

**TAIWAN INTERNATIONAL PORTS
CORPORATION, LTD. and Subsidiaries**

**Consolidated Financial Statements for the
Years Ended December 31, 2018 and 2017 and
Independent Auditor's Report**

INDEPENDENT AUDITOR'S REPORT

Taiwan International Ports Corporation, Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Taiwan International Ports Corporation, Ltd. (the "Corporation") and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2018 and 2017, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation and its subsidiaries as of December 31, 2018 and 2017, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the regulations governing the accounting matters of state-owned enterprises issued by the government, Business Entity Accounting Act, Regulation on Business Entity Accounting Handling relevant to preparation of financial statements, International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) 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 Consolidated Financial Statements section of our report. We are independent of the Corporation and its subsidiaries in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As disclosed in Note 3 to the consolidated financial statements, the Corporation and its subsidiaries have applied International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the FSC starting from 2018.

As discussed in Notes 4 and 32 to the accompanying consolidated financial statements, the amounts in the Corporation and its subsidiaries' financial statements shall be audited by National Audit Office, the Control Yuan (NAO). Therefore, some items in the consolidated financial statements for the year ended December 31, 2017 were restated to reflect adjustments requested by NAO based on their audits.

Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the regulations governing the accounting matters of state-owned enterprises issued by the government, Business Entity Accounting Act, Regulation on Business Entity Accounting Handling with respect to financial accounting standards, International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) 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 the Corporation and its subsidiaries' financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation and its subsidiaries' 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 Corporation and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the inspector, are responsible for overseeing the Corporation and its subsidiaries' financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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. Obtain 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 Corporation and its subsidiaries' internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude 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 Corporation and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Corporation and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

We communicate 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 identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is Lee-Yuan Kuo.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 8, 2019

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with 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 consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditor's report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditor's report and consolidated financial statements shall prevail.

