(l))	<u>(112,422)</u>	<u>-</u>	<u>(101,473)</u>	<u>(1)</u>
	Net income	<u>440,581</u>	<u>3</u>	<u>405,437</u>	<u>2</u>
	Other comprehensive income:				
	Items that will not be reclassified subsequently to profit or loss:				
8310	Remeasurements of defined benefit plans (note 6(k))	1,586	-	172	-
8349	Income tax related to items that will not be reclassified subsequently to profit or loss (note 6(l))	<u>(317)</u>	<u>-</u>	<u>8,154</u>	<u>1</u>
		<u>1,269</u>	<u>-</u>	<u>8,326</u>	<u>1</u>
	Other comprehensive income for the year, net of income tax	<u>1,269</u>	<u>-</u>	<u>8,326</u>	<u>1</u>
	Total comprehensive income for the year	<u>\$ 441,850</u>	<u>3</u>	<u>413,763</u>	<u>3</u>
	Earnings per share (in New Taiwan dollars) (note 6(n)) :				
9750	Basic earnings per share	<u>\$ 4.44</u>		<u>4.09</u>	
9850	Diluted earnings per share	<u>\$ 4.41</u>		<u>4.06</u>	

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

E-LIFE MALL CORPORATION

Statements of Changes in Equity

For the years ended December 31, 2019 and 2018

(Expressed in thousands of New Taiwan Dollars)

	Common stock	Capital Surplus	Retained earnings		Total	Total equity
			Legal reserve	Unappropriate d earnings		
Balance at January 1, 2018	\$ 991,729	466,046	482,275	442,805	925,080	2,382,855
Net income in 2018	-	-	-	405,437	405,437	405,437
Other comprehensive income in 2018	-	-	-	8,326	8,326	8,326
Total comprehensive income in 2018	-	-	-	413,763	413,763	413,763
Appropriation of earnings:						
Legal reserve	-	-	44,281	(44,281)	-	-
Cash dividends distributed to shareholders	-	-	-	(396,692)	(396,692)	(396,692)
Balance at December 31, 2018	991,729	466,046	526,556	415,595	942,151	2,399,926
Net income in 2019	-	-	-	440,581	440,581	440,581
Other comprehensive income in 2019	-	-	-	1,269	1,269	1,269
Total comprehensive income in 2019	-	-	-	441,850	441,850	441,850
Appropriation of earnings:						
Legal reserve	-	-	40,544	(40,544)	-	-
Cash dividends distributed to shareholders	-	-	-	(366,940)	(366,940)	(366,940)
Cash dividends from capital surplus	-	(29,752)	-	-	-	(29,752)
Balance at December 31, 2019	\$ 991,729	436,294	567,100	449,961	1,017,061	2,445,084

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
E-LIFE MALL CORPORATION

Statements of Cash Flows

For the years ended December 31, 2019 and 2018

(Expressed in thousands of New Taiwan Dollars)

	2019	2018
Cash flows from operating activities:		
Income before income taxes	\$ 553,003	506,910
Adjustments for:		
Adjustments to reconcile profit or loss:		
Depreciation (note 3(a) and 6(f))	721,120	91,227
Amortization	17,967	12,588
Net gain on financial assets at fair value through profit or loss	(286)	(1,224)
Interest expense (note 3(a) and 6(q))	26,587	-
Interest income	(10,340)	(9,508)
Loss on disposal of property, plan and equipment	2,489	1,810
Gain on lease modifications	(303)	-
Prepayments for business facilities transfer to expenses	-	674
Total adjustments to reconcile profit	757,234	95,567
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes and accounts receivable	23,815	(47,369)
Other receivables	(165)	1,250
Inventories	(219,400)	(49,341)
Other current assets	(823)	(7,095)
Net changes in operating assets	(196,573)	(102,555)
Changes in operating liabilities:		
Contract liabilities	174,866	20,781
Notes and accounts payable	448,794	(381,464)
Other payables	4,393	56,896
Other current liabilities	3,143	3,286
Net defined benefit liabilities	(16,114)	(32,724)
Net changes in operating liabilities	615,082	(333,225)
Total changes in operating assets and liabilities	418,509	(435,780)
Cash provided by operations	1,728,746	166,697
Interest received	10,206	9,561
Income taxes paid	(101,698)	(78,950)
Net cash flows from operating activities	1,637,254	97,308

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
E-LIFE MALL CORPORATION

Statements of Cash Flows (Continued)

For the years ended December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	2019	2018
Cash flows from investing activities:		
Acquisition of financial assets at amortized cost	(411,618)	-
Proceeds from disposal of financial assets at amortized cost	18,181	237,500
Acquisition of financial assets designated at fair value through profit or loss	(200,000)	(600,000)
Proceeds from disposal of financial assets at fair value through profit or loss	200,286	751,413
Acquisition of property, plant and equipment	(185,347)	(146,749)
Proceeds from disposal of property, plant and equipment	175	63
Decrease (increase) in refundable deposits	2,385	(3,609)
Acquisition of intangible assets	(443)	(21,175)
Increase in prepayments for business facilities	(6,912)	(6,013)
Net cash flows from (used in) investing activities	(583,293)	211,430
Cash flows from financing activities:		
Increase in deposits received	2,667	581
Payment of lease liabilities (notes 3(a) and 6(f))	(591,096)	-
Cash dividends distributed to shareholders	(366,940)	(396,692)
Cash distributed to shareholders from capital surplus	(29,752)	-
Interest paid (note 3(a) and 6(i))	(26,587)	-
Net cash flows used in financing activities	(1,011,708)	(396,111)
Net increase (decrease) in cash and cash equivalents	42,253	(87,373)
Cash and cash equivalents at beginning of the year	421,369	508,742
Cash and cash equivalents at end of the year	\$ 463,622	421,369

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
E-LIFE MALL CORPORATION

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(expressed in thousands of New Taiwan Dollars unless otherwise specified)

1. Organization and business

E-life Mall Corporation (the “Company”) was incorporated on January 21, 1986, as a company limited by shares under the laws of the Republic of China (“R.O.C.”) and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company’s registered office is No. 55, Wu-Kung 6th Rd., Wugu Dist., New Taipei City 248, Taiwan(R.O.C). The Company is primarily engaged in the sales of home appliances, computer and mobile devices.

2. Authorization of the financial statements

These financial statements were authorized for issue by the Board of Directors on February 27, 2020.

3. Application of new and revised accounting standards and interpretations:

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

The following new standards, interpretations and amendments have been endorsed by the FSC and are effective for annual periods beginning on or after January 1, 2019.

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective date per IASB</u>
IFRS 16 “Leases”	January 1, 2019
IFRIC 23 “Uncertainty over Income Tax Treatments”	January 1, 2019
Amendments to IFRS 9 “Prepayment features with negative compensation”	January 1, 2019
Amendments to IAS 19 “Plan Amendment, Curtailment or Settlement”	January 1, 2019
Amendments to IAS 28 “Long-term interests in associates and joint ventures”	January 1, 2019
Annual Improvements to IFRS Standards 2015 – 2017 Cycle	January 1, 2019

Except for the following items, the Company believes that the adoption of the above IFRSs would not have any material impact on its financial statements. The extent and impact of signification changes are as follows:

- (i) IFRS 16 “Leases”

IFRS 16 replaces the existing leases guidance, including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

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E-LIFE MALL CORPORATION
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The Company applied IFRS 16 using the modified retrospective approach. The details of the changes in accounting policies are disclosed below,

1) Definition of a lease

Previously, the Company determined at contract inception whether an arrangement is or contains a lease under IFRIC 4. Under IFRS 16, the Company assesses whether a contract is or contains a lease based on the definition of a lease, as explained in note 4(i).

On transition to IFRS 16, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Company applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after January 1, 2019.

2) As a lessee

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under IFRS 16, the Company recognizes right-of-use assets and lease liabilities for most leases – i.e. these leases are on balance sheet.

The Company decided to apply recognition exemptions to short-term leases of furniture and fixtures.

Leases classified as operating leases under IAS 17, at transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at January 1, 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

In addition, the Company used the following practical expedients when applying IFRS 16 to leases.

- a. Applied a single discount rate to a portfolio of leases with similar characteristics.
- b. Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.

3) As a lessor

The Company is not required to make any adjustments on transition to IFRS 16 for leases in which it acts as a lessor, except for a sub-lease. The Company accounted for its leases in accordance with IFRS 16 from the date of initial application.

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E-LIFE MALL CORPORATION
Notes to the Financial Statements

4) Impacts on financial statements

On new application of IFRS 16, the lessee recognizes and discloses right-of-use assets and lease liabilities on the balance sheets. On the statements of comprehensive income, the Company presents the depreciation expense charged on right-of-use assets separately from the interest expense accrued on lease liabilities. On the statements of cash flows, cash payments for the principal portion and interest portion of lease liabilities are classified within financing activities and those whose payments under low-value asset and short-term leases are classified within operating activities. Cash flows for operating leases were classified within operating activities under IAS 17.

On transition to IFRS 16, the Company recognized additional \$2,394,675 thousand of both right-of-use assets and lease liabilities. When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at January 1, 2019. The weighted-average rate applied is 1.10%.

The explanation of differences between operating lease commitments disclosed at the end of the annual reporting period immediately preceding the date of initial application, and lease liabilities recognized in the statement of financial position at the date of initial application disclosed is as follows:

	January 1, 2019
Operating lease commitment at December 31, 2018 as disclosed in the Company's financial statements	\$ 2,599,351
Recognition exemption for:	
Leases not yet commenced to which the lessee is committed	(101,960)
	<u>\$ 2,497,391</u>
Lease liabilities recognized at January 1, 2019 (Discounted using the incremental borrowing rate at January 1, 2019)	<u>\$ 2,394,675</u>

(b) The impact of IFRS endorsed by FSC but not yet effective

The following new standards, interpretations and amendments have been endorsed by the FSC and are effective for annual periods beginning on or after January 1, 2020 in accordance with Rule No. 1080323028 issued by the FSC on July 29, 2019:

New, Revised or Amended Standards and Interpretations	Effective date per IASB
Amendments to IFRS 3 "Definition of a Business"	January 1, 2020
Amendments to IFRS 9, IAS39 and IFRS7 "Interest Rate Benchmark Reform"	January 1, 2020
Amendments to IAS 1 and IAS 8 "Definition of Material"	January 1, 2020

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

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

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

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective date per IASB</u>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”	Effective date to be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2021
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2022

The Company assessed that the above IFRSs may not be relevant to the Company.

4. Summary of significant accounting policies

The significant accounting policies presented in the financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the financial statements.

- (a) Statement of compliance

The financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (the “Regulations”) and the IFRSs, IASs, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the FSC (collectively as “Taiwan IFRSs”).

- (b) Basis of preparation

- (i) Basis of measurement

Except for the net defined benefit liabilities measured at present value of defined benefit obligation less the fair value of the plan assets, limited as explained in note 4(n), the accompanying financial statements have been prepared on a historical cost basis.

- (ii) Functional and presentation currency

The functional currency of the Company is determined based on the primary economic environment in which the Company operates. The financial statements are presented in New Taiwan dollars, which is the Company’ s functional currency. Except when otherwise indicated, all financial information presented in New Taiwan dollars has been rounded to the nearest thousand.

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E-LIFE MALL CORPORATION
Notes to the Financial Statements

(c) Classification of current and non-current assets and liabilities

An asset is classified as current when one of following criteria is met; all other assets are classified as non-current assets.

- (i) It expects to be realized, or intended to be sold or consumed in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be realized within twelve months after the reporting date; or
- (iv) The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

A liability is classified as current when one of following criteria is met; all other liabilities are classified as non-current liabilities:

- (i) It is expected to be settled in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting date; or
- (iv) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issuance of equity instruments do not affect its classification.

(d) Cash and cash equivalents

Cash consist of cash on hand, petty cash and demand deposits. Cash equivalents consist of short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits that meet the aforesaid criteria and are not held for investing purposes are also classified as cash equivalents.

(e) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

On initial recognition, financial assets are classified into the following categories: measured at amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL"). A regular way purchases or sales of financial assets is recognized and derecognized, as applicable, using trade date accounting.

The Company shall reclassify all affected financial assets on the first day of the first reporting period only when it changes its business model for managing its financial assets.

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E-LIFE MALL CORPORATION
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1) Financial assets measured at amortized cost

A financial asset is not designated as at FVTPL and is measured at amortized cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value, plus any directly attributable transaction costs. These assets are subsequently measured at amortized cost using the effective interest method, less, any impairment losses. Interest income, foreign exchange gains and losses, and impairment loss, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Financial assets at fair value through other comprehensive income (“FVOCI ”)

A debt investment is not designated as at FVTPL and is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present the subsequent changes in the investment’ s fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income in other equity are reclassified to profit or loss.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss. On derecognition, gains and losses accumulated in other comprehensive income in other equity are reclassified to retained earnings instead of profit or loss.

