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上市合规转让定价审阅报告

上海剑桥科技股份有限公司

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简称

简称一览表

剑桥科技集团或集团	上海剑桥科技股份有限公司及其子公司
上海剑桥科技	上海剑桥科技股份有限公司
上海剑桥通讯	上海剑桥通讯设备有限公司
剑桥美国	Cambridge Industries USA Inc.
剑桥德国	CIG Photonics Europe GmbH
剑桥西安	西安剑桥科技有限公司
剑桥武汉	上海剑桥科技（武汉）有限公司
剑桥香港通讯	Cambridge Industries Group Telecommunication Limited
迈智微电子（上海）	迈智微电子（上海）有限公司
剑桥相模原公司	CIG Photonics Japan Limited
JDM	协同设计制造
ODM	自主设计制造
ICT	信息和通信技术

致:

上海剑桥科技股份有限公司
中国
上海市闵行区
陈行公路 2388 号
8 号楼 501 室
（邮编：201114）

国泰君安融资有限公司
香港
皇后大道中 181 号
新纪元广场
低层 27 楼

国泰君安证券（香港）有限公司
香港
皇后大道中 181 号
新纪元广场
低座 27 层

项目摘要

A. 项目背景

剑桥科技集团主要从事通信设备的研发、生产和销售，产品主要分布为电信宽带接入终端、无线网络与小基站、交换机与工业物联网基础硬件以及高速光组件与光模块四大领域。

根据相关法规和监管机构对于关联交易安排的监管要求，以及其中可能涉及的转让定价的问题，致同（北京）税务师事务所有限责任公司上海分所（“我们”）按照 OECD 跨国企业与税务机关转让定价指南（2022）（以下简称“OECD 指南”）、国家税务总局《关于完善关联申报和同期资料管理有关事项》的公告（以下简称“国税发〔2016〕42 号公告”）、国家税务总局关于发布《特别纳税调查调整及相互协商程序管理办法》的公告（以下简称“国税发〔2017〕6 号公告”）、《美国国内税收法典第 482 条》下的财政部细则（以下简称“美国财政部法规”）及其他相关法律法规，就剑桥科技集团 2022 年 1 月 1 日至 2024 年 12 月 31 日及截至 2025 年报告编写日前（“审阅期间”）的关联交易合规性进行审阅评估。基于相关事实和分析方法，分析关联交易所处的价值链及关联交易参与各方的功能和风险情况，选择并运用合理的转让定价方法，结合集团提供的数据与事实情况和当地团队的审阅结果，对关联交易定价的合理性进行验证。其他任何税务事宜（例如，增值税、消费税、或是由关联服务所引起的其他单个或多重纳税义务）不在本报告的审阅范围内。

B. 审阅范围

基于对审阅期间剑桥科技集团的关联交易进行审阅，集团内的关联交易主要发生在以下经营实体：

- 上海剑桥科技股份有限公司
- 上海剑桥通讯设备有限公司

- 西安剑桥科技有限公司
- 上海剑桥科技（武汉）有限公司
- 迈智微电子（上海）有限公司
- Cambridge Industries USA Inc.
- CIG Photonics Europe GmbH
- Cambridge Industries Group Telecommunication Limited
- CIG Photonics Japan Limited

其中，重要关联交易发生在上海剑桥科技与剑桥美国两家公司，基于重要性水平的考虑，本报告主要针对上海剑桥科技和剑桥美国这两家公司，通过量化分析做一进步的说明与分析。

C. 审阅结论

审阅期间，上海剑桥科技在关联交易中主要承担研发、生产职能以及相应的风险，针对生产型企业，完全成本加成率被选做主要利润指标来分析评估上海剑桥科技的利润状况和合理利润区间。剑桥美国在关联交易中主要承担分销职能，针对分销型企业，营业利润率被选做主要利润指标来分析评估剑桥美国的利润状况和合理利润区间。

本次转让定价关联交易审阅过程中，我们审阅了集团在 2022 年 1 月 1 日至 2024 年 12 月 31 日及截至 2025 年报告编写日前发生的关联交易。

基于我们的审阅分析，我们合理认为剑桥科技集团主要关联交易定价政策与其交易各方所执行的功能、承担的风险、取得的回报相匹配，没有违背独立交易原则。

经评估，我们认为剑桥科技集团整体转让定价税务风险较小，且剑桥科技集团全球范围内的转让定价合规申报义务亦未发现重大违规问题。

D. 报告限制

我们的产品是基于我们对经济合作与发展组织（OECD）发布的《跨国企业与税务机关转让定价指南》的理解制作而成。我们基于贵公司提供的数据与事实情况，结合审阅期间由专业税务团队出具转让定价本地文档及其他相关信息进行了审阅与分析。我们并未对该等信息进行独立核实，对于因该等信息不完整或不准确而可能导致的任何影响或责任，我们不承担任何责任。我们相信我们的分析与结论客观反映了对于转让定价法规的合理解释，但这些分析与结论本身并不能确保贵公司能够免于收到税务机关的转让定价调查甚至调整。因此，若贵公司的转让定价安排收到税务局的质疑，我们分析与审阅的结论不能保证相关税务机关完全同意，或使公司免遭转让定价调整。