TAIWAN INTERNATIONAL PORTS CORPORATION, LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2018		December 31, 2017 (Notes 4 and 32)		LIABILITIES AND EQUITY	December 31, 2018		December 31, 2017 (Notes 4 and 32)	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents (Notes 4 and 6)	\$ 13,941,090	11	\$ 12,472,904	10	Notes payable and accounts payable	\$ 49,882	-	\$ 34,105	-
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	1,439	-	-	-	Other payables (Note 20)	9,614,249	8	13,885,909	12
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	807	-	-	-	Contract liabilities (Note 23)	13,969	-	-	-
Available-for-sale financial assets - current (Notes 4 and 10)	-	-	10,229	-	Current tax liabilities (Note 25)	981,360	1	525,218	-
Financial assets at amortized cost - current (Notes 4 and 9)	1,875,717	2	-	-	Receipts in advance (Note 20)	744,249	-	971,225	1
Held-to-maturity financial assets - current (Notes 4 and 11)	-	-	1,503,551	1	Refund liabilities	60,240	-	-	-
Notes receivable (Notes 4, 13 and 23)	51,308	-	15,630	-	Other current liabilities	<u>355,215</u>	<u>-</u>	<u>295,009</u>	<u>-</u>
Accounts receivable, net (Notes 4, 13, 23 and 30)	286,166	-	352,860	-					
Other receivables (Note 13)	5,695,717	5	6,017,699	5	Total current liabilities	<u>11,819,164</u>	<u>9</u>	<u>15,711,466</u>	<u>13</u>
Inventories (Note 4)	3,725	-	3,133	-	NONCURRENT LIABILITIES				
Prepayments (Note 15)	2,237,012	2	419,105	1	Net defined benefit liabilities (Notes 4, 5 and 21)	349,332	-	369,173	-
Other financial assets - current (Note 17)	7,522,590	6	9,990,590	8	Deferred tax liabilities (Note 25)	131	-	33	-
Other current assets	<u>81,284</u>	<u>-</u>	<u>84,919</u>	<u>-</u>	Deferred revenue - noncurrent (Note 4)	9,085,582	7	9,981,464	8
					Guarantee deposits received	878,674	1	891,678	1
Total current assets	<u>31,696,855</u>	<u>26</u>	<u>30,870,620</u>	<u>25</u>	Other noncurrent liabilities	<u>2,970,790</u>	<u>3</u>	<u>2,974,101</u>	<u>3</u>
NONCURRENT ASSETS									
Financial assets at fair value through profit or loss - noncurrent (Notes 4 and 7)	1,535,544	1	1,956,532	2	Total noncurrent liabilities	<u>13,284,509</u>	<u>11</u>	<u>14,216,449</u>	<u>12</u>
Financial assets at fair value through other comprehensive income - noncurrent (Notes 4 and 8)	1,051,729	1	-	-	Total liabilities	<u>25,103,673</u>	<u>20</u>	<u>29,927,915</u>	<u>25</u>
Available-for-sale financial assets - noncurrent (Notes 4 and 10)	-	-	1,393,620	1	EQUITY (Note 22)				
Financial assets at amortized cost - noncurrent (Notes 4 and 9)	13,633,126	11	-	-	Share capital				
Held-to-maturity financial assets - noncurrent (Notes 4 and 11)	-	-	13,920,114	12	Ordinary share capital	65,000,000	53	65,000,000	53
Debt investment with no active market - noncurrent (Notes 4 and 12)	-	-	400,000	-	Advance received for shares	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investments accounted for using equity method (Notes 4 and 16)	223,008	-	74,498	-	Total share capital	<u>65,500,000</u>	<u>53</u>	<u>65,000,000</u>	<u>53</u>
Property, plant and equipment (Notes 4 and 18)	48,039,947	39	44,457,200	37	Capital surplus	<u>19,266,262</u>	<u>16</u>	<u>19,266,262</u>	<u>16</u>
Investment properties (Notes 4 and 19)	25,634,706	21	27,207,533	23	Retained earnings				
Intangible assets (Note 4)	415,818	1	385,289	-	Legal reserve	3,223,780	3	3,223,780	3
Deferred tax assets (Notes 4 and 25)	353,475	-	268,208	-	Special reserve	3,952,104	3	3,952,104	3
Refundable deposits	132,223	-	534	-	Unappropriated earnings	<u>6,058,210</u>	<u>5</u>	<u>-</u>	<u>-</u>
Long-term receivables (Note 13)	-	-	75,349	-	Total retained earnings	<u>13,234,094</u>	<u>11</u>	<u>7,175,884</u>	<u>6</u>
Other noncurrent assets (Note 13)	<u>57,823</u>	<u>-</u>	<u>349,107</u>	<u>-</u>	Other equity	<u>(382,009)</u>	<u>-</u>	<u>(60,766)</u>	<u>-</u>
Total noncurrent assets	<u>91,077,399</u>	<u>74</u>	<u>90,487,984</u>	<u>75</u>	Total equity attributable to owner of the Corporation	97,618,347	80	91,381,380	75
TOTAL	<u>\$ 122,774,254</u>	<u>100</u>	<u>\$ 121,358,604</u>	<u>100</u>	NON-CONTROLLING INTERESTS	<u>52,234</u>	<u>-</u>	<u>49,309</u>	<u>-</u>
					Total equity	<u>97,670,581</u>	<u>80</u>	<u>91,430,689</u>	<u>75</u>
					TOTAL	<u>\$ 122,774,254</u>	<u>100</u>	<u>\$ 121,358,604</u>	<u>100</u>

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

(With Deloitte & Touche audit report dated March 8, 2019)

TAIWAN INTERNATIONAL PORTS CORPORATION, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2018		2017 (Notes 4 and 32)	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 4, 23 and 30)	\$ 19,267,252	100	\$ 18,666,299	100
OPERATING COSTS (Note 24)	<u>9,354,902</u>	<u>49</u>	<u>9,125,485</u>	<u>49</u>
GROSS PROFIT	<u>9,912,350</u>	<u>51</u>	<u>9,540,814</u>	<u>51</u>
OPERATING EXPENSES (Note 24)				
Selling and marketing expenses	1,445,752	8	1,446,282	8
General and administrative expenses	1,206,313	6	1,151,503	6
Research and development expenses	32,198	-	24,100	-
Expected credit loss	<u>3,862</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>2,688,125</u>	<u>14</u>	<u>2,621,885</u>	<u>14</u>
PROFIT FROM OPERATIONS	<u>7,224,225</u>	<u>37</u>	<u>6,918,929</u>	<u>37</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Note 24)	604,474	3	635,375	4
Other gains and losses (Note 24)	88,016	1	201,888	1
Share of the loss of associates (Note 16)	<u>(3,002)</u>	<u>-</u>	<u>(10,252)</u>	<u>-</u>
Total non-operating income and expenses	<u>689,488</u>	<u>4</u>	<u>827,011</u>	<u>5</u>
PROFIT BEFORE INCOME TAX	7,913,713	41	7,745,940	42
INCOME TAX EXPENSE (Notes 4 and 25)	<u>1,644,165</u>	<u>8</u>	<u>1,255,088</u>	<u>7</u>
NET PROFIT FOR THE YEAR	<u>6,269,548</u>	<u>33</u>	<u>6,490,852</u>	<u>35</u>
OTHER COMPREHENSIVE LOSS				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans (Note 21)	(289,388)	(1)	(416,731)	(2)
Unrealized gains (losses) on investment in equity instruments at fair value through other comprehensive income (Note 22)	(322,776)	(2)	-	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 25)	81,984	-	70,844	-