Dividend income derived from equity investments is recognized on the date that the Company’ s right to receive the dividends is established (usually the ex-dividend date).

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E-LIFE MALL CORPORATION
Notes to the Financial Statements

3) Financial assets at fair value through profit or loss (“FVTPL”)

All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Impairment of financial assets

The Company recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, financial assets at amortized cost, notes and accounts receivable, other receivables and refundable deposit).

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

·bank balances and financial assets measured at amortized cost for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables are always measured at an amount equal to lifetime ECL.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. The information includes both quantitative and qualitative information and analysis based on the Company’ s historical experience and credit assessment, as well as forward looking information.

ECLs are probability weighted estimate of credit losses over the expected life of financial assets. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

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Notes to the Financial Statements

The gross carrying amount of a financial asset is written off, either partially or in full, to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

5) Derecognition of financial assets

Financial assets are derecognized when the contractual rights of the cash flows from the assets are terminated, or when the Company transfers substantially all the risks and rewards of ownership of the financial assets to other enterprises, or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities

1) Financial liabilities measured at amortized costs

Subsequent to initial recognition, Financial liabilities measured at amortized cost are measured at amortized cost using the effective interest method. Interest expense, and foreign exchange gains and losses, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligation has been fulfilled or cancelled, or has expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

The difference between the carrying amount of a financial liability derecognized and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

3) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

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E-LIFE MALL CORPORATION
Notes to the Financial Statements

(f) Inventories

The cost of inventories includes all necessary expenditures in bringing the inventory to a condition and location ready for sale. Subsequently, inventories are measured at the lower of cost and net realized value, and the item by item approach is used in applying the lower of cost and net realized value. The cost is calculated based on the weighted-average method. Net realized value represents the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses.

(g) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Reclassification to investment property

A property is reclassified to investment property at its carrying amount when the use of the property changes from owner occupied to investment property.

(iii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iv) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives for property, plant and equipment are as follows: furniture and fixtures: 3 to 5 years; and leasehold improvements: 3 to 5 years.

Depreciation methods, useful lives, and residual values are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

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Notes to the Financial Statements

(h) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both. Investment property is measured at cost on initial recognition. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses. The methods for depreciating and determining the useful life and residual value of investment property are the same as those adopted for property, plant and equipment. Cost includes expenditure that is directly attributable to the acquisition of the investment property, bringing the investment property to the condition necessary for it to be available for use, and any borrowing cost that is eligible for capitalization. The estimated useful lives for investment property are as follows: buildings: 50 years.

Depreciation methods, useful lives, and residual values are reviewed at each financial year end, with the effect of any changes in estimate accounted for on a prospective basis.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognized in profit or loss.

Rental income from investment property is recognized on a straight-line basis. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

An investment property is reclassified to property, plant and equipment at its carrying amount when the use of the property changes from investment property to owner occupied.

(i) Leases

Applicable from January 1, 2019

(i) Identifying a lease

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- 1) the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified; and
- 2) the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- 3) the customer has the right to direct the use of an asset throughout the period of use only if either:
 - the customer has the right to direct how and for what purpose the asset is used throughout the period of use; or

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- the relevant decisions about how and for what purpose the asset is used are predetermined and:
 - the customer has the right to operate the asset throughout the period of use, without the supplier having the right to change those operating instructions; or
 - the customer designed the asset in a way that predetermines how and for what purpose it will be used throughout the period of use.

(ii) As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

- there is a change in future lease payments arising from the change in an index or rate; or
- there is a change of its assessment on whether it will exercise a purchase, extension or termination option; or
- there is any lease modifications in lease subject, scope of the lease or other terms.

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

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When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Company has elected to not to recognize right-of-use assets and lease liabilities for short-term lease and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(iii) As a lessor

When the Company acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of rental income.

Applicable before January 1, 2019

(i) The Company as lessor

Lease income from an operating lease is recognized in income on a straight-line basis over the lease term.

(ii) The Company as lessee

Payments made under an operating lease (excluding insurance and maintenance expenses) are charged to expense over the lease term on a straight-line basis. Contingent rent is recognized as expense in the period in which it is incurred.

(j) Intangible assets

Intangible assets including acquired software are carried at cost, less, accumulated amortization and accumulated impairment losses. Amortization is recognized in profit or loss using the straight line method over the estimated useful lives of 1 to 5 years.

The residual value, amortization period, and amortization method are reviewed at each reporting date, and adjusted if appropriate.

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(k) Impairment of non-financial assets

Non-financial assets other than inventories and deferred income tax assets are reviewed for impairment at each reporting date to determine whether there is any indication of impairment. When there exists an indication of impairment for an asset, the recoverable amount of the asset is estimated. If the recoverable amount of an individual asset cannot be determined, the Company estimates the recoverable amount of the CGU to which the asset has been allocated.

The recoverable amount for an individual asset or a CGU is the higher of its fair value, less, costs to sell or its value in use. When the recoverable amount of an asset or a CGU is less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount, and an impairment loss is recognized in profit or loss immediately.

The Company assesses at each reporting date whether there is any indication that an impairment loss recognized in prior periods for an asset may no longer exist or may have decreased. If so, an impairment loss recognized in prior periods for an asset other than goodwill is reversed, and the carrying amount of the asset or CGU is increased to its revised estimate of recoverable amount. The increased carrying amount shall not exceed the carrying amount (net of amortization of depreciation) that would have been determined had no impairment loss been recognized in prior years.

(l) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Company's main types of revenue are explained below.

(i) Sale of goods

The Company sells home appliances, computer and mobile devices in the retail market. The Company recognizes revenue when a customer takes possession of the product. Payment of the transaction price is due immediately when the customer purchases the product.

The Company offers a standard warranty for the product sold to provide assurance that the product complies with agreed-upon specifications and has recognized warranty provisions for this obligation.

The Company provides parts of the small home appliances with an extended warranty in addition to the assurance that the product complies with agreed-upon specifications. This kind of contract contains two performance obligations and, therefore, the transaction price is allocated to each performance obligation on a relative stand-alone selling price basis. Management estimates the stand-alone selling prices at contract inception based on the observable prices at which the Company would sell the product and the extended warranty separately in similar circumstances and to similar customers. The Company recognizes revenue for the service-type warranty on a straight-line basis over the extended warranty period.

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(ii) Customer loyalty program

The Company operates a customer loyalty program to its retail customers. Retail customers obtain gift certificates for purchases made, which entitle them to discount on future purchases. The Company considers that the gift certificates provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide gift certificates to the customer is a separate performance obligation. The transaction price is allocated to the product and the gift certificates on a relative stand-alone selling price basis. Management estimates the stand-alone selling price per gift certificates on the basis of the discount granted when the gift certificates are redeemed and on the basis of the likelihood of redemption, based on past experience. The stand-alone selling price of the product sold is estimated on the basis of the retail price. The Company has recognized contract liability at the time of sale on the basis of the principle mentioned above. Revenue from the award gift certificates is recognized when the gift certificates are redeemed or when they expire.

(iii) Services

Revenue from maintenance services of home appliances and consumer communication products is recognized in which services are rendered.

(m) Rebate income from suppliers

Based on the procurement agreements with suppliers, the Company is entitled to various allowance programs provided by the suppliers, which include volume discount, promotional and marketing allowances and other various discounts. The Company recognizes the rebate income from suppliers as a reduction to cost of sales when the performance conditions associated with the procurement have been met and the amount of rebate income can be measured reliably. A proportion of the rebate income from suppliers should be allocated to inventory at the reporting date is recognized as a reduction to inventory cost.

(n) Employee benefits

(i) Defined contribution plans

Obligations for contributions to the defined contribution pension plans are expensed during the year in which employees render services.

(ii) Defined benefit plans

The liability recognized in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date, less, the fair value of plan assets. The discount rate for calculating the present value of the defined benefit obligation refers to the interest rate of high quality government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the term of the related pension obligation. The defined benefit obligation is calculated annually by qualified actuaries using the projected unit credit method.

When the benefits of a plan are improved, the expense related to the increased obligations resulting from the services rendered by employees in the past years are recognized in profit or loss immediately.

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The remeasurements of the net defined benefit liability (asset) comprise (i) actuarial gains and losses; (ii) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and (iii) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset). The remeasurements of the net defined benefit liabilities (asset) are recognized in other comprehensive income and then accumulated to retained earnings.

The Company recognizes gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on curtailment or settlement comprises any resulting change in the fair value of plan assets and any change in the present value of the defined benefit obligation.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring.

(iv) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed during the period in which employees render services. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to make such payment as a result of past service provided by the employees, and the obligation can be estimated reliably.

(o) Income taxes

Income taxes comprise current taxes and deferred taxes. Current and deferred taxes are recognized in profit or loss, unless, they relate to items recognized directly in other comprehensive income.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

- (i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits (losses) at the time of the transaction;
- (ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- (iii) taxable temporary differences arising on the initial recognition of goodwill.

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Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

- (i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - 1) the same taxable entity; or
 - 2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date, and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

- (p) Earnings per share (“EPS”)

Basic EPS is calculated by dividing net income attributable to stockholders of the Company by the weighted average number of common shares outstanding during the year. In calculating diluted EPS, the net income attributable to stockholders of the Company and weighted average number of common shares outstanding during the year are adjusted for the effects of dilutive potential common shares. The Company’ s dilutive potential common shares are profit sharing for employees to be settled in the form of common stock.

- (q) Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Company). Operating results of the operating segment are regularly reviewed by the Company’ s chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

5. Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Regulations and the IFRSs endorsed by the FSC requires management to make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is as follows:

(a) Valuation of inventory

Inventories are measured at the lower of cost or net realizable value, and the Company uses judgement and estimates to determine the net realizable value of inventory at each reporting date. Due to rapid development of technology, the Company estimates the net realizable value of inventory, taking into account of obsolescence and unmarketable items at the reporting date, and then writes down the cost of inventories to net realizable value. The net realizable value is mainly determined based on assumptions of future demand within a specific time horizon, which could result in significant adjustments.

6. Significant account disclosures

(a) Cash and cash equivalents

	December 31, 2019	December 31, 2018
Cash on hand	\$ 19,658	50,698
Bank deposits	443,964	370,671
	\$ 463,622	421,369

(b) Financial assets carried at cost – non-current

	December 31, 2019	December 31, 2018
Restricted deposits	\$ 43,437	50,000
Time deposits	1,312,500	912,500
	\$ 1,355,937	962,500
Current	\$ 1,300,937	907,500
Non-current	55,000	55,000
	\$ 1,355,937	962,500

The Company has assessed that these financial assets are held-to-maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets carried at cost.

As of December 31, 2019 and 2018, the Company held domestic time deposits, with the weighted average interest rates of 0.81% and 0.80%, respectively.

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

(c) Notes and accounts receivable

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Notes receivable	\$ 1,025	373
Accounts receivable	135,361	159,828
Less: loss allowance	-	-
	<u>\$ 136,386</u>	<u>160,201</u>

The Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward looking information. The Company has not recognized a specific allowance for notes and accounts receivable after the assessment. The aging analysis of notes and accounts receivable was as follows:

	Notes and accounts receivable	
	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Current	<u>\$ 136,386</u>	<u>160,201</u>

(d) Inventories

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Merchandise inventory	<u>\$ 2,402,453</u>	<u>2,183,053</u>

For the years ended December 31, 2019 and 2018, merchandise recognized as costs of revenue to \$14,095,589 and \$13,047,449, respectively. In 2019 and 2018, the Company did not recognize write-down of inventories.

