

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2018, DECEMBER 31, 2017 AND JUNE 30, 2017
(THE CONSOLIDATED BALANCE SHEETS AS OF JUNE 30, 2018 AND 2017 WERE
REVIEWED, NOT AUDITED)

| | | Expressed in Thousands of New Taiwan Dollars | | | | | |
|---------------------------|---|--|------------|-----------------------|------------|----------------------|------------|
| Assets | Notes | June 30, 2018 | | December 31, 2017 | | June 30, 2017 | |
| | | Amount | % | Amount | % | Amount | % |
| Current assets | | | | | | | |
| 1100 | Cash and cash equivalents | \$ 24,528,207 | 21 | \$ 19,147,388 | 15 | \$ 24,436,326 | 25 |
| 1110 | Current financial assets at fair value through profit or loss | - | - | 7,935 | - | 17,549 | - |
| 1136 | Current financial assets at amortized cost | 10,268,020 | 9 | - | - | - | - |
| 1170 | Accounts receivable, net | 14,287,409 | 12 | 28,480,474 | 23 | 10,477,044 | 11 |
| 1180 | Accounts receivable due from related parties, net | 1,711,118 | 2 | 2,138,685 | 2 | 1,871,340 | 2 |
| 1200 | Other receivables | 688,145 | 1 | 2,786,315 | 2 | 1,110,001 | 1 |
| 130X | Current inventories | 10,175,365 | 9 | 11,259,382 | 9 | 7,509,819 | 8 |
| 1410 | Prepayments | 3,801,072 | 3 | 3,088,106 | 3 | 2,428,949 | 3 |
| 1470 | Other current assets | 313,039 | - | 14,459,785 | 12 | 13,881,815 | 14 |
| 11XX | Total current assets | <u>65,772,375</u> | <u>57</u> | <u>81,368,070</u> | <u>66</u> | <u>61,732,843</u> | <u>64</u> |
| Non-current assets | | | | | | | |
| 1517 | Non-current financial assets at fair value through other comprehensive income | 79,555 | - | - | - | - | - |
| 1527 | Non-current held-to-maturity financial assets | - | - | 151,064 | - | 30,685 | - |
| 1535 | Non-current financial assets at amortized cost | 153,924 | - | - | - | - | - |
| 1543 | Non-current financial assets at cost | - | - | 120,992 | - | 121,099 | - |
| 1600 | Property, plant and equipment | 40,092,124 | 35 | 36,681,453 | 30 | 33,033,063 | 34 |
| 1780 | Intangible assets | 90,944 | - | 88,854 | - | 90,825 | - |
| 1840 | Deferred tax assets | 796,361 | 1 | 825,911 | 1 | 682,208 | 1 |
| 1990 | Other non-current assets, others | 8,090,499 | 7 | 4,480,169 | 3 | 1,471,493 | 1 |
| 15XX | Total non-current assets | <u>49,303,407</u> | <u>43</u> | <u>42,348,443</u> | <u>34</u> | <u>35,429,373</u> | <u>36</u> |
| 1XXX | Total assets | <u>\$ 115,075,782</u> | <u>100</u> | <u>\$ 123,716,513</u> | <u>100</u> | <u>\$ 97,162,216</u> | <u>100</u> |

(Continued on next page)

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2018, DECEMBER 31, 2017 AND JUNE 30, 2017
(THE CONSOLIDATED BALANCE SHEETS AS OF JUNE 30, 2018 AND 2017 WERE
REVIEWED, NOT AUDITED)