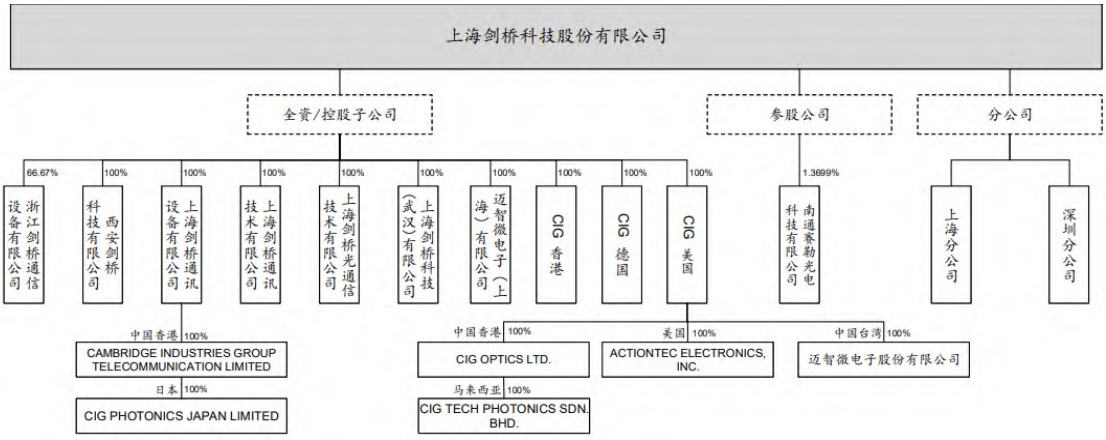
本转让定价审阅意见仅就信息披露之需要而出具，投资者不应仅据本意见作出投资决定。

I. 组织架构

A. 集团组织架构

Cambridge Industries Group（“CIG”或“剑桥科技集团”）总部位于中国上海，专注于有线和无线宽带接入终端领域，经过多年的发展，已成为集杰出研发能力、大规模生产制造和良好品牌形象于一体的高端通信设备厂商。

剑桥科技集团已在中国、美国及日本等多个国家设立子公司并开展业务运营。最终控股股东及其子公司根据各地区优势承担不同职能，包括合约制造、市场导向型生产、高端研发、技术服务及本地交付支持等。下图列示了截止至 2024 年 12 月 31 日，剑桥科技集团各运营实体的股权结构和地理分布情况。



集团主要基于 JDM（协同设计制造）和 ODM（自主设计制造）的合作模式，其产品主要为电信、数通和企业网络的终端设备（包括电信宽带、无线网络与小基站、边缘计算与工业互联产品）以及高速光模块产品等。这些产品主要应用于通信网络等行业，其客户主要为电信运营商及企业级客户。

- **上海剑桥科技股份有限公司（“上海剑桥科技”）**

上海剑桥科技是集团的母公司，主要从事电信、数通和企业网络的终端设备（包括电信宽带、无线网络与小基站、边缘计算与工业互联产品）以及高速光模块产品的研发、生产和销售。上海剑桥科技在集团的整个产业链中，是一家研发、生产、分销为一体的企业。

- **上海剑桥通讯设备有限公司（“剑桥通讯设备”）**

剑桥通讯设备成立于 2013 年 8 月，是上海剑桥科技的全资子公司，注册地上海，主要从事通信设备相关的贸易和信息技术服务，在集团供应链中定位为分销型企业。

- **西安剑桥科技有限公司（“剑桥西安”）**

剑桥西安成立于 2018 年，注册地西安，系上海剑桥科技全资子公司，为集团公司提供在通信及信息技术相关领域的技术支持，在集团供应链中定位为研发型企业。

- **上海剑桥科技（武汉）有限公司（“剑桥武汉”）**

剑桥武汉成立于 2018 年，是上海剑桥科技在武汉设立的全资子公司，注册资本约 1,000 万元，主要承担网络终端设备的生产与组装，在集团供应链中定位为生产型企业。

- **迈智微电子（上海）有限公司（“迈智微电子（上海）”）**

迈智微电子（上海）于 2022 年被上海剑桥科技收购，是上海剑桥科技全资子公司，在集团供应链中定位为研发型企业。

- **Cambridge Industries USA Inc.（“剑桥美国”）**

剑桥美国是上海剑桥科技于 2010 年在加利福尼亚州圣克拉拉市设立的全资子公司。该实体主要从事电信设备批发分销业务，既销售从上海剑桥科技采购的商品，也作为被许可方销售由剑桥相模原公司研发的产品。剑桥美国在集团供应链中定位为分销型企业。

- **CIG Photonics Europe GmbH（“剑桥德国”）**

剑桥德国是上海剑桥科技在欧洲的子公司，主要从事光电子模块与组件的贸易和市场拓展，服务欧洲客户，在集团供应链中定位为分销型企业。

- **Cambridge Industries Group Telecommunication Limited（“剑桥香港通讯”）**

剑桥香港通讯注册于香港，是上海剑桥科技的海外全资子公司之一，主要承担国际贸易及销售业务，在集团供应链中定位为分销型企业。

- **CIG Photonics Japan Limited（“剑桥相模原公司”）**

剑桥相模原公司是上海剑桥科技于 2019 年收购的位于日本的全资子公司，主要从事非常规研发活动，在集团供应链中定位为研发型企业。

II. 企业集团概况

A. 业务概述

剑桥科技集团主要基于 JDM（协同设计制造）和 ODM（自主设计制造）的合作模式，进行家庭、企业及工业应用类电信宽带接入终端、无线网络与小基站、边缘计算与工业互联产品、高速光组件与光模块四大领域产品的研发、生产和销售。具体产品及其功能与应用如下：

1. 电信宽带接入终端

电信宽带接入终端主要面向固网运营商，基于各种有线宽带技术，应用于家庭或者企业，实现多业务综合接入。产品主要包括：1）光纤接入产品 PON (GPON, EPON)：SFU（单个家庭用户单元）、MDU（多住户单元）、HGW（智能家庭网关）；2）光纤接入产品 10G PON (10G EPON，XG-PON，XGS-PON，NG-PON2 (4 波长))、25G/50G PON、SFU（单个家庭用户单元）、HGW（智能家庭网关）；3）铜线接入产品：基于 MoCA、VDSL2、G.fast、G.hn 技术。

就销售额而言，电信宽带接入终端营业收入占 2022 年度总营业收入的 54.42%；占 2023 年度总营业收入的 59.22%；占 2024 年度总营业收入的 55.69%。

2. 无线网络与小基站

无线网络的功能是实现无线接入和无线互联及提供网关功能，应用于电信级别的家庭环境，以及企业及各种商业环境。无线网络产品主要包括企业及运营商级 WLAN 产品、AP 产品、家用无线互联产品、Wi-Fi Mesh 家庭网关产品、5G FWA CPE。