(e) Property, plant and equipment

	<u>Furniture and Fixtures</u>	<u>Leasehold improvements</u>	<u>Total</u>
Cost:			
Balance at January 1, 2019	\$ 151,700	508,141	659,841
Additions	31,161	154,186	185,347
Disposal	(2,816)	(16,486)	(19,302)
Reclassified from payments for equipment	-	589	589
Balance at December 31, 2019	<u>\$ 180,045</u>	<u>646,430</u>	<u>826,475</u>
Balance at January 1, 2018	\$ 120,994	414,825	535,819
Additions	27,472	119,277	146,749
Disposal	(9,167)	(28,152)	(37,319)
Reclassified from payments for equipment	12,401	2,191	14,592
Balance at December 31, 2018	<u>\$ 151,700</u>	<u>508,141</u>	<u>659,841</u>

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

	<u>Furniture and Fixtures</u>	<u>Leasehold improvements</u>	<u>Total</u>
Accumulated Depreciation:			
Balance at January 1, 2019	\$ 93,072	266,917	359,989
Depreciation	23,974	81,924	105,898
Disposal	(2,416)	(14,222)	(16,638)
Balance at December 31, 2019	<u>\$ 114,630</u>	<u>334,619</u>	<u>449,249</u>
Balance at January 1, 2018	\$ 79,469	226,753	306,222
Depreciation	22,531	66,682	89,213
Disposal	(8,928)	(26,518)	(35,446)
Balance at December 31, 2018	<u>\$ 93,072</u>	<u>266,917</u>	<u>359,989</u>
Carrying amount:			
Balance at December 31, 2019	<u>\$ 65,415</u>	<u>311,811</u>	<u>377,226</u>
Balance at January 1, 2018	<u>\$ 41,525</u>	<u>188,072</u>	<u>229,597</u>
Balance at December 31, 2018	<u>\$ 58,628</u>	<u>241,224</u>	<u>299,852</u>

(f) Right-of-use assets

	<u>Buildings</u>
Cost:	
Balance at January 1, 2019	\$ 2,394,675
Additions	710,419
Lease modifications	(95,467)
Termination of lease	(38,029)
Balance at December 31, 2019	<u>\$ 2,971,598</u>
Accumulated depreciation:	
Balance at January 1, 2019	\$ -
Depreciation	613,208
Lease modifications	(16,431)
Termination of lease	(38,029)
Balance at December 31, 2019	<u>\$ 558,748</u>
Carrying amount:	
Balance at December 31, 2019	<u>\$ 2,412,850</u>

The Company leased offices, warehouses and retail stores under operating leases for the year ended December 31, 2018. Please refer to note 6(j).

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Notes to the Financial Statements

(g) Investment property

	Land	Buildings	Total
Cost:			
Balance at January 1, 2019			
(Balance at December 31, 2019)	\$ 135,415	102,720	238,135
Balance at January 1, 2018			
(Balance at December 31, 2018)	\$ 135,415	102,720	238,135
Accumulated amortization:			
Balance at January 1, 2019	\$ -	39,947	39,947
Depreciation	-	2,014	2,014
Balance at December 31, 2019	\$ -	41,961	41,961
Balance at January 1, 2018	\$ -	37,933	37,933
Depreciation	-	2,014	2,014
Balance at December 31, 2018	\$ -	39,947	39,947
Carrying amount:			
Balance at December 31, 2019	\$ 135,415	60,759	196,174
Balance at January 1, 2018	\$ 135,415	64,787	200,202
Balance at December 31, 2018	\$ 135,415	62,773	198,188
Fair value:			
Balance at December 31, 2019			\$ 400,862
Balance at December 31, 2018			\$ 362,038

Investment property comprises a number of commercial properties that are leased to third parties. See note 6(j) for further information.

The fair value of the investment property is determined based on nearby properties' recent market prices. The inputs of levels of fair value hierarchy in determining the fair value is classified to level 3.

(h) Intangible assets

	Computer Software
Cost:	
Balance at January 1, 2019	\$ 89,142
Additions	443
Reclassified from payments for business facilities	1,533
Balance at December 31, 2019	\$ 91,118
Balance at January 1, 2018	\$ 7,999
Additions	21,175
Reclassified from payments for business facilities	59,968
Balance at December 31, 2018	\$ 89,142

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

	Computer Software
Accumulated amortization:	
Balance at January 1, 2019	\$ 15,481
Amortization	17,967
Balance at December 31, 2019	<u>\$ 33,448</u>
Balance at January 1, 2018	\$ 2,893
Amortization	12,588
Balance at December 31, 2018	<u>\$ 15,481</u>
Carrying amount:	
Balance at December 31, 2019	<u>\$ 57,670</u>
Balance at January 1, 2018	<u>\$ 5,106</u>
Balance at December 31, 2018	<u>\$ 73,661</u>

(i) Lease liabilities

The carrying amount of the Company's lease liabilities were as follows:

	December 31, 2019
Current	<u>\$ 586,450</u>
Non-current	<u>\$ 1,848,209</u>

For the maturity analysis, please refer to note 6(r).

The amounts recognized in profit or loss were as follows:

	2019
Interest on lease liabilities	<u>\$ 26,587</u>
Income from sub-leasing right-of-use assets	<u>\$ (400)</u>
Expenses relating to short-term leases and leases of low-value assets	<u>\$ 4,373</u>

The amount recognized in the statement of cash flows for the Company was as follows:

	2019
Total cash outflow for leases	<u>\$ 621,656</u>

(i) Real estate leases

The Company leases land and buildings for its office space, warehouses, and retail stores. The leases typically run for a period of 3 to 5 years. Some leases include the right of first refusal to renew the leases before the end of the contract term.

The Company sub-leases some of its right-of-use assets under operating leases.

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

(ii) Other leases

The Company leases office equipment, with lease terms of 1 to 3 years. These leases are short-term leases or leases of low-value assets. The Company has elected not to recognize right-of-use assets and lease liabilities for these leases.

(j) Operating lease

(i) Lessee

As of December 31, 2018, the Company's non-cancellable rentals payable of operating leases were as follows:

	December 31, 2018
Less than one year	\$ 589,943
Between one year and five years	1,528,779
Over five years	480,629
	\$ 2,599,351

The Company leases land and buildings for its office space, warehouses, and retail stores under operating leases. The leases typically run for 3 to 10 years. The lease payment is made according to the lease agreements.

In 2018, the rental expenses of operating leases amounted to \$596,267, which was recognized in expenses.

(ii) Lessor

The Company leased its investment property to others under operating leases. Please refer to note (g) for the description of investment property. The future minimum lease payments under non-cancellable operating leases are as follows:

	December 31, 2019	December 31, 2018
Less than one year	\$ 8,692	2,962
Between one year and five years	7,344	-
	\$ 16,036	2,962

In 2019 and 2018, the rental income from investment property amounted to \$6,159 and \$6,714, respectively. (the net amount after deducting direct operating expenses incurred from investment property)

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Notes to the Financial Statements

(k) Employee benefits

(i) Defined benefit plans

The reconciliation between the present value of defined benefit obligations and the net defined benefit liabilities for defined benefit plans was as follows:

	December 31, 2019	December 31, 2018
Present value of defined benefit obligations	\$ 444,074	468,721
Fair value of plan assets	(249,127)	(256,074)
Net defined benefit liabilities	<u>\$ 194,947</u>	<u>212,647</u>

The Company makes defined benefit plan contributions based on 2% of total monthly salary to the pension fund account at Bank of Taiwan that provides pension benefits for its employees upon retirement. The plans entitle a retired employee to receive a payment based on years of service and average salary for the six months prior to the employee's retirement.

1) Composition of plan assets

In accordance with the requirements of the Labor Standards Law, the Company's pension fund account at Bank of Taiwan is managed and administered by the Bureau of Labor Funds of the Ministry of Labor (the Bureau of Labor Funds). According to the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, with regard to the utilization of the Fund, minimum earnings shall be no less than the earnings attainable from two-year time deposits, with interest rates offered by local banks.

As of December 31, 2019 and 2018, the Company's labor pension fund account balance at Bank of Taiwan amounted to \$249,127 and \$256,074, respectively. Please refer to the website of the Bureau of Labor Funds for information on the labor pension fund assets including the asset portfolio and yield of the fund.

2) Movements in present value of defined benefit obligations

	2019	2018
Defined benefit obligations at January 1	\$ 468,721	460,229
Current service costs and interest expense	10,118	12,405
Remeasurement on the net defined benefit liabilities (assets)		
– Actuarial loss (gain) arising from changes in demographic assumptions	8,687	17,409
– Actuarial loss arising from experience adjustments	(1,439)	(12,127)
Gains on settlement	-	(4,627)
Benefits paid by the plan	(42,013)	(4,568)
Defined benefit obligations at December 31	<u>\$ 444,074</u>	<u>468,721</u>

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

3) Movements of fair value of plan assets

	<u>2019</u>	<u>2018</u>
Fair value of plan assets at January 1	\$ 256,074	214,686
Interest income	2,433	2,984
Remeasurement on the net defined benefit liabilities (assets)		
— Return on plan assets (excluding current interest expense)	8,834	5,454
Contributions by the employer	23,799	37,518
Benefits paid by the plan	(42,013)	(4,568)
Fair value of plan assets at December 31	<u><u>\$ 249,127</u></u>	<u><u>256,074</u></u>

4) Expenses recognized in profit or loss

	<u>2019</u>	<u>2018</u>
Current service costs	\$ 5,665	6,008
Net interest expense on the net defined benefit liability	2,020	3,413
Gains on settlement	-	(4,627)
	<u><u>\$ 7,685</u></u>	<u><u>4,794</u></u>
Selling expenses	\$ 5,914	3,682
Administrative expenses	1,771	1,112
	<u><u>\$ 7,685</u></u>	<u><u>4,794</u></u>

5) Remeasurement of the net defined benefit liabilities recognized in other comprehensive income

	<u>2019</u>	<u>2018</u>
Cumulative amount at January 1	\$ (277,832)	(278,004)
Recognized during the period	1,586	172
Cumulative amount at December 31	<u><u>\$ (276,246)</u></u>	<u><u>(277,832)</u></u>

6) Actuarial assumptions

The principal assumptions of the actuarial valuation were as follows:

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Discount rate	0.71%	0.95%
Future salary increases rate	1.00%	1.00%

The Company expects to make contribution of \$22,000 to the defined benefit plans in the year following December 31, 2019. The weighted average duration of the defined benefit plans is 11 years.

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E-LIFE MALL CORPORATION
Notes to the Financial Statements

7) Sensitivity analysis

When calculating the present value of the defined benefit obligations, the Company uses judgments and estimations to determine the actuarial assumptions for each measurement date, including discount rates and future salary changes. Any changes in the actuarial assumptions may significantly impact the amount of the defined benefit obligations.

The following table summarizes the impact of a change in the assumptions on the present value of the defined benefit obligation on December 31, 2019 and 2018.

	Increase (decrease) in present value of defined benefit obligations	
	<u>0.5% Increase</u>	<u>0.5% Decrease</u>
December 31, 2019		
Discount rate	(17,586)	32,105
Future salary change rate	31,791	(17,621)
December 31, 2018		
Discount rate	(19,409)	25,256
Future salary change rate	25,031	(19,491)

Each sensitivity analysis considers the change in one assumption at a time, leaving the other assumptions unchanged. This approach shows the isolated effect of changing one individual assumption but does not take into account that some assumptions are related.

The method used to carry out the sensitivity analysis is the same as the calculation of the net defined benefit liabilities recognized in the prior year.

(ii) Defined contribution plans

The Company contributes monthly an amount equalling to 6% of each employee's monthly wages to the employee's individual pension fund account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under this defined contribution plan, the Company has no legal or constructive obligation to pay additional amounts after contributing a defined amount to the Bureau of Labor Insurance.

For the years ended December 31, 2019 and 2018, the Company recognized pension expenses of \$45,411 and \$45,911, respectively, in relation to the defined contribution plans.

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Notes to the Financial Statements

(l) Income taxes

(i) Income tax expense

The components of income tax expense in profit and loss were as follows:

	<u>2019</u>	<u>2018</u>
Current income tax expense		
Current period	\$ 122,728	94,427
Adjustments for prior years	787	141
	<u>123,515</u>	<u>94,568</u>
Deferred tax benefit		
Origination and reversal of temporary differences	(11,093)	6,439
Adjustment in tax rate	-	466
	<u>(11,093)</u>	<u>6,905</u>
	<u>\$ 112,422</u>	<u>101,473</u>

The components of income tax benefit (expense) recognized in other comprehensive income were as follows:

	<u>2019</u>	<u>2018</u>
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit plans	<u>\$ (317)</u>	<u>8,154</u>

Reconciliation of income tax and profit before tax was as follows:

	<u>2019</u>	<u>2018</u>
Profit before income tax	<u>\$ 553,003</u>	<u>506,910</u>
Income tax using the Company's statutory tax rate	\$ 110,601	101,382
Adjustments in tax rate	-	466
Others	1,821	(375)
	<u>\$ 112,422</u>	<u>101,473</u>

(Continued)

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Notes to the Financial Statements

(ii) Deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities were as follows:

	Defined benefit plans	Others	Total
Balance at January 1 , 2019	\$ 40,939	4,065	45,004
Recognized in profit or loss	(3,223)	14,316	11,093
Recognized in other comprehensive income	(317)	-	(317)
Balance at December 31, 2019	\$ 37,399	18,381	55,780
Balance at January 1 , 2018	\$ 40,391	3,365	43,756
Recognized in profit or loss	(7,606)	700	(6,906)
Recognized in other comprehensive income	8,154	-	8,154
Balance at December 31, 2018	\$ 40,939	4,065	45,004

(iii) The Company' s income tax returns for all fiscal years through 2017 were examined and approved by the R.O.C. income tax authorities.