| | | Expressed in Thousands of New Taiwan Dollars | | | | | | | |
|--|--|--|-----------------------|-------------------|-----------------------|---------------|----------------------|------------|--|
| Liabilities and Equity | Notes | June 30, 2018 | | December 31, 2017 | | June 30, 2017 | | | |
| | | Amount | % | Amount | % | Amount | % | | |
| Current liabilities | | | | | | | | | |
| 2100 | Current borrowings | 6(14) | \$ 12,297,141 | 11 | \$ 15,791,085 | 13 | \$ 12,134,336 | 13 | |
| 2170 | Accounts payable | | 13,578,368 | 12 | 22,503,648 | 18 | 10,528,506 | 11 | |
| 2180 | Accounts payable to related parties | | 635,288 | - | 704,783 | - | 256,630 | - | |
| 2200 | Other payables | 6(15) | 16,106,092 | 14 | 10,331,671 | 8 | 8,429,662 | 9 | |
| 2230 | Current tax liabilities | | 706,495 | 1 | 1,268,536 | 1 | 253,065 | - | |
| 2320 | Long-term liabilities, current portion | 6(16)(17) | 17,661,402 | 15 | 4,457,881 | 4 | - | - | |
| 2399 | Other current liabilities, others | | 142,756 | - | 123,505 | - | 90,209 | - | |
| 21XX | Total current liabilities | | <u>61,127,542</u> | <u>53</u> | <u>55,181,109</u> | <u>44</u> | <u>31,692,408</u> | <u>33</u> | |
| Non-current liabilities | | | | | | | | | |
| 2530 | Bonds payable | 6(16) | - | - | 8,242,274 | 7 | 8,330,418 | 9 | |
| 2540 | Non-current portion of non-current borrowings | 6(17) | - | - | 4,457,881 | 4 | 9,108,486 | 9 | |
| 2570 | Deferred tax liabilities | | 54,431 | - | 423,207 | - | 87,527 | - | |
| 2645 | Guarantee deposits received | | 197,214 | - | 150,723 | - | 34,068 | - | |
| 2670 | Other non-current liabilities, others | 6(31) | - | - | - | - | 7,843,211 | 8 | |
| 25XX | Total non-current liabilities | | <u>251,645</u> | <u>-</u> | <u>13,274,085</u> | <u>11</u> | <u>25,403,710</u> | <u>26</u> | |
| 2XXX | Total liabilities | | <u>61,379,187</u> | <u>53</u> | <u>68,455,194</u> | <u>55</u> | <u>57,096,118</u> | <u>59</u> | |
| Equity | | | | | | | | | |
| Equity attributable to owners of parent | | | | | | | | | |
| Share capital | | 6(20) | | | | | | | |
| 3110 | Share capital - ordinary share | | 8,047,484 | 7 | 8,047,484 | 7 | 8,047,484 | 8 | |
| Capital surplus | | 6(21) | | | | | | | |
| 3200 | Capital surplus | | 14,892,751 | 14 | 14,851,298 | 12 | 6,962,799 | 8 | |
| Retained earnings | | 6(22) | | | | | | | |
| 3310 | Legal reserve | | 3,505,859 | 3 | 2,988,615 | 2 | 2,988,615 | 3 | |
| 3320 | Special Reserve | | 1,717,912 | 1 | 1,688,354 | 1 | 1,688,354 | 2 | |
| 3350 | Unappropriated retained earnings | | 16,411,715 | 14 | 18,486,196 | 15 | 13,857,067 | 14 | |
| Other equity interest | | 6(23) | | | | | | | |
| 3400 | Other equity interest | | (1,486,108) | (1) | (1,717,913) | (1) | (2,689,539) | (3) | |
| 31XX | Total equity attributable to owners of parent | | <u>43,089,613</u> | <u>38</u> | <u>44,344,034</u> | <u>36</u> | <u>30,854,780</u> | <u>32</u> | |
| 36XX | Non-controlling Interests | | <u>10,606,982</u> | <u>9</u> | <u>10,917,285</u> | <u>9</u> | <u>9,211,318</u> | <u>9</u> | |
| 3XXX | Total equity | | <u>53,696,595</u> | <u>47</u> | <u>55,261,319</u> | <u>45</u> | <u>40,066,098</u> | <u>41</u> | |
| Significant contingent liabilities and unrecognized commitments | | | | | | | | | |
| 3X2X | Total liabilities and equity | | <u>\$ 115,075,782</u> | <u>100</u> | <u>\$ 123,716,513</u> | <u>100</u> | <u>\$ 97,162,216</u> | <u>100</u> | |

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

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX-MONTH PERIODS ENDED JUNE 30, 2018 AND 2017
 (REVIEWED, NOT AUDITED)