集团研发的小基站，具备分布式部署，多模多频，支持多天线的发送和接收的优点；支持超高带宽，满足用户室内外多种安装应用场景，主要服务于移动运营商和专网企业用

户等需要高性能综合无线接入的需求。小基站产品主要包括 4G/5G 兼容移动通信小基站和 5G 移动通信小基站。

就销售额而言，无线网络与小基站产品营业收入占 2022 年度总营业收入的 27.91%；占 2023 年度总营业收入的 23.29%；占 2024 年度总营业收入的 28.83%。

3. 边缘计算与工业互联产品

边缘计算与工业互联产品适用于边缘部署的嵌入式服务器和计算节点。通过有线与无线连接，集成于工业领域的网络平台，实现工业环境下的数据传输与智能控制，应用于工业与智能制造领域。以太网交换机是一种用来实现数据交换和传输的网络设备，部署于企业骨干网、数据中心以及服务器机房中，用来支持高带宽的需求。产品主要包括：25G 边缘网关、用于 5G 部署的边缘 DU 产品等；工业 AP、AR 系列路由器、以太网交换机、物联网网关等。

就销售额而言，边缘计算与工业互联产品占 2022 年度总销售额的 5.03%；占 2023 年度总营业收入的 3.01%；占 2024 年度总营业收入的 2.01%。

4. 高速光模块

高速光模块主要面向电信运营商和数据中心，用于承载网的骨干传输，城域网和接入网领域，也用于数据中心内部互联；光模块主要面向海内外移动运营商，产品主要运用于企业级无线接入和电信级基站市场。高速光模块产品主要包括：100G 光模块（4 波长系列）：SR4, AOC, CWDM4, PSM4,4WDM-10, LR4, ER4-Lite, 4WDM-40, ER4, ZR4，100G 光模块（单波长系列）：（基于 100G PAM4 调制技术）DR, FR1, LR1, 200G 光模块（基于 50G PAM4 调制技术）SR4, AOC, FR4, LR4，400G 光模块（基于 100G PAM4 调制技术）DR4/DR4+、FR4、LR4、SR8、AOC,4×FR1、4×LR1，（含基于硅光技术和 100G PAM4 调制技术 LPO 光模块），800G 光模块（基于 100G PAM4 调制技术）基于硅光技术的 800G DR8/FR8 以及基于 EML 的 800G DR8/FR8，2×FR4 光模块（含 LPO 光模块），1.6T 光模块（1600G DR8 OSFP、1600G 2XFR4

OSFP、1600G DR8 OSFP-XD）；工业档 5G 无线网络前传灰光光模块 25G DUPLEX 及 BIDI 模块，彩光 25G CWDM6, MWDM12, LWDM12 以及 2.5G/10G XGS-PON，XG-PON，EPON SFP 和企业网及 5G 无线前传和中传（基于 50G PAM4 调制技术）的各类 50G 光模块。

就销售额而言，高速光组件与光模块产品占 2022 年度总营业收入的 12.64%；占 2023 年度总营业收入的 14.48%；占 2024 年度总营业收入的 13.47%。

B. 利润的重要价值贡献因素

支撑剑桥科技集团主营业务发展的核心竞争力体现为集团在客户资源、创新研发、智能制造、商业模式、产品服务以及管理团队等方面具有突出能力和比较优势。

1. 客户资源优势

剑桥科技集团深度绑定全球主流电信运营商、通信设备制造商及数据中心运营商，形成覆盖国内外头部企业的客户网络。通过 JDM/ODM 模式与通信设备商建立长期合作，高速光模块产品终端客户覆盖电信运营商、数据中心及云服务商，客户群体保持稳定，全球市场覆盖范围持续拓展。集团的主营业务可以分为电信宽带、无线网络与小基站、边缘计算与工业互联产品和高速光模块。剑桥科技集团 ICT 终端和无线通信基础设施的主要客户为电信运营商及企业级客户，运营商的供货方主要为全球大型通信设备提供商。该类提供商一般不从事 ICT 终端的生产制造，通常采用 EMS、ODM、JDM 等模式与上游 ICT 终端制造企业进行合作。剑桥科技集团不断开拓客户资源，目前主要客户已基本涵盖了下游全球主要的通信设备提供商。剑桥科技集团的高速光模块产品销售给境内外客户，包括通信设备制造商、电信运营商和数据中心运营商，客户涵盖国内外绝大部分采购光模块的通信设备制造商和数据中心运营商。

2. 创新研发优势

剑桥科技集团在长期发展中始终贯彻“预研一代、研发一代、生产一代”的核心发展思路，构建了中美日台多地协同互补的研发体系，围绕市场、客户需求进行高效研发，形成了从预研到商业化的全链条创新能力。公司持续高强度研发投入，与供应商和合作伙伴在技术上深度合作，聚焦高速光模块、无线通信基础设施及 ICT 终端设备等端到端通信基础设施领域，不断升级技术和迭代产品。

3. 智能制造优势

剑桥科技集团凭借在工业物联网领域积累的技术实力，融合数字化与人工智能技术，构建了高度自动化的智能生产体系。通过自主研发生产信息化系统，集成机器人技术与柔性化生产线，实现产品、装备、生产、管理和服务全面智能化，形成先进的智能制造能力，既能满足小批量、定制化需求，又有效降低生产成本。

4. 商业模式优势

ICT 行业技术革新迅猛，应用场景日新月异，产业链分工与协作格局持续重塑。在此动态环境下，公司凭借深厚的核心研发底蕴，灵活适配产业链分工，构建起 JDM、ODM 与自有品牌协同并行的商业模式，在激烈竞争中稳固立足。目前，公司已能够提供包括整体软件、标准硬件设计，以及定制化产品（按需研发）等各项服务，剑桥科技集团对行业具有较强的适应能力。