(m) Capital and other equity

(i) Common stock

As of December 31, 2019 and 2018, the Company' s authorized shares of common stocks consisted of 140,000 thousand shares, of which 99,173 shares were issued. The par value of the Company' s common stock is \$10 per share.

(ii) Capital surplus

	December 31, 2019	December 31, 2018
Paid-in capital in excess of par value	\$ 435,568	465,320
Capital surplus — premium from merger	726	726
	\$ 436,294	466,046

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

(iii) Earnings distribution

The Company's Articles of Incorporation stipulate that at least 10% of annual net income, after deducting accumulated deficit, if any, must be retained as legal reserve. In addition, a special reserve shall be set aside in accordance with applicable laws and regulations. The remaining balance, together with the unappropriated earnings from the previous years, shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

In view of the overall economic environment and the development of the industry, and in order to meet the Company's cash requirements, stability in its financial position, the Board of Directors has made the distribution of earnings and has been approved in the meetings of shareholders. Since the Company is at a stably growing stage life cycle with stable net income and sound financial structure, and no major expansion plans and capital expenditures in the future, the Company has adopted a fixed dividend policy, in which a cash dividend comprises at least 50% of total dividend distribution. According to the Company Act, if a company has no accumulated deficit, it may, pursuant to a resolution approved by the stockholders, distribute its legal reserve to shareholders by issuing new shares or by distributing cash for the portion in excess of 25% of the paid-in capital.

The appropriations of 2018 and 2017 earnings were resolved by the shareholders' meetings held on June 14, 2019 and June 1, 2018, respectively, and the distribution to shareholders were as follows:

	2018		2017	
	Dividends per share (in dollars)	Amount	Dividends per share (in dollar)	Amount
Dividends distributed to ordinary shareholders:				
Cash dividends	\$ 3.70	366,940	4.00	396,692

On June 14, 2019, the Company's shareholders decided to distribute cash of \$0.3 dollars per share from capital surplus. The distributed cash dividend for 2018 is \$4.0 per share.

On February 27, 2020, the Company's Board of Directors resolved to appropriate the 2019 earnings. These earnings were appropriated as follows:

	2019	
	Dividends per share (in dollars)	Amount
Dividends distributed to ordinary shareholders:		
Cash dividends	\$ 4.00	\$ 396,692

Related information can be accessed on the Market Observation Post System website.

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

(n) Earnings per share (“EPS”)

(i) Basic earnings per share

	2019	2018
Net income attributable to the shareholders	\$ 440,581	405,437
Weighted-average number of ordinary shares outstanding (in thousands)	99,173	99,173
Basic earnings per share (in dollars)	\$ 4.44	4.09

(ii) Diluted earnings per share

	2019	2018
Net income attributable to the shareholders	\$ 440,581	405,437
Weighted-average number of ordinary shares outstanding (in thousands)	99,173	99,173
Effect of employee compensation in stock	733	708
Weighted-average shares of common stock outstanding (including effect of dilutive potential common stock)	99,906	99,881
Diluted earnings per share (in dollars)	\$ 4.41	4.06

(o) Revenue from contracts with customers

(i) Disaggregation of revenue

	2019	2018
Primary geographical markets:		
Taiwan	\$ 17,525,668	16,343,295
Major products / services lines:		
Home appliances	\$ 15,251,980	13,971,596
Computer, mobile devices and others	2,171,865	2,271,949
Repair and installation revenue	101,823	99,750
	\$ 17,525,668	16,343,295

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(ii) Contract balances

	<u>December 31, 2019</u>	<u>December 31, 2018</u>	<u>January 1, 2018</u>
Notes receivable	\$ 1,025	616,524	929
Accounts receivable	135,361	-	111,903
Less: allowance for impairment	-	(2,197)	-
	<u>\$ 136,386</u>	<u>614,327</u>	<u>112,832</u>
Contract liabilities — sale of goods	\$ 428,869	297,832	271,571
Contract liabilities — sale of gift certificates	109,524	78,053	84,064
Contract liabilities — deferred revenue	51,085	38,727	38,196
	<u>\$ 589,478</u>	<u>414,612</u>	<u>393,831</u>

The amount of revenue recognized for the years ended December 31, 2019 and 2018, that was included in the contract liability balance at the beginning of the period, were \$353,549 and \$325,555, respectively.

(p) Employee compensation and directors' and supervisors' remuneration

In accordance with the Articles of Incorporation, the Company should contribute 5%-8% of the net profits before tax (excluding the remuneration to employees, directors and supervisors) as employee compensation, and less than 2% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit.

For the years ended December 31, 2019 and 2018, the Company accrued its remuneration to employees amounting to \$42,620 and \$39,000, respectively, and the remuneration to directors and supervisors amounting to \$7,970 and \$6,630, respectively. The estimated amounts mentioned above are calculated based on the income before income tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company's articles. These estimations were recognized as operating expenses during 2019 and 2018. The difference between accrual and actual payment, if any, will be accounted for as change in accounting estimate and be recognized in profit or loss in the following year. The aforementioned accrued amounts were the same as the amount approved by the Board of Directors and were paid in cash. Related information is available at the Market Observation Post System website.

(q) Non-operating income and loss

(i) Other income

	<u>2019</u>	<u>2018</u>
Interest income from bank deposits	\$ 10,340	9,508
Rental income (note (j))	6,159	6,714
Others	8,778	24,969
	<u>\$ 25,277</u>	<u>41,191</u>

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

(ii) Other gains and losses

	<u>2019</u>	<u>2018</u>
Losses on disposals of property, plant and equipment, net	\$ (2,489)	(1,810)
Gains on financial assets at fair value through profit or loss	286	1,224
Gain on lease modifications	303	-
Others	(3,765)	(3,562)
	<u>\$ (5,665)</u>	<u>(4,148)</u>

(iii) Finance costs

	<u>2019</u>	<u>2018</u>
Interest expense – imputed interest on rental deposits	\$ 22	23
Interest expense – lease liability	26,587	-
	<u>\$ 26,609</u>	<u>23</u>

(r) Financial instruments

(i) Categories of financial instruments

1) Financial assets

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Financial assets measured at amortized cost:		
Cash and cash equivalents	\$ 463,622	421,369
Financial assets measured at amortized cost (including current and non-current)	1,355,937	912,500
Notes, accounts and other receivables	138,325	161,841
Refundable deposits	143,439	145,824
	<u>\$ 2,101,323</u>	<u>1,641,534</u>

2) Financial liabilities

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Financial liabilities measured at amortized cost:		
Notes and accounts payable	\$ 1,306,890	858,096
Other payables	139,133	115,338
Lease liabilities (including current and non-current)	2,434,659	-
Guarantee deposits received	47,462	44,795
	<u>\$ 3,928,144</u>	<u>1,018,229</u>

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

(ii) Fair value information

The Company considers that the carrying amount of financial assets and financial liabilities measured at amortized cost approximate their reasonable fair values.

(iii) Credit risk

1) Credit risk of accounts receivable and debt securities

Please refer to note 6(c) for the exposure to credit risk of notes and accounts receivable.

Other financial assets amortized at cost include cash in banks. Please refer to note 6 (b). The abovementioned financial assets are considered low-credit-risk financial assets; therefore, the loss allowance was measured using 12 months ECL. For the years 2019 and 2018, the Company did not recognize expected loss allowances.

(iv) Liquidity risk

The table below summarizes the maturity profile of the Company's financial liabilities.

	Carrying amount	Contractual cash flows	Within 1 year	1-2 years	2-5 years	Over 5 years
December 31, 2019						
Notes and accounts payable	\$ 1,306,890	1,306,890	1,306,675	215	-	-
Other payables	139,133	139,133	139,133	-	-	-
Refundable deposits	47,462	47,462	5,248	2,400	16,357	23,457
Lease liabilities	2,434,659	2,516,907	589,349	517,377	894,533	515,648
	\$ 3,928,144	4,010,392	2,040,405	519,992	910,890	539,105
December 31, 2018						
Notes and accounts payable	\$ 858,096	858,096	858,096	-	-	-
Other payables	115,338	115,338	115,338	-	-	-
Refundable deposits	44,795	44,795	2,386	7,106	14,339	20,964
	\$ 1,018,229	1,018,229	975,820	7,106	14,339	20,964

The Company does not expect that the cash flows included in the maturity analysis would occur significantly earlier or at significantly different amounts.

(s) Financial risk management

The Company is exposed to credit risk and liquidity risk. The Company has disclosed the information on exposure to the aforementioned risks and the Company's policies and procedures to measure and manage those risks.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's operations. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

The Company's Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's Board of Directors is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash in banks and notes and accounts receivable. The Company maintains cash with reputable public and large-sized private financial institutions; therefore, the exposure related to potential default by those counterparties is not considered significant. Notes and accounts receivable are mainly bank credit card receivable. The Company only deals with banks with good credit rating; therefore, there is no significant credit risk arising from those counterparties.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in settling its financial liabilities by delivering cash or another financial asset. The Company's capital and working capital are sufficient to meet all contractual obligations; therefore there is no liquidity risk resulting from unable to raise funds to fulfill contractual obligations.

(t) Capital management

In consideration of industry dynamics and future development, as well as external environment factors, the Company maintains an optimal capital structure to enhance long-term shareholder value by managing its capital in a manner to ensure that it has sufficient and necessary financial resources to fund its working capital needs, dividend payments, and other business requirements for continuing operations and to reward shareholders and take into consideration the interests of other stakeholders.

(u) Investing and financing activities not affecting current cash flow

The Company's investing and financing activities which did not affect the current cash flow in the years were as follows:

(i) Acquisition of right-of-use assets by lease. Please refer to note 6(f).

(ii) Reconciliation of liabilities arising from financing activities was as follows:

		Non-cash changes		
	Cash flows	Additions to lease liabilities	Lease modifications	December 31, 2019
Lease liabilities	<u>\$ 2,394,675</u>	<u>(591,096)</u>	<u>710,419</u>	<u>2,434,659</u>

For the year 2018, the company did not have investing and financing activities not affecting current cash flows.

E-LIFE MALL CORPORATION
Notes to the Financial Statements

7. Related-party transactions

(a) Names and relationship with related parties

The followings are entities that have had transactions with the Company during the periods covered in the financial statements.

<u>Name of related parties</u>	<u>Relationship with the Company</u>
Kuo-Tsai Lu	The Company' s director
Ting-Hua Lin	The Company' s vice chairman's second immediate family
Fu-Tsai Lin	The Company' s supervisor
Siu-Huei Yeh	The Company' s supervisor's spouse
Kuo-Hui Lu	The Company' s director's second immediate family
Kuo-Liang Lu	The Company' s director's second immediate family

(b) Significant related-party transactions

<u>Name of related parties</u>	<u>2019</u>		<u>2018</u>	
	<u>Rent</u>	<u>Refundable deposits at December 31</u>	<u>Rent</u>	<u>Refundable deposits at December 31</u>
Key management personnel of the Company	\$ 3,288	600	3,288	600
Other related parties	1,872	453	2,416	453
	\$ 5,160	1,053	5,704	1,053

The rental fee for related parties is approximate the rental fee on nearby rental rates without significant difference. The payment is made monthly.

The Company applied IFRS 16, with a date of initial application on January 1, 2019. This lease transaction recognized an additional amount of \$7,380 thousand and \$7,380 thousand of right-of-use assets and lease liabilities, respectively. For the year ended December 31, 2019, the Company recognized the amount of \$51 thousand as interest expense. As of December 31, 2019, the balance of lease liabilities amounted to \$2,271 thousand.

(c) Compensation for key management personnel

Key management personnel compensation comprised:

	<u>2019</u>	<u>2018</u>
Short-term employee benefits	\$ 37,069	30,946
Post-employment benefits	324	324
	\$ 37,393	31,270

(Continued)

E-LIFE MALL CORPORATION
Notes to the Financial Statements

8. Pledged assets

The carrying values of pledged assets were as follows:

Pledged assets	Object	December 31, 2019	December 31, 2018
Financial assets measured at amortized cost – current (restricted account)	Guarantee for issuance of gift certificates	\$ 43,437	50,000
Financial assets measured at amortized cost – current (time deposits)	Guarantee for purchases	55,000	55,000
		\$ 98,437	105,000

9. Significant commitments and contingencies: None

10. Significant loss from casualty: None

11. Significant subsequent events: None

12. Others

(a) A summary of current-period employee benefits, depreciation and amortization, by function, is as follows:

	2019			2018		
	Costs of revenue	Operating expenses	Total	Costs of revenue	Operating expenses	Total
Employee benefits:						
Salaries	-	1,076,853	1,076,853	-	1,113,188	1,113,188
Labor and health insurance	-	101,451	101,451	-	101,414	101,414
Pension	-	53,096	53,096	-	50,705	50,705
Remuneration to directors	-	18,143	18,143	-	13,664	13,664
Others	-	66,634	66,634	-	57,530	57,530
Depreciation	-	719,106	719,106	-	89,213	89,213
Amortization	-	17,967	17,967	-	12,588	12,588

Note: Depreciation does not include depreciation from investment property, which is recognized as a reduction to other income of non-operating income and loss. For the years ended 2019 and 2018, the amounts were both \$2,014.