(Expressed in Thousands of New Taiwan Dollars
 except for earnings per share amounts)

| Items | Notes | Three Months Ended on June 30, 2018 | | Three Months Ended on June 30, 2017 | | Six Months Ended on June 30, 2018 | | Six Months Ended on June 30, 2017 | |
|--|-------|--|--------------|--|--------------|--------------------------------------|--------------|--------------------------------------|--------------|
| | | Amount | % | Amount | % | Amount | % | Amount | % |
| 4000 Operating revenue | 14 | \$ 20,707,576 | 100 | \$ 15,742,219 | 100 | \$ 43,424,298 | 100 | \$ 33,262,366 | 100 |
| 5000 Operating costs | 6(5) | (17,091,544) | (82) | (13,680,157) | (87) | (36,335,595) | (84) | (28,654,287) | (86) |
| 5950 Gross profit from operations | | <u>3,616,032</u> | <u>18</u> | <u>2,062,062</u> | <u>13</u> | <u>7,088,703</u> | <u>16</u> | <u>4,608,079</u> | <u>14</u> |
| Operating expenses | 6(24) | | | | | | | | |
| 6100 Selling expenses | | (359,255) | (2) | (178,563) | (1) | (601,637) | (1) | (488,600) | (1) |
| 6200 Administrative expenses | | (892,522) | (4) | (532,248) | (4) | (1,783,117) | (4) | (1,157,110) | (4) |
| 6300 Research and development expenses | | (1,203,392) | (6) | (1,157,967) | (7) | (2,265,715) | (5) | (2,074,426) | (6) |
| 6450 Impairment gain and reversal of impairment loss determined in accordance with IFRS 9 | | <u>6,938</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>6,938</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 6000 Total operating expenses | | <u>(2,448,231)</u> | <u>(12)</u> | <u>(1,868,778)</u> | <u>(12)</u> | <u>(4,643,531)</u> | <u>(10)</u> | <u>(3,720,136)</u> | <u>(11)</u> |
| 6900 Net operating income | | <u>1,167,801</u> | <u>6</u> | <u>193,284</u> | <u>1</u> | <u>2,445,172</u> | <u>6</u> | <u>887,943</u> | <u>3</u> |
| Non-operating income and expenses | | | | | | | | | |
| 7010 Other income | 6(26) | 319,094 | 2 | 327,125 | 2 | 590,155 | 1 | 559,722 | 2 |
| 7020 Other gains and losses | 6(27) | 79,084 | - | (20,853) | - | (445,282) | (1) | (254,244) | (1) |
| 7050 Finance costs | 6(28) | (234,528) | (1) | (182,410) | (1) | (449,929) | (1) | (357,147) | (1) |
| 7000 Total non-operating income and expenses | | <u>163,650</u> | <u>1</u> | <u>123,862</u> | <u>1</u> | <u>(305,056)</u> | <u>(1)</u> | <u>(51,669)</u> | <u>-</u> |
| 7900 Profit from continuing operations before tax | | <u>1,331,451</u> | <u>7</u> | <u>317,146</u> | <u>2</u> | <u>2,140,116</u> | <u>5</u> | <u>836,274</u> | <u>3</u> |
| 7950 Tax expense (income) | 6(29) | (326,522) | (2) | (65,321) | - | (580,644) | (1) | (199,337) | (1) |
| 8200 Profit for the period | | <u>\$ 1,004,929</u> | <u>5</u> | <u>\$ 251,825</u> | <u>2</u> | <u>\$ 1,559,472</u> | <u>4</u> | <u>\$ 636,937</u> | <u>2</u> |

(Continued on next page)

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX-MONTH PERIODS ENDED JUNE 30, 2018 AND 2017
 (REVIEWED, NOT AUDITED)