5. 产品服务优势

剑桥科技集团搭建了全流程的产品服务体系，涵盖研发设计、产品中试及规模化生产。研发团队将概念转化为方案，中试环节严格把关，规模化生产高效保障供应。能为客户提供从概念设计到成品交付及售后的定制服务。研发团队专业多元，生产严格遵循标准规范，供应链与计划部门协同保障原材料供应及生产计划，运营支持团队实时响应。各环节协同运作，致力于提升产品质量、缩短生产周期、控制成本，为客户创造价值。

6. 管理团队优势

剑桥科技集团管理团队具有国际化背景，学习能力强，深刻理解当今互联网+趋势下和智能生产、信息化下的社会大变革趋势，洞悉产业、市场和企业环境面临的不确定性，实现技术、市场和产品的迭代与创新，在新情况、新技术层出不穷的情况下，及时调整竞争策略和应对方式，适应性的采取变革方式，充分发挥集团国际性管理团队快速应变能力优势，既不高估当下变革的影响，也不低估未来十年变革的影响，实现集团在新产品、新市场、新技术上的不断自我突破与发展，适应市场快速变化和成长，实现螺旋式上升和成长。

7. 国际化分工合作优势

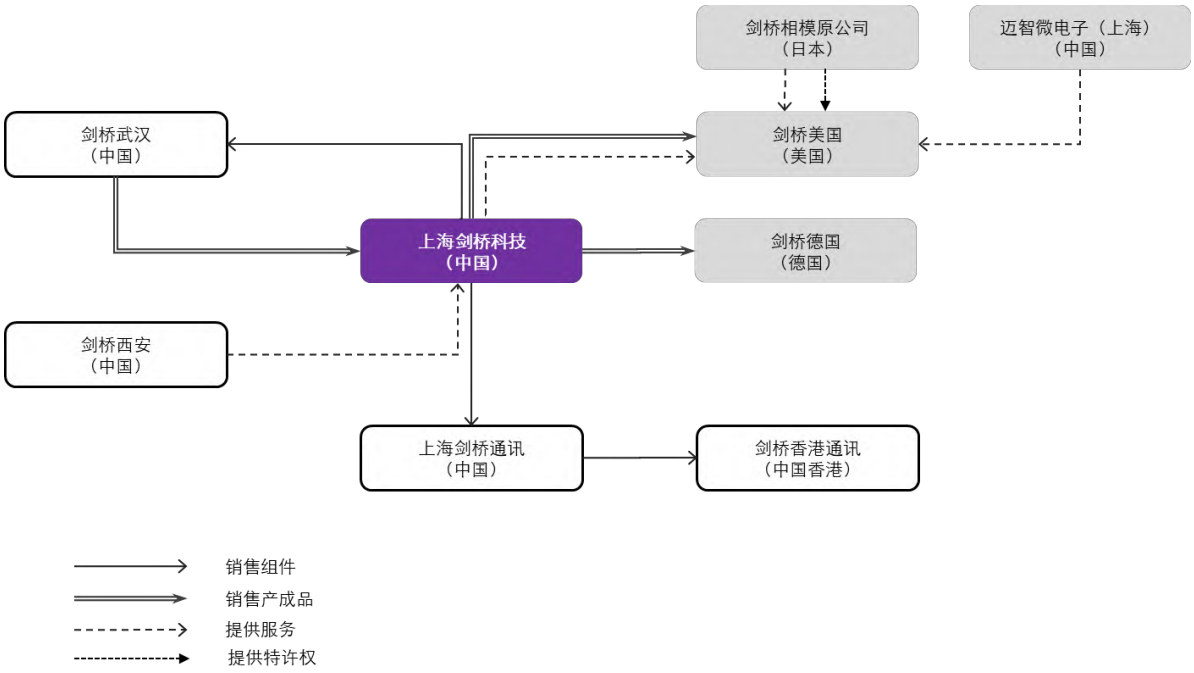
剑桥科技集团在美国硅谷设立的研发中心和销售团队，及时了解最新技术以及美国大客户的新需求；剑桥科技集团日本研发中心与主流光芯片供应商在同一地址工作，便于沟通与上下游合作；剑桥科技集团上海研发中心与制造中心，与中国发达的供应链紧密合作，不断降低产品造价和生产成本；剑桥科技集团在马来西亚的生产基地，可针对性地服务部分海外重点客户。剑桥科技集团独特的美国、日本、中国和马来西亚四地分工合作，具有极大的协同优势。

III. 关联交易情况概述

A. 关联交易流程图

审阅期间，剑桥科技集团内主要营运实体间的关联交易流程图如下所示。

剑桥科技集团内主要关联交易流程图



具体而言，剑桥科技集团主要关联交易包括以下：

- **上海剑桥科技：**上海剑桥科技向剑桥武汉提供生产组件由后者进行生产加工，之后上海剑桥科技从剑桥武汉采购产成品，再向向剑桥美国和剑桥德国销售产成品。此外，上海剑桥科技向上海剑桥通讯设备销售生产组件，同时上海剑桥科技接受剑桥西安提供部分辅助研发服务。
- **上海剑桥通讯设备：**上海剑桥通讯设备从上海剑桥科技采购生产组件等，销售至境外关联方。
- **剑桥西安：**剑桥西安向上海剑桥科技提供部分辅助研发服务。
- **剑桥武汉：**剑桥武汉从上海剑桥科技采购生产组件进行生产加工后，向上海剑桥科

技销售产成品。

- **迈智微电子（上海）：**迈智微电子（上海）向剑桥美国[1]提供研发服务。
- **剑桥美国：**剑桥美国从上海剑桥科技采购产成品，并接受剑桥上海、剑桥相模原公司和迈智微电子（上海）提供业务支持及研发服务。
- **剑桥德国：**剑桥德国从上海剑桥科技采购产成品。
- **剑桥香港：**剑桥香港从上海剑桥通讯采购组件。
- **剑桥相模原公司：**剑桥相模原公司向剑桥美国提供研发服务，并向剑桥美国提供特许权。