For the years 2019 and 2018, additional information for the number of the Company's employees and employee benefits was as follows:

	2019	2018
The number of employees	1,628	1,699
The number of non-employee directors	11	11
Average employee benefits	\$ 803	784
Average employee salaries	\$ 666	659
Average employee salaries increased by	1.06%	

(Continued)

E-LIFE MALL CORPORATION
Notes to Consolidated Financial Statements

13. Additional disclosures

(a) Information on significant transactions:

In accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Company discloses the following information on significant transactions for the year 2019:

- (i) Loans to other parties: None
 - (ii) Guarantees and endorsements for other parties: None
 - (iii) Securities held at reporting date (excluding investments in subsidiaries, associates, and joint ventures): None
 - (iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of \$300 million or 20% of the capital stock: None
 - (v) Acquisition of individual real estate with amount exceeding the lower of \$300 million or 20% of the paid-in capital: None
 - (vi) Disposal of individual real estate with amount exceeding the lower of \$300 million or 20% of the paid-in capital: None
 - (vii) Related-party transactions for purchases and sales with amounts exceeding the lower of \$100 million or 20% of the paid-in capital: None
 - (viii) Receivables from related parties with amounts exceeding the lower of \$100 million or 20% of the paid-in capital: None
 - (ix) Trading in derivative instruments: None
 - (x) Business relationships and significant intercompany transactions: None
- (b) Information on investees: None
- (c) Information on investments in Mainland China: None

(Continued)

E-LIFE MALL CORPORATION
Notes to Consolidated Financial Statements

14. Segment information

(a) General information

The Company is mainly engaged in the domestic retail sales of home appliances, computer and mobile devices . The Company has only one reportable segment.

(b) Reportable segments, profit or loss, segment assets, and basis of measurement

The information of segment profit, segment asset, and segment liability is consistent with those of the financial statements. Please refer to balance sheets and statement of comprehensive income.

(c) Business information

(i) Product and service information

Products and services	2019	2018
Home appliances	\$ 15,251,980	13,971,596
Computer, mobile devices and others	2,171,865	2,271,949
Others (Repair and installation revenue)	101,823	99,750
	\$ 17,525,668	16,343,295

(ii) Geographic information

The Company does not have foreign operation; therefore, no geographic information needs to be disclosed.

(iii) Major customers

The Company does not have a single customer representing at least 10% of revenue in the statements of comprehensive income.

(Continued)

E-Life Mall Corporation
Statement of Cash and Cash Equivalents
December 31, 2019
(Expressed in thousands of New Taiwan Dollars)

Items	Amount
Cash on hand	\$ 9,987
Petty cash	5,751
Revolving cash	3,920
Demand deposits	415,567
Checking accounts	28,397
	\$ 463,622

Statement of Notes and Accounts Receivable

Client Name	
Accounts Receivable	
Taiwan Star Telecom Corporation Limited	
National Credit Card Center of R.O.C.	
Liang Shing Eclife Corp.	
Land Bank of Taiwan	
Others (Note)	135,361
Notes Receivable	1,025
	\$ 136,386

Note: The amount of each item in others does not exceed 5% of the account balance.

E-Life Mall Corporation

Statement of Inventories

December 31, 2019

(Expressed in thousands of New Taiwan Dollars)

Item	Amount		Note
	Carrying Value	Net realizable value	
Merchandise inventory	2,423,506	<u>2,871,009</u>	Market value at net realizable value
Less: allowance to reduce inventory to market	<u>(21,053)</u>		
	<u>\$ 2,402,453</u>		

Statement of Notes and Accounts Payable

Vendor name	Amount
Panasonic Marketing Sales Taiwan Co., Ltd.	\$ 132,305
LG Electronics Taiwan Taipei Co., Ltd.	124,040
Synnex Technology International Corporation	79,496
Unitech Computer Co., Ltd.	78,956
Heng Leong Hang Co., Ltd.	78,314
Others (Note)	<u>813,779</u>
	<u>\$ 1,306,890</u>

Note: The amount of individual vendor does not exceed 5% of the account balance.

E-Life Mall Corporation
Statement of Others Payable
December 31, 2019
(Expressed in thousands of New Taiwan Dollars)

Item	Amount	
Salaries and bonus payables	\$ 281,879	
Compensation payables to employees and directors	50,590	
Income tax payables	75,073	
Others (Note)	180,873	
		<u>\$ 588,415</u>

Note: The amount of each item in others does not exceed 5% of the account balance.

Statement of Lease Liabilities

Item	Description	Lease period	Discount rate	Year-end balance	Note
Land and buildings	Leasing at retail stores	2013/4~2033/12	1.1%	\$ 2,434,659	
Current				(586,450)	
Non-Current				\$ 1,848,209	

E-Life Mall Corporation

Statement of Revenue

For the year ended December 31, 2019

(Expressed in thousands of New Taiwan Dollars)

<u>Item</u>	<u>Amount</u>
Revenue:	
Home appliances	\$ 15,251,980
Computer, mobile devices and others	2,171,865
Other income	
Repair and installation revenue	<u>101,823</u>
Revenue, net	<u><u>\$ 17,525,668</u></u>

E-Life Mall Corporation
Statement of Operating Cost
For the year ended December 31, 2019
(Expressed in thousands of New Taiwan Dollars)

Items	Amount	
	Subtotal	Total
Cost of goods sold		\$ 14,095,589
Inventory, beginning of year	\$ 2,205,603	
Add: Purchases, net	14,303,241	
Inventory, end of year	(2,423,506)	
Others	10,251	
Repair cost		64,699
Installation cost		87,904
Others		791
Cost of revenue		\$ 14,248,983

Statement of Selling Expenses

Item	Amount
Salaries	\$ 905,439
Depreciation	685,614
Shipping expenses	208,850
Bank charges	195,846
Utilities	118,837
Others (Note)	260,086
	\$ 2,374,672

Note: The amount of each item in others does not exceed 5% of the account balance.

E-Life Mall Corporation
Statement of Administrative Expenses
For the year ended December 31, 2019
(Expressed in thousands of New Taiwan Dollars)

Item	Amount
Salaries	\$ 189,557
Depreciation	33,492
Insurance	22,420
Amortization	17,967
Others (Note)	78,577
	\$ 342,013

Note: The amount of each item in others does not exceed 5% of the account balance.

For details on statement of financial assets at amortized cost-current, please refer to note 6(b).

For details on statement of changes in property, plant and equipment, please refer to note 6(e).

For details on statement of changes in right-of-use assets, please refer to note 6(f).

For details on statement of changes in investment property, please refer to note 6(g).

For details on statement of changes in intangible assets, please refer to note 6(h).

For details on statement of deferred tax assets, please refer to note 6(l).

For details on statement of defined benefit obligations-non-current, please refer to note 6(k).

For details on statement of other income, please refer to note 6(q).

For details on statement of other gains and losses, please refer to note 6(q).

For details on statement of finance costs, please refer to note 6(q).

(Continued)

VII. Review, analysis, and risk items of financial positions and financial performance

I. Financial Position

Major causes and impacts of significant changes in assets, liabilities, and interests in the last two years, and the future countermeasures for significant impacts, if any.

(1) Causes of significant changes

After adopting IFRS 16 and the modified retrospective approach, except for the same amount of the right-of-use assets and lease obligations recognized on the initial application date became NT\$2,394,675,000, there is no significant change in other assets, liabilities, and interests.

(2) Future countermeasures for significant impacts: NA.

II. Financial Performance

Major causes of significant changes in the revenue, net income, and net income before tax and estimated sales volume in the last two years and the bases, and the potential impacts on the company's future business and countermeasures.

(1) Causes of significant changes

Appliance products we sell are durable consumer goods. Benefited from the government's incentivizing policies including the "allowance for energy-efficient appliances" and "commodity tax refund for purchase of energy-efficient appliances," the sales of related products such as aircons, refrigerators, and dehumidifiers increased to boost gross profit by 4.34%, net income by 19.18%, and net income after tax by 8.67%.

(2) In the last two years, this Company made profit constantly. As operating capital is abundant, we will continue to work for steady growth in the future.

III. Cash Flow

(1) Changes in cash flow in the previous year

Year	2019	2018	Increase (reduction) ratio
Item			
Cash Flow Ratio (%)	52.96	5.25	908.76%
Cash Flow Adequacy Ratio (%)	119.08	78.69	51.33%
Cash Reinvestment Ratio (%)	24.89	-9.92	350.91%

1. Analysis and description of changes in cash flow ratio

The ratio increased compared to 2018 because depreciation expenses increased to cause net operating cash flow to increase after the adoption of IFRS 16 in this year.

2. Analysis and description of changes in cash flow adequacy ratio

The ratio increased compared to 2018 because net operating cash flow in the last five years increased by 56.32% YoY after the adoption of IFRS 16 in this year.

3. Analysis and description of changes in cash reinvestment ratio

The ratio increased compared to 2018 because net operating cash flow in 2018 increased by 1,582.55% after the adoption of IFRS 16 in this year.

(2) Improvement plan for liquidity inadequacy

This Company has highly sufficient cash flow with no sign of liquidity inadequacy.

(3) Analysis of cash liquidity in the next year

Unit: NTD thousands

Beginning cash balance 1	Annual net operating cash inflow 2	Annual cash outflow	Amount of cash balance (inadequacy) 1 + 2 - 3	Remedy for cash shortage	
				Investment plans	Financial management plans
463,622	1,182,228	1,186,198	459,652	-	-

1. Operating activities: It is estimated that profit will be gained from operating activities constantly to create net cash inflow.

2. Investing activities: It is estimated that expenses on store decoration and equipment purchase will increase to create net cash outflow.

3. Financing activities: It is estimated that dividend distribution will create net cash outflow.

IV. Influence of major capital spending on financial position and operation in the previous year

In 2019, we continuously implemented the “dual-brand” strategy. Apart from opening eight “Digital City” stores, we enhanced the “survival for the fittest” in store operation, increasing PP&E expenses by NT\$38,598,000 from last year to NT\$185,347,000.

V. Re-investment policies, main causes of gains/losses, and improvement plans in the previous year, and investment plans in the next year:

NA

VI. Analysis and assessment of risk items in the previous year and by the date of

annual report publication

- (1) Influence on gains/losses of changes in interest rate and exchange rate and inflation, and future countermeasures:

1. Influence of changes in interest rate

We have maintained a robust financial structure and staff specializing in keeping close interaction with banks. Residual capital is used effectively in consideration of liquidity, security, and profitability to reduce the risk from changes in interest rate. Influenced by COVID-19, it is expected that the interest rate will keep running at a low level in 2020. Therefore, the influence on gains/losses of changes in interest rate will be insignificant to this Company.

2. Influence of changes in exchange rate

As we mainly conduct business in NTD, the influence on gains/losses of changes in exchange rate will be insignificant to this Company.

3. Influence of inflation

We keep track of price changes in the market and maintain sound interaction with suppliers. Therefore, the influence of inflation was insignificant in 2019. In 2020, due to COVID-19 and the US-China trade war, USD will maintain at a high level with little changes in the exchange rate. It is estimated that the domestic demand will become the main drive of growth. As inflation is expected to be stable, the influence will be insignificant.

- (2) Policies, main reason(s) for gains/losses, and future countermeasures for engaging in high-risk and high-leverage investments, lending, offering guarantees and endorsements, and derivatives investments:

This Company does not engage in high-risk and high-leverage investments, lending, offering guarantees and endorsements, and derivatives investments.

- (3) Future R&D projects and planned R&D funds

We constantly invest in considerable labor and capital to launch new services and products to fulfill the consumer's appliance demand. As a retailer, we do not engage in technology R&D.

- (4) Influence of major policies and legal changes at home or abroad on finance and operations and countermeasures

We will keep a constant track on the political and economic development and legal changes at home and abroad and maintain proper responsiveness. So far, the influence of major policies and legal changes at home or abroad are insignificant to our finance and operations.

- (5) Influence of changes in technology and the industry on finance and operations and countermeasures

Apart from continuously implementing the dual-brand strategy, we will enhance the “survival of the fittest” in store operations and keep increasing the number of stores for the new-brand Digital City to retain existing customer groups and enhance the young image and attract young customers. We will also enhance digital marketing and strengthen member management with focus on consumer needs. By furthering consumer services and interaction through the e-commerce platform, we provide consumers with a complete O2O shopping experience to complete the last piece of all-channel operation.