(Expressed in Thousands of New Taiwan Dollars
 except for earnings per share amounts)

| Item | Notes | Three Months Ended on June 30, 2018 | | Three Months Ended on June 30 2017 | | Six Months Ended on June 30, 2018 | | Six Months Ended on June 30, 2017 | |
|---|--|--|----------|---------------------------------------|----------|--------------------------------------|----------|--------------------------------------|-------------|
| | | Amount | % | Amount | % | Amount | % | Amount | % |
| Other comprehensive income | | | | | | | | | |
| Components of other comprehensive income that will not be reclassified to profit or loss | | | | | | | | | |
| 8316 | Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | 6(23) | | | | | | | |
| | | (\$ 29,532) | - | \$ - | - | (\$ 41,335) | - | \$ - | - |
| 8310 | Components of other comprehensive income that will not be reclassified to profit or loss | | | | | | | | |
| | | (29,532) | - | - | - | (41,335) | - | - | - |
| Components of other comprehensive income that will be reclassified to profit or loss | | | | | | | | | |
| 8361 | Exchange differences on translation | | | | | | | | |
| | | (608,078) | (3) | 854,192 | 5 | 349,117 | 1 | (932,538) | (3) |
| 8362 | Unrealized gains (losses) on valuation of available-for-sale financial assets | | | | | | | | |
| | | - | - | - | - | - | - | 5,014 | - |
| 8360 | Components of other comprehensive income that will be reclassified to profit or loss | | | | | | | | |
| | | (608,078) | (3) | 854,192 | 5 | 349,117 | 1 | (927,524) | (3) |
| 8300 | Total other comprehensive income | (\$ 637,610) | (3) | \$ 854,192 | 5 | \$ 307,782 | 1 | (\$ 927,524) | (3) |
| 8500 | Total comprehensive income | <u>\$ 367,319</u> | <u>2</u> | <u>\$ 1,106,017</u> | <u>7</u> | <u>\$ 1,867,254</u> | <u>5</u> | <u>(\$ 290,587)</u> | <u>(1)</u> |
| Profit (loss) attributable to: | | | | | | | | | |
| 8610 | Owners of parent | | | | | | | | |
| | | \$ 749,553 | 4 | \$ 194,726 | 1 | \$ 1,127,991 | 3 | \$ 548,952 | 2 |
| 8620 | Non-controlling interests | | | | | | | | |
| | | \$ 255,376 | 1 | \$ 57,099 | - | \$ 431,481 | 1 | \$ 87,985 | - |
| Comprehensive income attributable to: | | | | | | | | | |
| 8710 | Owners of parent | | | | | | | | |
| | | \$ 184,515 | 1 | \$ 923,277 | 6 | \$ 1,359,796 | 4 | (\$ 452,231) | (1) |
| 8720 | Non-controlling interests | | | | | | | | |
| | | \$ 182,804 | 1 | \$ 182,740 | 1 | \$ 507,458 | 1 | \$ 161,644 | - |
| Basic earnings per share | | | | | | | | | |
| 9750 | Basic earnings per share | 6(30) | | | | | | | |
| | | \$ | 0.93 | \$ | 0.24 | \$ | 1.40 | \$ | 0.68 |
| Diluted earnings per share | | | | | | | | | |
| 9850 | Diluted earnings per share | 6(30) | | | | | | | |
| | | \$ | 0.89 | \$ | 0.24 | \$ | 1.36 | \$ | 0.68 |

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

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX-MONTH PERIODS ENDED JUNE 30, 2018 AND 2017
(REVIEWED, NOT AUDITED)