下表列示了上述主要实体在 2022 年至 2024 年间的营业收入情况：

集团主要实体收入规模

单位：人民币 百万

集团主要经营实体	2022 年营业收入	2023 年营业收入	2024 年营业收入	2025 年 1 至 6 月营业收入
上海剑桥科技	4,082.32	3,240.44	3,713.21	1,983.80
剑桥美国	2,075.90	1,989.88	2,303.13	1,386.74
迈智微电子(上海)	10.64	14.29	13.94	7.63
剑桥德国	17.8	31.46	6.24	10.98
上海剑桥通讯	578.83	396.12	848.57	547.86
剑桥武汉	820.77	603.25	501.26	177.72
剑桥香港通讯	538.97	412.5	783.93	468.70
剑桥相模原公司	210.37	122.68	125.53	22.24
剑桥西安	-	-	2.52	1.65

基于前述分析与数据，剑桥科技集团的重要关联交易主要集中于上海剑桥科技和剑桥美国。在报告期内，这两家实体的营业收入在集团所有营运实体中占比最高。具体而言，上海剑桥科技的关联销售收入占其营业收入的比例分别为：61%（2022 年）、67%（2023 年）、64%（2024 年）、66%（2025 年中期）。剑桥美国的营业收入全部来源于销售从上海剑桥科技（绝大部分）及剑桥集团第三方外包生产商采购而来的剑桥产品。

[1] 实则是迈智微电子（上海）向剑桥工业（美国）有限公司（剑桥美国的子公司）提供研发服务。由于该业务体量较小，在制图时将剑桥美国与剑桥工业（美国）有限公司合并列示。

相比之下，集团内其他成员企业整体业务规模有限，关联交易占比也相对较低。基于重要性原则，本次分析不将其作为重点审阅对象。因此，下文将集中针对上海剑桥科技和剑桥美国的关联交易展开深入分析。

B. 关联交易

基于重要性水平，我们识别并审阅了集团内关联交易的关键实体，重点对上海剑桥科技和剑桥美国进行深入分析，并完成了其具体利润数据的归集整理。我们通过整体法，对上海剑桥科技和剑桥美国的销售业务的利润水平进行整体分析与量化评估。[2] 被审阅公司关联业务下的利润水平如下表所示：

上海剑桥科技关联销售业务下的利润表[3]

单位：人民币 百万

项目	公式	2022 年度	2023 年度	2024 年度	2025 年度 1 月至 6 月
营业收入	1	2,488.8	2,180.8	2,387.1	1,302.7
营业成本及税金和附加	2	2,300.6	1,970.5	2,125.7	1,077.6
营业利润	3=1-2	188.3	210.3	261.4	225.1
营业费用	4	18.2	10.7	18.5	10.1
管理费用	5	139.1	158.1	148.9	76.1
财务费用	6	9.4	11.1	8.3	14.4
其中：汇兑差异	7	-24.0	-24.6	-11.6	2.6
息税前利润	8=3-4-5-7	55.0	66.1	105.6	136.3
利润水平指标					
毛利率	9=3/1	7.56%	9.64%	10.95%	17.28%
完全成本加成率	10=8/(1-8)	2.26%	3.12%	4.63%	11.68%

[2] 上海剑桥科技和剑桥美国所涉及的关联交易以货物购销为主，同时涉及少量服务交易和特许权使用费交易（其定价方法均参照各类型市场定价或基于可比公司利润率进行加成确定）。鉴于后两类交易金额较小，基于重要性原则，本次分析不将对其做进一步细分分析。

[3] 数据来源：上海剑桥科技所属期转让定价同期资料及上海剑桥科技管理层

剑桥美国销售业务下的利润表[4]

单位：美元百万

项目	公式	2022 年度	2023 年度	2024 年度	2025 年 1 月至 6 月
营业收入	1	296.7	198.9	314.3	193.7
营业成本	2	254.1	166.5	293.8	182.4
毛利润	3=1-2	42.6	32.4	20.5	11.4
营业费用	4	30.7	27.5	13.5	3.0
营业利润	5=3-4	11.9	4.9	7.0	8.3
利润水平指标					
营业利润率	6=5/1	4.40%	2.50%	2.23%	4.31%