- (6) Influence of market presence changes on crisis management and countermeasures:

E-Life Mall impresses consumers with the “heartfelt service” image and acquires critical acclaim over time. There is no change of the corporate image.

- (7) Expected benefits and potential risks of mergers and acquisitions

By the date of annual report publication, this Company has no plan for mergers or acquisition.

- (8) Expected benefits and potential risks of factory expansion and countermeasures

This Company does not have a plan for factory expansion.

- (9) Potential risk of procurement or sales centralization and acquisitions

1.This Company purchases from leading suppliers of appliances, computer and communication products. As we maintain long-term cooperation only with suppliers with good quality, price, and delivery records, there is no over-centralization of procurement.

2.This Company sells 99% of products to the public. There is no over-centralization of sales.

- (10) Influence and potential risk of the massive transaction of or exchange of shares of the directors, supervisors, or dominant shareholders holding over 10% of the shareholding

and countermeasures:

NA

(11) Influence and risks of management changes and countermeasures

NA

(12) Litigious or non-litigious events

1. Disclose the facts in dispute, the amount of the subject matter, the start and end dates of events, the principal parties involved, and the current status of major litigious events, non-litigious events, or administrative remedies with confirmed verdicts or in progress whose results may significantly influence equity or stock prices in the previous year and by the date of annual report publication: NA

2. List the major litigious events, non-litigious events, or administrative remedies with confirmed verdicts or in progress of the company and its directors, supervisors, presidents, actual person-in-charge, and shareholders with over 10% of the stakes; subsidiaries; affiliates whose results may significantly influence equity or stock prices in the previous year and by the date of annual report publication: NA.

(13) Other important risks and countermeasures

NA

VII. Other material information

NA

VII. Special Remarks

I. Other material information

NA

II. Private placements of securities in the previous year and by the date of annual report publication

NA

III. Stocks of this Company held and disposed by subsidiaries in the previous year and by the date of annual report publication

NA

IV. Other required supplementary notes

NA

V. Events with material impacts on equity or stock price as specified in subparagraph 2, paragraph 3, Article 36 of the Securities and Exchange Act in the previous year and by the date of annual report publication

NA

IX. List of Headquarters and Branches

Sales Location	Address	Phone:
☐ HQ and Regional Centers		
9000 HQ	No. 55, Wugong 6 th Road, Wugu District, New Taipei City	02-22989922
3900 Taoyuan Center	2F, No. 247, Jieshou 2 nd Road, Bade District, Taiyuan District.	03-3570833
4900 Central Region Center	No. 88, Gongyeh 32 nd Road, Xitun District, Taichung City.	04-23591688
7900 Southern Region Center	No. 336, Dade 1 st Road, Gangshan District, Kaohsiung City	07-6223877
8900 Eastern Region Center	No. 402-1, Qingbei 3 rd Street, Qingfeng Village, Jian Township, Hualien County	03-8545099
☐ Sales Locations of Northern Region Branch (176)		
2002 Jiuquan Store	No. 111, 113, and 115, Jiuquan Street, Datong District, Taipei City	02-25997278
2003 Wanda Store	No. 239, 241, and 243, Wanda Road, Wanhua District, Taipei City	02-23073408
2011 Bade I Store	No. 103, Section 3, Bade Road, Songshan District, Taipei City	02-25702658
2013 Zhongxiao II Store	No. 984, Section 5, Zhongxiao East Road, Nangang District, Taipei City	02-27868639
2014 Anyi Store	No. 17, Anyi Road, Zhongshan District, Keelung City	02-24281670
2020 Zhonghua II Store	No. 436, Section 2, Zhonghua Road, Wanhua District, Taipei City	02-23078027
2022 Chongqing Store	No. 100-106, Section 2, Chongqing South Road, Datong District, Taipei City	02-25536335
2025 Minsheng Store	No. 72, Section 5, Minsheng East Road Section 5, Songshan District, Taipei City	02-27532968
2028 Nanjing Store	No. 46, Section 5, Nanjing East Road, Songshan District, Taipei City	02-27617366
2029 Leyeh Store	No. 152, Leyeh Street, Daan District, Taipei City	02-87331286
2030 Ziqiang Store	No. 137, Zhengyi North Road, Sanchong District, New Taipei City	02-29844671
2033 Taishan Store	No. 354, Section 1, Mingzhi Road, Taishan District, New Taipei City.	02-22975371
2035 Chongyang Store	1F, No. 1, Section 2, Chongyang Road, Sanchong District, New Taipei City	02-29812406
2036 Hougang Store	1F, No. 62, Hougang 1 st Road, Xinzhuang District, New Taipei District	02-22044635
2037 Sanhe District	1F, No. 147, Section 4, Sanhe Road, Sanchong District, New Taipei City	02-22862263
2038 Sanmin Store	No. 10-1 and 12-1, Sanmin Road, Luzhou District, New Taipei City	02-82812845
2041 Wugu Store	1F and 2F, No. 72, Gongshang Road, Wugu District, New Taipei City	02-82921168
2046 Puqian Store	1F, No. 245, Section 2, Zhongshan Road, Banqiao District, New Taipei City.	02-29612565

Sales Location	Address	Phone:
2047 Tucheng Store	No. 71-75, Section 2, Zhongyang Road, Tucheng District, New Taipei City	02-22601551
2049 Zhulin Store	No. 100, Zhulin Road, Yonghe District, New Taipei City	02-29297448
2052 Banqiao Store	1F, No. 90, Section 1, Wenhua Road, Banqiao District, New Taipei City	02-22577898
2055 Sanxia Store	No. 78, Fuxing Road, Sanxia District, New Taipei City	02-26738848
2056 Zhongshan Store	No. 185, Section 3, Zhongshan Road, Zhonghe District, New Taipei City	02-22219154
2058 Dehe Store	No. 403, Dehe Road, Yonghe District, New Taipei City	02-29208332
2063 Shipai Store	No. 79 and 81, Section 1, Shipai Road, Beitou District, Taipei City	02-28264209
2070 Beitou I Store	1F, No. 138, Zhongyang North Road, Beitou District, Taipei City	02-28985191
2077 Xindian Zhongzheng Store	No. 188, Zhongzheng Road, Xindian District, New Taipei City	02-29188851
2090 Beian Store	No. 577, Beian Road, Zhongshan District, Taipei City	02-85092099
2091 Rener II Store	No. 211, Rener Road, Renai District, Keelung City	02-24233395
2092 Jingxin Store	No. 438, Jingxin Street, Zhonghe District, New Taipei City	02-29459987
2093 Muxin Store	No. 180, Section 3, Muxin Road, Wenshan District, Taipei City	02-29368799
2095 Xiyuan District	No. 243-1, Section 2, Xiyuan Road, Wanhua Beitou District, Taipei City	02-23322488
2106 Xingfu Store	No. 602-604, Xingfu Road, Xinzhuang District, New Taipei City.	02-29923006
2107 Ankang II Store	1F, No. 196-2, Section 2, Ankang Road, Xindian District, New Taipei City.	02-86660008
2110 Shilin Store	No. 448, Wenlin Road, Shilin District, Taipei City.	02-28376448
2112 Danfeng Store	No. 881-5, Zhongzheng Road, Xinzhuang District, New Taipei City.	02-29083979
2113 Yongping District	No. 136, Section 1, Zhongshan Road, Yonghe District, New Taipei City.	02-29285393
2114 Changrong Store	No 23, Changrong Road, Luzhou District, District, New Taipei City.	02-82828330
2116 Dexing East Store	No. 226, Dexing East Road, Shilin District, Taipei City.	02-28335168
2117 Heping East Store	No. 78, Section 2, Heping East Road, Daan District, Taipei City.	02-23783858
2118 Xinhai Store	No. 92, Xinhai Road, Banqiao District, New Taipei City.	02-22501828
2128 Jingmei Store	No. 217, Jingxing Road, Wenshan District, Taipei City.	02-86636758
2130 Chengfu Store	No. 4, Chengfu Road, Nangang District, Taipei City.	02-27893039
2134 Jianguo II Store	No. 123, Section 2, Jianguo North Road, Zhongshan District, Taipei City.	02-25065789
2135 Jincheng II Store	No. 180, Section 3, Jincheng Road, Tucheng District, New Taipei City.	02-22629689
2136 Xinsheng South Store	No. 102, Section 1, Xinsheng South Road, Zhongzheng District, Taipei City.	02-23583578
2139 Fuxing North Store	No. 331, Fuxing North Road, Songshan District, Taipei City.	02-87120318
2140 Shezi Store	No. 250 and 252, Section 5, Yanping North Road, Shilin District, Taipei City	02-28105268
2142 Xinhai Store	No. 19 (Tower I), Section 5, Xinhai Road, Wenshan District, Taipei District.	02-29354205
2145 Zhuwei Store	No. 1-1, Minsheng Road, Danshui District, New Taipei City.	02-28091707

Sales Location	Address	Phone:
2147 Chongxin II Store	1F and 2F, No. 36, Section 3, Chongxin Road, Sanchong District, New Taipei City.	02-29753088
2148 Beixin III Store	1F and 2F, No. 335, Section 1, Beixin Road, Xindian District, New Taipei City.	02-29116328
2149 Keelung Yi II Store	No. 78 and 80, Yi 2 nd Road, Zhongzheng District, Keelung City	02-24211218
2150 Zhuangjing Store	1F and 2F, No. 473, Zhuangjing Road, Xinyi District, Taipei City.	02-27203005
2151 Ruifang Store	1F, No. 63, Section 3, Mingdeng Road, Ruifang District, New Taipei City.	02-24062410
2154 Xinyi II Store	No. 251, Section 2, Xinyi Road, Daan District, Taipei City.	02-23951259
2155 Sanchong Zhongxiao Store	No. 160, Section 2, Zhongxiao Road, Sanchong District, New Taipei City.	02-29865612
2156 Anle Store	No. 141, Section 2, Anle Road, Anle District, Keelung City	02-24311150
2159 Zhonghe Yuantong Store	No. 295-3, Yuantong Road, Zhonghe District, New Taipei City.	02-82456607
2160 Yonghe II Store	No. 122, Section 1, Yonghe District, New Taipei City.	02-22310106
2161 Banqiao Zhongxiao Store	No. 42, 42-1, 44, and 44-1, Zhongxiao Road, Banqiao District, New Taipei City.	02-29550996
2163 Digital Appliance Mall-Shulin Store	1F and 2F, No. 2, Xibei Road, Banqiao District, New Taipei City.	02-26839280
2164 Digital Appliance Mall-Xizhi Store	No. 240, Section 2, Datong Road, Xizhi District, New Taipei City.	02-26497101
2165 Tucheng Xuefu Road	1F and 2F, No. 93 and 95, Section 1, Xuefu Road, Tucheng District, New Taipei City.	02-22600718
2166 Xinzhuang Minan Store	1F, No. 135, Minan West Road, Xinzhuang District, New Taipei City.	02-22080795
2167 Tianmu North Store	1-4F, No. 14, Tianmu North Road, Shilin District, Taipei City.	02-28737679
2168 Zhonghe II Store	1F, No. 167, Zhonghe Road, Zhonghe District, New Taipei City.	02-22469515
2169 Taipei Sanmin Store	No. 27, Sanmin Road, Songshan District, Taipei City	02-25286801
2172 Digital Appliance Mall-Xinzhuang Store	No. 20, Zhongping Road, Xinzhuang District, New Taipei City.	02-89911292
2174 Keelung Qidu Store	No. 58 and 60, Mingde 1 st Road, Qidu District, Keelung District	02-24560925
2175 Neihu Chenggong Store	No. 158, Section 3, Chenggong Road, Neihu District, Taipei City	02-27913808
2176 Danshui Xinzhen Store	No. 305, Section 1, Zhongshan North Road, Danshui District, New Taipei City.	02-26205815
2177 Xinzhuang Zhongzheng Store	No. 250 and 252, Zhongzheng Road, Xinzhuang District, New Taipei City.	02-29971447
2179 Digital Appliance Mall-Yonghe Store	No. 290 and 300, Zhongzheng Road, Yonghe District, New Taipei City.	02-29475471
2180 Minquan Store	No. 73, Section 2, Minquan East Road, Zhongshan District, Taipei City.	02-25950300
2181 Beitou Station Front Store	B1, No. 13, Section 2, Beitou Road, Beitou District, Taipei City.	02-28988380
2182 Sanxia Beida Store	No. 125, Daxue Road, Sanxia District, New Taipei City.	02-26736018
2183 Shulin Zhongshan Store	No. 153 and 155, Section 1, Zhongshan Road, Shulin District, New Taipei City.	02-26751961
2184 Muzha Store	1F, No. 80, Section 3, Muzha Road, Wenshan District, Taipei City.	02-29369345
2185 Tonghua Store	1F and 2F-1, No. 91, Tonghua Street, Daan District, Taipei City.	02-27371128
2186 Zhongshan North Store	No. 278, Section 6, Zhongshan North Road, Shilin District, Taipei City.	02-28322360