Expressed in Thousands of New Taiwan Dollars

| Equity attributed to the owners of the parent | | | | | | | | | | | |
|---|------------------------------|-----------------|-------------------|-----------------|----------------------------------|--|---|--|---------------|--------------------------|----------------|
| Notes | Share capital-ordinary share | Capital reserve | Retained Earnings | | | Other Equities | | | Total | Non-controlling interest | Total equities |
| | | | Legal reserve | Special reserve | Unappropriated retained earnings | Financial statements translation differences of foreign operations | Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income | Unrealized gains (losses) from available for-sale financial assets | | | |
| <u>2017</u> | | | | | | | | | | | |
| | \$ 8,047,484 | \$ 11,942,690 | \$ 2,642,996 | \$ - | \$ 17,285,543 | (\$ 1,683,342) | \$ - | (\$ 5,014) | \$ 38,230,357 | \$ - | \$ 38,230,357 |
| | - | - | - | - | 548,952 | - | - | - | 548,952 | 87,985 | 636,937 |
| 6(23) | - | - | - | - | - | (1,006,197) | - | 5,014 | (1,001,183) | 73,659 | (927,524) |
| | - | - | - | - | 548,952 | (1,006,197) | - | 5,014 | (452,231) | 161,644 | (290,587) |
| 6(22) | | | | | | | | | | | |
| | - | - | 345,619 | - | (345,619) | - | - | - | - | - | - |
| | - | - | - | 1,688,354 | (1,688,354) | - | - | - | - | - | - |
| | - | - | - | - | (1,770,446) | - | - | - | (1,770,446) | - | (1,770,446) |
| | (7,843,211) | - | - | - | - | - | - | - | (7,843,211) | - | (7,843,211) |
| 6(19) | - | 25,479 | - | - | - | - | - | - | 25,479 | 2,965 | 28,444 |
| 6(31) | - | 2,837,841 | - | - | (173,009) | - | - | - | 2,664,832 | 9,046,709 | 11,711,541 |
| | \$ 8,047,484 | \$ 6,962,799 | \$ 2,988,615 | \$ 1,688,354 | \$ 13,857,067 | (\$ 2,689,539) | \$ - | \$ - | \$ 30,854,780 | \$ 9,211,318 | \$ 40,066,098 |
| <u>2018</u> | | | | | | | | | | | |
| | \$ 8,047,484 | \$ 14,851,298 | \$ 2,988,615 | \$ 1,688,354 | \$ 18,486,196 | (\$ 1,717,913) | \$ - | \$ - | \$ 44,344,034 | \$ 10,917,285 | \$ 55,261,319 |
| | - | - | - | - | 1,127,991 | - | - | - | 1,127,991 | 431,481 | 1,559,472 |
| 6(23) | - | - | - | - | - | 273,140 | (41,335) | - | 231,805 | 75,977 | 307,782 |
| | - | - | - | - | 1,127,991 | 273,140 | (41,335) | - | 1,359,796 | 507,458 | 1,867,254 |
| 6(22) | | | | | | | | | | | |
| | - | - | 517,244 | - | (517,244) | - | - | - | - | - | - |
| | - | - | - | 29,558 | (29,558) | - | - | - | - | - | - |
| | - | - | - | - | (2,655,670) | - | - | - | (2,655,670) | - | (2,655,670) |
| 6(19) | - | 41,453 | - | - | - | - | - | - | 41,453 | 9,779 | 51,232 |
| | - | - | - | - | - | - | - | - | - | (827,540) | (827,540) |
| | \$ 8,047,484 | \$ 14,892,751 | \$ 3,505,859 | \$ 1,717,912 | \$ 16,411,715 | (\$ 1,444,773) | (\$ 41,335) | \$ - | \$ 43,089,613 | \$ 10,606,982 | \$ 53,696,595 |

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

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUNSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX-MONTH PERIODS ENDED JUNE 30, 2018 AND 2017
(REVIEWED, NOT AUDITED)