[4] 数据来源：剑桥美国所属期转让定价同期资料及上海剑桥科技管理层

IV. 价值链及功能风险分析

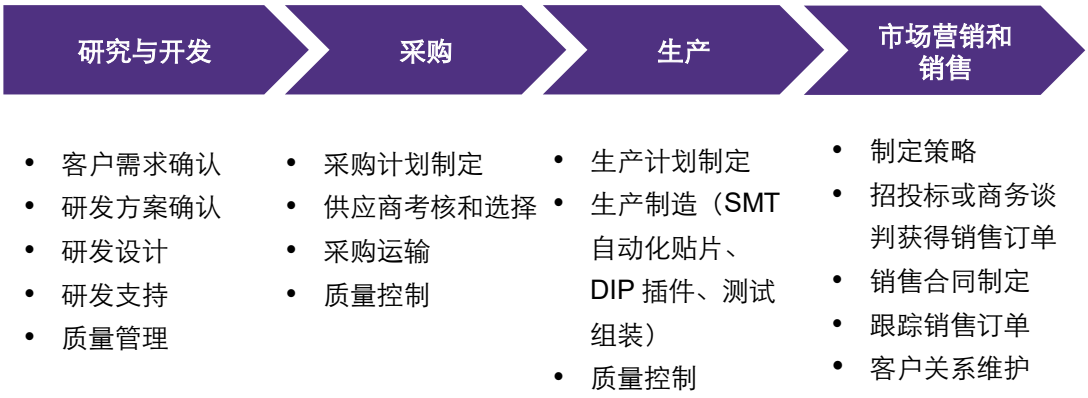
A. 价值链分析

剑桥科技集团的产品主要销往北美、欧洲、亚洲等地区。剑桥科技集团的价值链主要包括研究与开发、采购、生产和销售等环节。

- **研究与开发：**剑桥科技集团通过在中国、日本、美国进行全球化的研发中心布局，围绕市场、客户需求进行高效研发。其中上海研发中心主要负责核心技术的研发，包括设计、开发、生产工艺等方面。
- **采购：**剑桥科技集团的原材料采购主要来自于第三方供应商，集团通常根据实际的销售订单和客户需求预测制定采购计划。基于“销售订单+预测+安全库存”的采购模式，集团灵活有效地保证交货期和客户需求。
- **生产：**剑桥科技集团积极探索并推行 CO-LO 模式，并在国内及海外建立了生产基地，并在与北美地区 CO-LO 合作伙伴合作推动本地化产能建设。各基地依据当地资源、市场和政策优势，明确定位，承担不同产品线的生产任务。针对 ICT 终端设备和无线通信基础设施，在接到客户订单后，由销售部门、采购部门对交货日期和采购评审进行确认，然后交由生产制造部门进行生产排期；制造部制定生产计划，向生产车间下达具体生产指令；生产车间按单生产，根据物料供应与设备运行状况来安排具体的生产日计划；整个生产过程由公司品质管理部门负责全程质量监控。集团在上海生产基地及武汉、马来西亚生产电信宽带和无线网络产品。针对高速光模块产品，集团在上海生产基地和马来西亚生产的产品覆盖 100G/400G/800G 以及 1.6T 互联速度，适配广泛的行业标准封装形式。
- **市场营销和销售：**剑桥科技集团的 ICT 终端设备和无线通信基础设施的主要客户为 ICT 行业设备制造商以及电信运营商。集团产品销售区域包括国内和国外，其中国外主要为美国、欧洲、亚太等地区。剑桥科技集团的高速光模块的最终客户主要是电信运营商和数据中心运营商，集团一般直接或间接销售给电信运营商、通信设备

制造商和数据中心运营商。集团一般通过招投标、商务谈判方式获得销售订单，确定订单细节、跟踪客户的销售订单、维护客户关系等一系列市场营销和销售。

剑桥科技集团的价值链具体如下图所示。



B. 功能风险分析

功能

下表总结了剑桥科技集团相关的功能情况。

剑桥科技集团的功能分析

功能	概要
研发	上海剑桥科技承担核心技术的研发，以及相关的工艺流程设计和开发；剑桥西安提供辅助技术支持；剑桥相模原公司承担部分光组件研发。
采购	剑桥科技集团内的销售公司（主要包括上海剑桥科技、剑桥美国、剑桥香港通讯等）承担采购职能，根据实际收到的订单以及需求预测制定生产计划，原材料主要从第三方供应商进行采购。
生产和质控	剑桥科技集团内的生产公司（主要包括上海剑桥科技、剑桥武汉）负责生产，同时还负责相应产成品的质量控制以及产品包装。
市场营销和销售	上海剑桥科技承担集团市场营销和销售计划，制定和境内外市场的市场营销活动，包括市场研究、制定总体策略、参与行业展会等。上海剑桥科技的销售活动一般通过招投标、商务谈判等方式开展。集团境外子公司负责海外市场的市场营销和销售执行。

功能	概要
售后服务	针对境内市场的销售，上海剑桥科技向客户提供售后服务；针对境外市场的销售，由上海剑桥科技和境外子公司共同向终端客户提供售后服务。

风险

下表总结了剑桥科技集团相关的风险情况。

剑桥科技集团的风险分析

风险	概要
研发风险	上海剑桥科技负责核心技术研发活动并承担主要研发风险；剑桥相模原公司承担部分光组件研发，及相对应的研发风险，剑桥西安承担其对应的研发支持服务所相应的风险。
生产风险	剑桥科技集团在中国的上海、武汉等地拥有主要生产基地，负责生产活动并承担生产风险。
市场风险	在境内外市场销售活动中，剑桥科技集团内的销售公司（主要包括上海剑桥科技、剑桥美国、剑桥德国、剑桥香港通讯等）承担其分销产品所涉及的市场风险。
产品责任风险	剑桥科技集团内实体各自承担产品责任风险。
库存风险	剑桥科技集团内实体各自承担库存风险。
信用风险	剑桥科技集团内实体主要面临第三方客户赊销导致的客户信用风险。
外汇风险	剑桥科技集团持有人民币和外币（美元、欧元、日元），并主要用人民币和美元进行交易，因此承担外汇风险。

V.关联交易安排定价合理分析

A. 关联交易定价合理性分析

➢ 针对上海剑桥科技

a. 转让定价方法选择

审阅期间，当地团队选择合适的转让定价方法评估公司的关联交易是否遵循独立交易原则。其中，交易净利润法被选中作为评估上海剑桥科技关联交易的合理转让定价方法

根据《国家税务总局关于特别纳税调查及相互协商程序管理办法的公告》（“6 号公告”）的规定，发生关联方的企业以及税务机关审核、评估关联交易均应遵循独立交易原则，选用合理的转让定价方法。其中所称的转让定价方法包括：

- 可比非受控价格法；
- 再销售价格法；
- 成本加成法；
- 交易净利润法；
- 利润分割法；
- 其他符合独立交易原则的方法包括成本法、市场法和收益法等资产评估方法，以及其他能够反映利润与经济活动发生地和价值创造地相匹配原则的方法。

选用合理的转让定价方法应进行可比性分析，主要包括以下五个方面：

1. 交易资产或劳务特性--有形资产的物理特性、质量、数量等；无形资产的类型、交易形式、保护程度、期限、预期收益等；劳务的性质和内容；金融资产的特性、内容、风险管理等；

2. 交易各方功能、承担的风险和使用的资产--功能主要包括研发、设计，采购，加工、装配、制造、维修、分销、营销、广告、存货管理、物流、仓储、融资、管理、财务、会计、法律及人力资源管理等。风险主要包括投资风险、研发风险、采购风险、生产风险、市场风险、管理风险及财务风险等。资产包括有形资产、无形资产、金融资产等；