Sales Location	Address	Phone:
2188 Neihu Wende Store	1F, No. 106, Wende Road, Neihu District, Taipei City.	02-26560996
2189 Banqiao Shuangshi Store	1F, No. 48, Section 2, Shuangshi Road, Banqiao District, New Taipei City.	02-22588658
2190 Danshui Zhongshan Store	No. 77 and 79, Section 1, Zhongshan North Road, Danshui District, New Taipei City.	02-26225166
2191 Digital City-Nanjing Songjiang Store	No. 71, Section 2, Nanjing East Road, Zhongshan District, Taipei City.	02-25210980
2192 Xindian Minquan Store	No. 117, Minquan Road, Xindian District, New Taipei City.	02-22192658
2193 Digital City-Heping Store	No. 20, Section 1, Heping West Road, Zhongzheng District, Taipei City.	02-23658868
2194 Shulin Zhonghua Store	No. 211, Zhonghua Road, Shilin District, New Taipei City.	02-86860191
2195 Xizhi Zhongxing Store	No. 163, Zhongxing Road, Xizhi District, New Taipei City.	02-26931058
2196 Yonghe Zhonghe Store	1F and 2F, No. 347, Zhonghe Road, Yonghe District, New Taipei City.	02-82317016
2197 Donghu Store	No. 80, Donghu Road, Neihu District, Taipei City.	02-26314878
3005 Luzhu Nankang Store	No. 364, Nankang Road, Luzhu District, Taoyuan City	03-3521228
3008 Zhongli Huanbei Store	1F, No. 546, Huanbei Road, Zhonghe District, Taoyuan City	03-4626831
3009 Toufeng Zhonghua Store	No. 1181, Zhonghua Road, Toufen City, Miaoli County	037-676686
3010 Taoyuan Jingguo City	No. 23, 25, 27, and 29, Jingguo Road, Taoyuan District, Taoyuan City	03-3574605
3018 Hsinchu Jingguo Store	No. 450, Section 1, Jingguo Road, East District, Hsinchu City	03-5428998
3020 Puxin Yongmei Store	No. 199, Yongmei Road, Yangmei District, Taoyuan City	03-4826077
3021 Longtan Zhongzheng City	No. 72, Zhongzheng Road, Longtan District, Taoyuan City	03-4803120
3022 Zhudong Zhangchun Store	No. 193, Section 3, Changchun Road, Zhudong Town, Hsinchu County	03-5954272
3025 Zhubei Zhongzheng East Store	No. 275, Zhongzheng East Road, Zhubei City, Hsinchu County	03-5510608
3027 Miaoli Zhonghua Store	No. 201, Zhonghua Road, Miaoli City, Miaoli County	037-265890
3029 Taoyuan Taoying Store	1F, No. 138, Taoying Road, Taoyuan District, Taoyuan City	03-3628014
3032 Miaoli Yuanli Store	No. 115, Zhongshan Road, Yuanli Town, Miaoli County	037-853107
3035 Hsinchu Zhongzheng Store	Zhongzheng Road	03-5430824
3037 Miaoli Zhongzheng II Store	No. 1050, Zhongzheng Road, Miaoli City, Miaoli County	037-368882
3038 Yangmei Zhongshan Store	1F, No. 80, Zhongshan Road, Yangmei District, Taoyuan City	03-4780359
3040 Yingge Store	1-2F, No. 123, Guoqing Street, Yingke District, New Taipei City	02-26775115
3044 Hsinchu Hukou Store	No. 68, Section 1, Zhongzheng Road, Hukou Township Hsinchu County	03-6993117
3045 Zhongli Zhongyuan Store	No. 72-76, Section 2, Zhongshan East Road, Zhongli District, Taoyuan City	03-4381955
3046 Xinwu Store	No. 262-264, Zhongshan Road, Xinwu District, Taoyuan City	03-4971608
3047 Dayou Store	1-2F, No. 559, Dayou Road, Taoyuan District, Taoyuan City	03-3160500
3048 Zhuke Store	1-2F, No. 526, Section 1, Guangfu Road, East District, Hsinchu City	03-6669892
3050 Houlong Store	No. 113-117, Zhongshan Road, Houlong Town, Miaoli County	037-732900
3051 Guishan Store	1-2F, No. 1091 and 1093, Section 2, Wanshou Road, Guishan District, Taoyuan City	03-3192677
3052 Xinpu Store	1F, No. 539, Zhongzheng Road, Xinpu Town, Hsinchu County	03-5896878

Sales Location	Address	Phone:
3053 Longgang Store	1F, No. 309, Longdong Road, Zhongli District, Taoyuan City	03-4373058
3054 Hsinchu Xinfeng Store	No. 83, Section 1, Jianxing Road, Xinfeng Township, Hsinchu County	03-5571077
3055 Huannan Store	No. 299, Huannan Road, Pingzhen District, Taoyuan City	03-4950228
3056 Yangmei Dacheng Store	No. 89-1 and 89-2, Dacheng Road, Yangmei District, Taoyuan City	03-4855780
3057 Toufen II Store	No. 122, Zhongzheng Road, Toufen City, Miaoli County	037-696458
3058 Shanziding Store	No. 187, Shanding Section, Zhongfeng Road, Pingzhen District, Taoyuan City	03-4699278
3066 Longtan II Store	1-2F, No. 302, Zhongzheng Road, Longtan District, Taoyuan City	03-4806538
3067 Tongxiao Store	1F, No. 77, Zhongshan Road, Tongxiao Town, Miaoli County	037-756108
3069 Digital Appliance Mall-Yiewnguan Store	No. 1206, Zhongzheng Road, Taoyuan District, Taoyuan City	03-3162188
3070 Taoyuan Zhongshan Store	1F, No. 713, Zhongshan Road, Taoyuan District, Taoyuan City	03-2209565
3072 Guishan Wenhua Store	No. 30-12 and 30-13, Wenhua 2 nd Road, Guishan District, Taoyuan City	03-3181591
3073 Digital Appliance Mall-Zhubei Store	No. 138, Ziqiang South Road, Zhubei District, Hsinchu County	03-6682007
3075 Digital Appliance Mall-Niupu Store	1F, NO. 102, Niupu Road, Xiangshan District, Hsinchu City	03-5304182
3077 Jiangong Store	No. 20-2, Jiangong Street, Miaoli City, Miaoli County	037-358966
3078 Gongguan Store	Yuchuan No. 368-7, Village 14, Yuchuan Village, Gongguan Township, Miaoli County	037-221170
3079 Neili II Store	No. 160, Chengzhang 1 st Street, Zhongli District, Taoyuan City	03-4351067
3080 Digital Appliance Mall-Zhongfeng Store	1F, No. 298, Zhongfeng Road, Pingzhen District, Taoyuan City	03-4687368
3081 Digital Appliance Mall- Zhongzheng Store	No. 717, Zhongzheng Road, Taoyuan District, Taoyuan City	03-3575238
3083 Nanya Store	1F, No. 89, Nanya Street, North District, Hsinchu City	03-5316136
3084 Hsinchu Shipin II Store	1F, No. 247, Shipin Road, East District, Hsinchu City	03-5621559
3085 Digital Appliance Mall-Linkou Store	No. 90-1, Section 1, Wenhua 2 nd Road, Linkou District, New Taipei City	02-26097281
3086 Taoyuan Dayuan II Store	No. 97-2, Zhongzheng East Road, Dayuan District, Taoyuan City	03-3868777
3087 Digital Appliance Mall-Nankan Store	No. 350, Zhongzheng Road, Luzhou District, Taoyuan City	03-3116998

☐ Sales Locations of the Southern Region Branch (143)

4002 Liming Store	No. 462, Section 2, Liming Road, Nantun District, Taichung City	04-22597636
4006 Chenggong Store	No. 41, Bishan South Road, Caotun Town, Nantou County	049-2322055
4007 Huandong Store	No. 686, Huandong Road, Fengyuan District, Taichung City	04-25206890
4014 Wenxin I Store	No. 70 and 72, Section 3, Wenxin Road, Xitun District, Taichung City	04-23136947
4015 Guoguang Store	No 170, Guoguang Road, South District, Taichung City	04-22852539
4018 Beitun Store	No. 178-5 and 178-6, Beitun Road, Beitun District, Taichung City	04-22353811
4024 Changhua II Store	No. 242, Section 1, Zhongzheng Road, Changhua City, Changhua County	04-7257088
4027 Donshi Store	No. 492, Fengshi Road, Dongshi District, Taichung City	04-25877796
4028 Dali I Store	No 704, Section 2, Guoguang 2 nd Road, Dali District, Taichung City	04-24821225

Sales Location	Address	Phone:
4036 Dali II Store	No. 762, Renhua Road, Dali District, Taichung City	04-24934686
4037 Shalu Store	No. 51, Zhongzheng Street, Meiren Village, Shalu District, Taichung City	04-26656071
4041 Wufeng Store	No. 1193, Zhongzheng Road, Wufeng District, Taichung City	04-23331668
4043 Houli Store	No. 432, Section 1, Jiahou Road, Houli District, Taichung City	04-25577628
4045 Suinan Store	No. 420, Section 2, Zhongqing Road, Beitun District, Taichung City	04-22915586
4047 Erlin Store	No. 96, Jianxing Street, Erlin Town, Changhua County	04-8954818
4059 Puli Store	No. 562, Zhongzheng Road, Puli Town, Nantou County	049-2422168
4062 Huwei Store	No. 346, Guangfu Road, Huwei Town, Yunlin County	05-6330948
4065 Zhongshan Store	No. 210, Lingwu East Road, Shijia Village, East District Taichung City	04-22117368
4066 Nantou II Store	No. 31, Sanhe 3 rd Road, Nantou City, Nantou County	049-2233478
4067 Tanzi Store	No. 131 and 133, Section 2 Zhongshan Road, Tanzi District, Taichung City	04-25314168
4068 Huwei II Store	No. 237 and 239, Zhongzheng Road, Huwei Town, Yunlin County	05-6335579
4069 Fenghuan II Store	No. 470, Zhongzheng Road, Fengyuan District, Taichung City	04-25131528
4073 Fuxing Store	No. 415-2 and 415-4, Section 1, Fuxing Road, South District, Taichung City	04-22600218
4075 Xitun Store	No. 16-2 and 16-3, Section 2, Xitun Road, Xitun District, Taichung City	04-23172368
4076 Taiping II Store	No. 163 and 165, Section 4, Zhongshan Road, Taiping District, Taichung City	04-23982758
4077 Wuri Store	No. 376 and 378, Section 1, Zhongshan Road, Wuri District, Taichung City	04-23380578
4081 Zhongxing Store	No. 446-3, Section 1, Zhongxing Road, Dali District, Taichung City	04-24833706
4082 Zhongqing Store	No. 550 and 552, Section 1, Zhongqing Road, North District, Taichung City	04-22956708
4083 Zhongke Store	No. 150-43, Section 3, Xitun Road, Xitun District, Taichung City	04-24628198
4084 Wenxin Store	No. 581, Section 4, Wenxin Road, Beitun District, Taichung City	04-22452188
4087 Nantun Store	No. 328, Section 2, Nantun Road, Nantun District, Taichung City	04-24732028
4089 Dali Zhongxing II Store	No. 267, Section 1, Zhongxing Road, Dali District, Taichung City	04-24931728
4090 Yahuan Store	No. 46, Section 2, Yahuan Road, Shangya Village, Daya District, Taichung City	04-25604268
4091 Douliu Minsheng South Store	No. 203, Minsheng South Road, Douliu City, Yunlin County	05-5323618
4093 Xiangshang Store	No. 297, Section 1, Xiangshang Road, West District, Taichung City	04-23055828
4095 Dongshan Store	No. 236-6, Section 1, Dongshan Road, Beitun District, Taichung City	04-24350428
4097 Changping Store	No. 11-33 and 11-34, Section 2, Changping Road, Songzhu Village, Beitun District, Taichung City	04-22423598
4098 Shetou Store	No. 322, Section 2, Yuanji Road, Shetou Township, Changhua County	04-8728168
4099 Beigang Store	No. 140, Huasheng Road, Beigang Town, Yunlin County	05-7837518
4100 Dajia Store	No. 10-9, Wenwu Road, Dajia District, Taichung City	04-26863408