(Continued)

TAIWAN INTERNATIONAL PORTS CORPORATION, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2018		2017 (Notes 4 and 32)	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations (Note 22)	\$ 655	-	\$ -	-
Unrealized gains (losses) on available-for-sale financial assets (Note 22)	-	-	(60,618)	-
Income tax relating to items that may be reclassified subsequently to profit or loss (Note 25)	(131)	-	(33)	-
Other comprehensive loss for the year, net of income tax	(529,656)	(3)	(406,538)	(2)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	\$ 5,739,892	30	\$ 6,084,314	33
NET PROFIT ATTRIBUTABLE TO				
Owners of the Corporation	\$ 6,266,623		\$ 6,489,537	
Non-controlling interests	2,925		1,315	
	\$ 6,269,548		\$ 6,490,852	
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO				
Owners of the Corporation	\$ 5,736,967		\$ 6,082,999	
Non-controlling interests	2,925		1,315	
	\$ 5,739,892		\$ 6,084,314	
EARNINGS PER SHARE (Note 26)				
Basic	\$ 0.96		\$ 1.00	

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

(With Deloitte & Touche audit report dated March 8, 2019)

(Concluded)

TAIWAN INTERNATIONAL PORTS CORPORATION, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars)

	Share Capital			Retained Earnings			Other Equity			Total Other Equity	Total Equity Attributable to Owners of the Corporation	Non-controlling Interests	Total Equity
	Ordinary Share Capital	Advance Received for Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Unrealized Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Available-for-sale Financial Assets				
BALANCE AT JANUARY 1, 2017	\$ 65,000,000	\$ -	\$ 19,266,262	\$ 2,609,415	\$ 3,122,711	\$ -	\$ -	\$ -	\$ (115)	\$ (115)	\$ 89,998,273	\$ -	\$ 89,998,273
Net profit for the year ended December 31, 2017	-	-	-	-	-	6,489,537	-	-	-	-	6,489,537	1,315	6,490,852
Other comprehensive income for the year ended December 31, 2017, net of tax	-	-	-	-	-	(345,887)	-	-	(60,651)	(60,651)	(406,538)	-	(406,538)
Total comprehensive income for the year ended December 31, 2017	-	-	-	-	-	6,143,650	-	-	(60,651)	(60,651)	6,082,999	1,315	6,084,314
Appropriation of earnings													
Legal reserve	-	-	-	614,365	-	(614,365)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	829,393	(829,393)	-	-	-	-	-	-	-
Appropriation to central government	-	-	-	-	-	(2,045,835)	-	-	-	-	(2,045,835)	-	(2,045,835)
Appropriation to local government	-	-	-	-	-	(995,271)	-	-	-	-	(995,271)	-	(995,271)
Appropriation to Port Construction Fund	-	-	-	-	-	(1,658,786)	-	-	-	-	(1,658,786)	-	(1,658,786)
	-	-	-	614,365	829,393	(6,143,650)	-	-	-	-	(4,699,892)	-	(4,699,892)
Increase in non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	47,994	47,994
BALANCE AT DECEMBER 31, 2017 (Notes 4 and 32)	65,000,000	-	19,266,262	3,223,780	3,952,104	-	-	-	(60,766)	(60,766)	91,381,380	49,309	91,430,689
Effect of retrospective application (Note 3)	-	-	-	-	-	(1,009)	(59,757)	-	60,766	1,009	-	-	-
BALANCE AT JANUARY 1, 2018	65,000,000	-	19,266,262	3,223,780	3,952,104	(1,009)	(59,757)	-	-	(59,757)	91,381,380	49,309	91,430,689
Net profit for the year ended December 31, 2018	-	-	-	-	-	6,266,623	-	-	-	-	6,266,623	2,925	6,269,548
Other comprehensive income for the year ended December 31, 2018, net of tax	-	-	-	-	-	(207,404)	(322,776)	524	-	(322,252)	(529,656)	-	(529,656)
Total comprehensive income for the year ended December 31, 2018	-	-	-	-	-	6,059,219	(322,776)	524	-	(322,252)	5,736,967	2,925	5,739,892
Issuance of ordinary shares for cash	-	500,000	-	-	-	-	-	-	-	-	500,000	-	500,000
BALANCE AT DECEMBER 31, 2018	\$ 65,000,000	\$ 500,000	\$ 19,266,262	\$ 3,223,780	\$ 3,952,104	\$ 6,058,210	\$ (382,533)	\$ 524	\$ -	\$ (382,009)	\$ 97,618,347	\$ 52,234	\$ 97,670,581