3. 合同条款--包括交易标的、交易数量、交易价格、收付款方式和条件、交货条件、售后服务范围和条件、提供附加劳务的约定、变更或者修改合同内容的权利、合同有效期、终止或者续签合同的权利等。合同条款分析应当关注企业执行合同的能力与行为，以及关联方之间签署合同条款的可信度等；

4. 经济环境--包括行业概况、地理区域、市场规模、市场层级、市场占有率、市场竞争程度、消费者购买力、商品或者劳务可替代性、生产要素价格、运输成本、政府管制，以及成本节约、市场溢价等地域特殊因素；

5. 经营策略--包括创新和开发、多元化经营、协同效应、风险规避及市场占有策略等。

本章就 6 号公告对各转让定价方法的解释以及上述可比性因素的规定，分析并选择适用于上海剑桥科技关联交易的转让定价方法。

i) 可比非受控价格法

可比非受控价格法以非关联方之间进行的与关联交易相同或类似业务活动所收取的价格作为关联交易的公平成交价格。可比非受控价格法可以适用于所有类型的关联交易。

可比非受控价格法的可比性分析，应当按照不同交易类型，特别考察关联交易与非关联交易中交易资产或者劳务的特性、合同条款、经济环境和经营策略上的差异。

关联交易与非关联交易在以上方面存在重大差异的，应当就该差异对价格的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

在本案中，上海剑桥科技从境外关联方和第三方采购原材料进行生产后，将部分产品销售给境内外非关联方；部分产品，通过境内外关联方销售给终端第三方客户。虽然上海剑桥科技的关联交易存在类似第三方交易，即上海剑桥科技向关联方和第三方提供相类似的产品。然而经过分析，我们发现两项交易下上海剑桥科技在交易内容、承担的功能和风险程度、合同条款、经济实质等方面均存在重大差异。该差异无法通过数据分析进行合理量化和调整。此外，也无法获得外部可比非关联交易，即集团外的独立第三方之间进行的类似可比交易的信息。由此，本案应根据 42 号及 6 号公告，选择其他合理的转让定价方法进行分析。

ii) 再销售价格法

再销售价格法以关联方购进商品再销售给非关联方的价格减去可比非关联交易毛利后的金额作为关联方购进商品的公平成交价格。再销售价格法一般适用于再销售者未对商品进行改变外型、性能、结构或更换商标等实质性增值加工的简单加工或单纯购销业务。

再销售价格法的计算公式如下:

- 公平成交价格=再销售给非关联方的价格×（1-可比非关联交易毛利率）
- 可比非关联交易毛利率=可比非关联交易毛利/可比非关联交易收入净额 ×100%

针对再销售价格法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险、使用的资产和合同条款上的差异，以及影响毛利率的其他因素，具体包括营销、分销、产品保障及服务功能，存货风险，机器、设备的价值及使用年限，无形资产的使用及价值，有价值的营销型无形资产，批发或者零售环节，商业经验，会计处理及管理效率等。

关联交易与非关联交易在以上方面存在重大差异的，应当就该差异对毛利率的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

在本案中，上海剑桥科技从境外关联方和第三方采购原材料进行生产，并将部分产成品销售给境内外非关联方，部分销售给境内外关联方。而再销售价格法通常适用于再销售者未对商品进行改变外型、性能、结构或更换商标等实质性增值加工的简单加工或单纯购销业务。因此，上海剑桥科技在本案中无法适用再销售价格法。

iii) 成本加成法

成本加成法以关联交易发生的合理成本加上可比非关联交易毛利后的金额作为关联交易的公平成交价格。成本加成法一般适用于有形资产使用权或者所有权的转让、资金融通、劳务提供等关联交易。

成本加成法的计算公式如下：

- 公平成交价格 = 关联交易发生的合理成本×（1+可比非关联交易成本加成率）；
- 可比非关联交易成本加成率=可比非关联交易毛利/可比非关联交易成本×100%

成本加成法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险、使用的资产和合同条款上的差异，以及影响成本加成率的其他因素，具体包括制造、加工、安装及测试功能，市场及汇兑风险，机器、设备的价值及使用年限，无形资产的使用及价值，商业经验，会计处理，生产及管理效率等。

关联交易与非关联交易在以上方面如存在重大差异的，应当就该差异对成本加成率的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

如前所述，上海剑桥科技的关联交易存在类似第三方交易，即上海剑桥科技向关联方和第三方提供相类似的产品。然而经过分析，我们发现关联和第三方交易下上海剑桥科技在交易内容、承担的功能和风险程度、合同条款、经济实质等方面均存在重大差异。该差异无法通过数据分析进行合理量化和调整。此外，也无法获得外部可比非关联交易，即集团外的独立第三方之间进行的类似可比交易的信息。因为，可比企业的功能与风险的详细数据难以获取，同时可比公司不透露详细财务信息（包括具体的业务类别、财务数据的成本构成和利润计算过程），且涉及多种会计制度及处理方法，

导致无法确定上海剑桥科技的成本类别与可比公司的成本类别是否一致划分，从而无法进行可靠的毛利加成率分析。由此，本案应根据 42 号及 6 号公告，选择其他合理的转让定价方法进行分析。

iv) 交易净利润法

交易净利润法以可比非关联交易利润率指标确定关联交易净利润。非关联交易利润率指标通常为净利润性质，包括息税前利润率、完全成本加成率、资产收益率、贝里比率等。交易净利润法一般适用于不拥有重大价值无形资产企业的有形资产使用权或者所有权的转让和受让、无形资产使用权受让以及劳务交易等关联交易。

交易净利润法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险和使用的资产，经济环境上的差异，以及影响利润的其他因素，具体包括行业和市场情况，经营规模，经济周期和产品生命周期，收入、成本、费用和资产在各交易间的分配，会计处理及经营管理效率等。