Sales Location	Address	Phone:
4102 Juguang Store	No. 318 and 320, Juguang Road, Yuanlin City, Changhua County	04-8374296
4103 Caotun Zhongxing Store	No. 269, Zhongxing Road, Caotun Town, Nantou County	049-2310658
4105 Dadu Store	No. 555, Section 2, Shatian Road, Dadu District, Taichung City	04-26999388
4106 Wuqi Store	No. 273, Section 2, Dazhi Road, Wuqi District Taichung City	04-26579588
4107 Lugang II Store	No. 139, Zhongzheng Road, Qiaotou Village, Fuxing Township, Changhua County	04-7789178
4108 Digital Appliance Mall-Touliu Store	No. 37, Section 1, Wenhua Road, Touliu City, Yunlin County	05-5377711
4109 Suili Store	No. 279, Section 1, Zhongshan Road, Suili Township, Nantou County	049-2871077
4110 Hemei Store	No. 171, Daozhou Road, Hemei Town, Changhua County	04-7564068
4111 Digital Appliance Mall-Shalu Store	No. 382, Zhongshan Road, Shalu District, Taichung City	04-26651738
4112 Mailiao Store	No. 317, Guangfu South Road, Mailiao Township, Yunlin County	05-6931718
4113 Zhushan Store	No. 862, Section 3, Jishan Road, Zhushan Town, Nantou County	049-2651433
4115 Digital Appliance Mall-Yuxian Store	No. 163,165,167, and 169, Yuxian Road, Taiping District, Taichung City	04-23981458
4116 Douliu Hankou Store	No. 2, Hankou Road, Touliu City, Yunlin County	05-5351929
4117 Qingsui Store	No. 29-2, Zhongshan Road, Qingsui District, Taichung City	04-26234367
4118 Digital Appliance Mall-Lingdong Store	No. 720, Lingdong Road, Nantun District, Taichung City	04-23891787
4119 Xiusui Store	No. 632, Section 2, Changsui Road, Xiusui Township, Changhua County	04-7685377
4120 Changhua Zhongzheng Store	No. 780-1, Section 2 Zhongzheng Road, Changhua City, Changhua County	04-7525889
4121 Nantou Minzhu Store	No. 6, Minzhu Road, Nantou City, Nantou County	049-2202188
4122 Digital City-Gongyi Store	No. 117, Section 2, Gongyi Road, Nantun District, Taichung City	04-23283808
4123 Xiluo Store	No. 126 and 128, Pinghe Road, Xiluo Town, Yunlin County	05-5879685
4125 Fengyuan Boulevard Store	No. 565, Section 1, Fengyuan Boulevard, Fengyuan District, Taichung City	04-25326318
4126 Beitou Zhongshan Store	No. 148, Section 2, Zhongshan Road, Beitou Town, Changhua County	04-8876268
4127 Tounan Nanchang Store	No. 115, Nanchang Road, Tounan Town, Yunlin County	05-5973888
4128 Xihu Donghuan Store	No. 281-1, Donghuan Road, Xihu Town, Changhua County	04-8825798
4129 Digital City-Fengchia Store	No. 363-10, Section 2, Henan Road, Xitun District, Taichung City	04-27010096
4130 Tianzhong Zhongzheng Store	No. 428, Zhongzheng Road, Tianzhong Town, Changhua County	04-8756608
4131 Digital City-Jinma Store	No. 525, Section 3, Jinma Road, Changhua City, Changhua County	04-7512358
4132 Taiping Zhongxing Store	No. 53, Zhongxing Road, Taiping District, Taichung City	04-22768108
4133 Digital City-Daya Store	No. 1053, Section 3, Zhongqing Road, Daya District Taichung City	04-25690958
4135 Digital City-Yuanlin Store	No. 2, Section 5, Yuanlin Boulevard, Yuanlin City, Changhua County	04-8396998
7005 Guangdong Store	No. 246, Guangdong Road, Pingtung City, Pingtung County	08-7371950
7013 Qingnian Store	No. 348, Qingnian 1 st Road, Xinxing District, Kaohsiung City	07-2155977
7016 Caozhou Store	No. 152 and 154, Zhongshan Road, Caozhou Town, Pingtung County	08-7890011
7018 Huangpu Store	No. 151, Zhongshan East Road, Fengshan District, Kaohsiung City	07-7451191
7019 Jianguo District	No. 167, Jianguo 1 st Road, Lingya District, Kaohsiung City	07-7172499

Sales Location	Address	Phone:
7021 Ruilong Store	No. 316, Ruilong Road, Cianjhen District, Kaohsiung City	07-7718055
7023 Donggang Store	No. 54-2, Zhongshan Road, Donggang Town, Pingtung County	08-8333422
7026 Nanzi Store	No. 228, Nanzixin Road, Nanzi District, Kaohsiung City	07-3528877
7028 Linyuan Store	No. 75, Linyuan North Road, Linyuan District, Kaohsiung City	07-6451662
7029 Neipu Store	No. 219, Guangji Road, Neitian Village, Neipu Town, Pingtung County	08-7792200
7030 Houchang Store	No. 848, Houchang Road, Nanzi District, Kaohsiung City	07-3660660
7032 Fengsong Store	No. 73, Fengsong Road, Fengshan District, Kaohsiung City	07-7197698
7033 Guang II Store	No. 605, Guangdong Road, Pingtung City, Pingtung County	08-7379848
7034 Linbian Store	No. 355, Zhongshan Road, Renhe Village, Linbian Township, Pingtung County	08-8758080
7036 Tianxiang Store	No. 90, Tianxiang 1 st Road, Sanmin District, Kaohsiung City	07-3509993
7038 Guanghua Store	No. 258, Sanduo 2 nd Road, Lingya District, Kaohsiung City	07-7220909
7040 Yangming Store	No. 182, Yangming Road, Sanmin District, Kaohsiung City	07-3852338
7046 Wujia Sanmen City	No. 641 and 643, Wujia 2 nd Road, Fengshan District, Kaohsiung City	07-8230178
7049 Chenggong Store	No. 183 and 185, Chenggong 1 st Road, Lingya District, Kaohsiung City	07-3338669
7050 Dashe Store	No. 225, Zhongshan Road, Dashe District, Kaohsiung City	07-3551313
7052 Rehe Store	No. 62, Rehe 2 nd Street, Sanmin District, Kaohsiung City	07-3153555
7054 Zuoying Store	No. 55-2, Zuoying Boulevard, Zuoying District, Kaohsiung City	07-5825777
7055 Huarong Store	No. 366, Huarong Road, Gushan District, Kaohsiung City	07-5525528
7056 Xiaokang Store	No. 291-1, Hanmin Road, Xiaogang District, Kaohsiung City	07-8068555
7057 Fenglin Store	No. 14-1, Fenglin 4 th Road, Daliao District, Kaohsiung City	07-7829366
7059 Gangshan Store	No. 50, Minyou Road, Gangshan District, Kaohsiung City	07-6246888
7062 Juemin Store	No. 561, Juemin Road, Sanmin District, Kaohsiung City	07-3962677
7064 Qishan Yanping Store	No. 644, Yanping 1 st Road, Qishan District, Kaohsiung City	07-6625959
7066 Dachang Store	No. 148, Dachang 2 nd Road, Sanmin District, Kaohsiung City	07-3818727
7067 Huaxia Store	No. 686, Huaxia Road, Zuoying District, Kaohsiung City	07-3430818
7068 Pingtung Ziyou Store	No. 621 Ziyou Road, Pingtung City, Pingtung County	08-7668911
7070 Luzhu Store	No. 55, Zhongxiao Road, Luzhu District, Kaohsiung City	07-6073968
7071 Fengshan Wenhua Store	No. 142-15, Section 2, Qingnian Road, Fengshan District, Kaohsiung City	07-7996757
7072 Fushan Store	No. 200, Ziyou 4 th Road, Zuoying District, Kaohsiung City	07-3431363
7073 Renwu Store	No. 147, Renzhong Road, Renwu District, Kaohsiung City	07-3710006
7075 Donggang Zhongzheng Store	Zhongzheng Road, Pingtung County	08-8328272
7076 Digital City-Pingtung Store	No. 46, Gongyuan Road, Pingtung City, Pingtung County	08-7667151
7077 Demin Store	No. 939, Minde Road, Nanzi District, Kaohsiung City	07-3657977
7078 Digital City-Minzhu Store	No. 836 and 838, Mincheng 1 st Road, Sanmin District, Kaohsiung City	07-3477997
7079 Jiangong II Store	No. 509, Jiangong Road, Sanmin District, Kaohsiung City	07-3866303
7080 Pingtung Minsheng Store	No. 80 and 82, Minsheng Road, Pingtung City, Pingtung County	08-7211017
7081 Zuoying Ziyou Store	No. 326, Ziyou 2 nd Road, Zuoying District, Kaohsiung City	07-5589885
7082 Digital City-Xiaogang Store	No. 393, Hanmin Road, Xiaogang District, Kaohsiung City	07-8063280
7107 Wufeng Store	1F, No. 105, Wufeng North Road, East District, Chiayi City	05-2223631

Sales Location	Address	Phone:
7108 Jinhua Store	No. 181, Section 2, Jinhua Road, South District, Tainan City	06-2656872
7112 Chiali Store	No. 152, Guangfu Road, Chiali District, Tainan City	06-7237778
7116 Minzhi Store	No. 70-1, Minzhi Road, Xinying District, Tainan City	06-6568556
7118 Yongkang Store	No. 635-1, Zhongshan South Road, Yongkang District, Tainan City	06-2042208
7122 Xinhua Store	No. 389, Zhongshan Road, Qingsui Village, Xinhua District, Tainan City	06-5908968
7123 Shanhua Store	No. 228, Zhongshan Road, Shanhua District, Tainan City	06-5851258
7129 Dawan Store	No. 685, Dawan Road, Yongkang District, Tainan City	06-2734068
7131 Guiren Store	No. 21 and 23, Section 3, Zhongshan Road, Guiren District, Tainan City	06-3305960
7134 Linsen Store	No. 101, Linsen West Road, Shekou Village, East District, Chiayi City	05-2778886
7137 Chongde Store	1F, No. 623, Chongde Road, East District, Tainan City	06-2892688
7138 Zhonghua II Store	No. 387, Zhonghua Road, Yongkang District, Tainan City	06-3025077
7140 Jinhua II Store	No. 189, Section 1, Jinhua Road, South District, Tainan City	06-2925288
7142 Ximen Store	1F, No. 21, 23, and 25, Section 4, Ximen Road, North District, Tainan City	06-2521399
7144 Haidian II Store	No. 72, Section 1, Haidian Road, Annan District, Tainan City	06-3508511
7145 Anhe Store	No. 136 and 138, Section 5, Anhe Road, South District, Annan District, Tainan City	06-3565667
7146 Dongning Store	No. 425, Dongning Road, East District, Tainan City	06-2091588
7150 Youai Store	No. 270 and 272, Youai Road, West District, Chiayi City	05-2315058
7152 Xinshi Store	No. 74, Renai Street, Xinshi District, Tainan City	06-5892633
7153 Minxiong Store	No. 69, Wenhua Road, Minxiong Township, Chiayi County	05-2265565
7157 Digital Appliance Mall-Chiayi Store	No. 228 and 230, Xingye West Road, West District, Chiayi City	05-2838008
7158 Digital Appliance Mall-Yonghua Store	No. 315, Section 1, Yonghua Road, West District, Tainan City	06-2936175
7159 Matou Boai Store	No. 16-3, Boai Road, Madou District, Tainan City	06-5706638
7160 Digital Appliance Mall-Xinying Store	No. 190, Minzhi Road, Xinying District, Tainan City	06-6569918
7161 Puzi Store	No. 41-26 and 41-27, Haitong Road, Puzi City, Chiayi County	05-3704547
7162 Chiayi Zhongxiao Store	No. 442, Zhongxiao Road, East District Chiayi City	05-2777879
7163 Digital City-Zhonghua Store	No. 236, Section 2m Zhonghua East Road, East District, Tainan City	06-2352328
7165 Kaiyuan Store	No. 67, Zhongshan South Road, Yongkang District, Tainan City	06-3026361
7166 Digital City-Xinyeh West Store	No. 418 and 420, Xingyeh West Road, West District, Chiayi City	05-2838585
7167 Digital City-Wenxian Store	No. 589 and 591, Wenxian Road, North District, Tainan City	06-3505375
4002 Liming Store	No. 462, Section 2, Liming Road, Nantun District, Taichung City	04-22597636
4006 Chenggong Store	No. 41, Bishan South Road, Caotun Town, Nantou County	049-2322055
4007 Huandong Store	No. 686, Huandong Road, Fengyuan District, Taichung City	04-25206890
4014 Wenxin I Store	No. 70 and 72, Section 3, Wenxin Road, Xitun District, Taichung City	04-23136947

E-Life Mall Corporation

Chairperson: Chi-Min Lin