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

(With Deloitte & Touche audit report dated March 8, 2019)

TAIWAN INTERNATIONAL PORTS CORPORATION, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 7,913,713	\$ 7,745,940
Adjustments for:		
Depreciation	3,057,066	3,112,159
Amortization	35,446	30,290
Reversal of expected credit loss	(6,662)	-
Impairment loss on doubtful accounts	-	33,956
Loss (gain) on financial assets at fair value through profit or loss	421,689	(379,636)
Interest income	(604,395)	(635,375)
Dividend income	(79)	-
Share of the loss of associates	3,002	10,252
Loss on disposal of property, plant and equipment	133,798	131,793
Loss on disposal of investment properties	4,488	5,000
Loss on disposal of investment	1,624	828
Transfer of deferred revenue to rental revenue	(895,882)	(944,927)
Others	(15,664)	97,275
Changes in operating assets and liabilities		
Notes receivable	(35,678)	31,223
Accounts receivable	16,741	625,918
Other receivables	322,375	(1,005,212)
Inventories	(592)	1,925
Prepayments	67,799	14,995
Other current assets	3,635	(84,615)
Notes payable and accounts payable	15,777	(151,554)
Other payables	(421,884)	535,343
Contract liabilities	12,622	-
Refund liabilities	41,693	-
Receipts in advance	(225,629)	232,414
Net defined benefit liabilities	(309,229)	(1,674,944)
Other current liabilities	60,206	(816,747)
Cash generated from operations	9,595,980	6,916,301
Income taxes paid	(1,191,338)	(1,246,921)
Net cash generated from operating activities	<u>8,404,642</u>	<u>5,669,380</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of financial assets at fair value through profit or loss	27,994	-
Acquisition of financial assets at fair value through other comprehensive income	(893)	-
Acquisition of available-for-sale financial assets	-	(1,458,904)
Proceeds from disposal of available-for-sale financial assets	-	5,117
Acquisition of debt investments with no active market	-	(200,000)
		(Continued)

TAIWAN INTERNATIONAL PORTS CORPORATION, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2018	2017
Acquisition of financial assets at amortized cost	\$ (962,651)	\$ -
Proceeds from disposal of financial assets at amortized cost	1,269,587	-
Acquisition of held-to-maturity financial assets	-	(1,191,815)
Proceeds from disposal of held-to-maturity financial assets	-	950,000
Decrease in other financial assets	2,468,000	4,431,252
Increase in prepayments for long-term investment	-	(39,200)
Acquisition of investments accounted for using equity method	(150,857)	-
Acquisition of property, plant and equipment	(6,433,533)	(5,205,504)
Proceeds from disposal of property, plant and equipment	102,286	29,369
Acquisition of investment properties	(76,552)	(306,293)
Proceeds from disposal of investment properties	189,496	-
Increase in other receivables	-	(1,999,673)
Acquisition of intangible assets	(65,975)	(45,274)
Decrease (increase) in refundable deposits	(131,689)	56,857
Decrease (increase) in other noncurrent assets	290,183	(298,498)
Decrease in long-term receivables	179,115	179,600
Dividends received	79	-
Interest received	<u>574,159</u>	<u>613,524</u>
Net cash used in investing activities	<u>(2,721,251)</u>	<u>(4,479,442)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance received for shares	500,000	-
Increase (decrease) in guarantee deposits received	(13,004)	435,274
Increase in other noncurrent liabilities	15,236	355,279
Dividends paid	(4,716,431)	(4,149,867)
Increase (decrease) in non-controlling interests	<u>(1,006)</u>	<u>49,000</u>
Net cash used in financing activities	<u>(4,215,205)</u>	<u>(3,310,314)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,468,186	(2,120,376)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>12,472,904</u>	<u>14,593,280</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 13,941,090</u>	<u>\$ 12,472,904</u>

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

(With Deloitte & Touche audit report dated March 8, 2019)

(Concluded)