Expressed in Thousands of New Taiwan Dollars

| | Notes | Six Months Ended on June 30, 2018 | Six Months Ended on June 30, 2017 |
|--|-------|--------------------------------------|--------------------------------------|
| CASH FLOWS FROM (USED IN) OPERATING | | | |
| ACTIVITIES | | | |
| Profit before tax | | \$ 2,140,116 | \$ 836,274 |
| Adjustments | | | |
| Adjustments to reconcile profit (loss) | | | |
| Depreciation expense | 6(24) | 3,249,309 | 2,628,408 |
| Amortization expense | 6(24) | 39,787 | 37,228 |
| Impairment loss on non-financial assets | 6(11) | 175,489 | - |
| Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense | 12 | (6,938) | - |
| Loss (gain) on disposal of property, plant and equipment | 6(27) | (9,732) | 17,443 |
| Rental expenses for land use right | 6(13) | 30,842 | 14,723 |
| Interest income | 6(26) | (477,564) | (315,274) |
| Interest expense | 6(28) | 449,929 | 357,147 |
| Loss (gain) on disposal of investments | 6(27) | - | (9,117) |
| Share-based payments | 6(19) | 51,232 | 28,444 |
| Changes in operating assets and liabilities | | | |
| Changes in operating assets | | | |
| Financial assets at fair value through profit or loss | | 7,935 | (17,446) |
| Notes receivable | | (41,607) | 89,855 |
| Accounts receivable | | 14,382,390 | 6,046,103 |
| Accounts receivable due from related parties | | 479,004 | (329,896) |
| Other receivable | | 2,055,648 | 622,125 |
| Inventories | | 1,148,911 | (647,949) |
| Prepayments | | (700,167) | (382,053) |
| Changes in operating liabilities | | | |
| Accounts payable | | (9,147,738) | (4,565,210) |
| Accounts payable to related parties | | (74,381) | (448,100) |
| Other payable | | (463,641) | (1,612,937) |
| Other current liabilities | | 18,652 | 27,528 |
| Cash inflow (outflow) generated from operations | | 13,307,476 | 2,377,296 |
| Income taxes paid | | (1,493,213) | (1,399,075) |
| Net cash flows from (used in) operating activities | | 11,814,263 | 978,221 |

(Continued on next page)

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUNSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX-MONTH PERIODS ENDED JUNE 30, 2018 AND 2017
(REVIEWED, NOT AUDITED)

Expressed in Thousands of New Taiwan Dollars

| | Notes | Six Months Ended on June 30, 2018 | Six Months Ended on June 30, 2017 |
|---|-------|--------------------------------------|--------------------------------------|
| <u>CASH FLOWS FROM (USED IN) INVESTING</u> | | | |
| <u>ACTIVITIES</u> | | | |
| Proceeds from repayments of financial assets at amortized cost | | \$ 4,010,480 | \$ - |
| Increase in other financial assets | | - | (5,652,790) |
| Acquisition of held-to-maturity financial assets | | - | (30,639) |
| Proceeds from disposal of held-to-maturity financial assets | | - | 30,767 |
| Proceeds from disposal of available-for-sale financial assets | | - | 103,842 |
| Decrease in other financial assets | | - | 282,172 |
| Acquisition of property, plant and equipment | 6(32) | (6,526,505) | (4,224,144) |
| Proceeds from disposal of property, plant and equipment | | 25,014 | 442,231 |
| Acquisition of land use rights | | (287,525) | (46,307) |
| Proceeds from disposal of land use rights | | 5,226 | - |
| Increase in other non-current assets | | (21,687) | (10,349) |
| Decrease in refundable deposits | | 3,482 | 36,161 |
| Interest received | | 557,020 | 320,332 |
| Net cash flows from (used in) investing activities | | <u>(2,234,495)</u> | <u>(8,748,724)</u> |
| <u>CASH FLOWS FROM (USED IN) FINANCING</u> | | | |
| <u>ACTIVITIES</u> | | | |
| (Decrease) increase in short-term loans | | (3,635,169) | 183,930 |
| Proceeds from long-term debt | | - | 991,530 |
| Repayments of long-term debt | | - | (979,590) |
| Increase in guarantee deposits received | | 51,272 | 24,469 |
| Interest paid | | (358,466) | (224,603) |
| Repayments of bonds | | - | (471,901) |
| Change in non-controlling interests | 6(31) | - | 11,711,541 |
| Change in non-controlling interests - earnings distribution of subsidiaries | | (827,540) | - |
| Net cash flows from (used in) financing activities | | <u>(4,769,903)</u> | <u>11,235,376</u> |
| Effect of exchange rate changes on cash and cash equivalents | | 570,954 | (446,110) |
| Net increase in cash and cash equivalents | | 5,380,819 | 3,018,763 |
| Cash and cash equivalents at beginning of period | | 19,147,388 | 21,417,563 |
| Cash and cash equivalents at end of period | | <u>\$ 24,528,207</u> | <u>\$ 24,436,326</u> |

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