从原理上来讲，交易净利润法合并测试一组或多组受控交易（关联交易）的总体利润水平。相比再销售价格法和成本加成法中使用的毛利率指标，交易净利润法下使用的净利润水平指标受关联和非关联业务间因功能、风险、会计处理等差异而造成的影响最小。

因此，交易净利润法下的净利润指标对评估关联交易是否符合独立交易原则非常有效。在目前中国和国际转让定价实务中，交易净利润法也是最为频繁使用的方法。

v) 利润分割法

利润分割法根据企业与其关联方对关联交易合并利润（实际或者预计）的贡献计算各自应该分配的利润额。利润分割法主要包括一般利润分割法和剩余利润分割法。

一般利润分割法通常根据关联交易各方所执行的功能、承担的风险和使用的资产，采用符合独立交易原则的利润分割方式，确定各方应当取得的合理利润；当难以获取可比交易信息但能合理确定合并利润时，可以结合实际情况考虑与价值贡献相关的收入、成本、费用、资产、雇员人数等因素，分析关联交易各方对价值做出的贡献，将利润在各方之间进行分配。

剩余利润分割法将关联交易各方的合并利润减去分配给各方的常规利润后的余额作为剩余利润，再根据各方对剩余利润的贡献程度进行分配。

利润分割法一般适用于企业及其关联方均对利润创造具有独特贡献，业务高度整合且难以单独评估各方交易结果的关联交易。利润分割法的适用应当体现利润应在经济活动发生地和价值创造地征税的基本原则。

利润分割法的可比性分析，应当特别考察关联交易各方执行的功能、承担的风险和使用的资产，收入、成本、费用和资产在各方之间的分配，成本节约、市场溢价等地域特殊因素，以及其他价值贡献因素，确定各方对剩余利润贡献所使用的信息和假设条件的可靠性等。

考虑到上海剑桥科技与关联方之间的交易并不复杂，也不存在双方行为高度整合的情况，并且上海剑桥科技的关联方不拥有重要的无形资产，利润分割法也不是用来分析验证交易是否符合独立交易原则的最佳方法。

vi) 其他转让定价方法

其他符合独立交易原则的方法包括成本法、市场法和收益法等资产评估方法，以及其他能够反映利润与经济活动发生地和价值创造地相匹配原则的方法。

成本法是以替代或者重置原则为基础，通过在当前市场价格下创造一项相似资产所发生的支出确定评估标的价值的评估方法。成本法适用于能够被替代的资产价值评估。

市场法是利用市场上相同或者相似资产的近期交易价格，经过直接比较或者类比分析以确定评估标的价值的评估方法。市场法适用于在市场上能找到与评估标的相同或者相似的非关联可比交易信息时的资产价值评估。

收益法是通过评估标的未来预期收益现值来确定其价值的评估方法。收益法适用于企业整体资产和可预期未来收益的单项资产评估。

考虑到上海剑桥科技为生产商，上述方法并不适用于分析验证上海剑桥科技的关联交易是否符合独立交易原则。

综上所述，交易净利润法被选中为测试上海剑桥科技关联交易是否符合独立性交易原则最合适的转让定价方法。

b. 被测试方选择

针对上海剑桥科技的关联交易，我们选中**交易净利润法**作为最适合的转让定价方法。在该方法下，必须在关联交易双方中选出被测试方，并通过测试该方的净利润水平来评估相关的关联交易是否符合独立交易原则。可行性角度出发，我们选择了上海剑桥科技作为被测试方。

c. 利润水平指标选择

利润水平指标用于衡量利润与销售收入、实际成本或资源投入之间的关系。利润指标的选取应当反映交易各方执行的功能、承担的风险和使用的资产。

被测试方上海剑桥科技为生产企业，通常应选用的净利润水平指标为完全成本加成率。即：

完全成本加成率=息税前利润/完全成本=息税前利润/（营业收入–息税前利润）
其中，完全成本=营业成本（包括税金及附加）+营业费用+管理费用

d. 经济分析

基于中国转让定价法规——42 号公告和 6 号公告的指导意见，交易净利润法被选中作为合理的转让定价方法。在该方法下，上海剑桥科技被选为本案的被测试方。针对生产型企业，选用完全成本加成率作为主要利润指标来分析评估上海剑桥科技的利润状况和合理利润区间。

审阅期间，上海剑桥科技关联交易合理性的审阅结果如下表所示。

年份	被测试方	利润指标	利润水平	合理利润区间	审阅结果
2022	上海剑桥科技	完全成本加成率	2.26%	-0.89% - 1.91% - 11.57%	符合独立交易原则
2023	上海剑桥科技	完全成本加成率	3.12%	-2.57% - 1.54% - 9.84%	符合独立交易原则
2024	上海剑桥科技	完全成本加成率	4.63%	-1.46% - 1.52% - 4.24%	符合独立交易原则

请注意，上海剑桥科技在 2025 年审阅期间内，利润水平为 11.68%。由于可比上市公司财务数据尚未更新，最新基准区间暂无法获取，但基于往年合理利润区间以及行业整体经营情况，我们认为该利润水平仍处于合理范围之内，该期间的关联交易符合独立交易原则。

- **针对剑桥美国**

a. 转让定价方法的选择

美国法规同样提供了六种方法用于确定有形资产转让的独立交易原则。这些方法可分为两大类：（i）传统的交易方法（可比非受控价格法、再销售价格法以及成本加成法）；以及（ii）交易利润方法（可比利润法和利润分割法）。每一种方法都必须按照美国财政部法规第 1.482-1 条的规定来适用，其中包括关于最佳方法选择、可比性分析，以及独立交易范围构建等方面的规定。

前文已介绍了在中国适用的转让定价方法，其中可比非受控价格法、再销售价格法、成本加成法及利润分割法与美国规定基本一致；不同之处在于，美国还会选择可比利润法评估独立交易原则，鉴于此，以下部分将不再重复转让定价方法的概念，重点结合剑桥美国的具体情况，讨论其对上述六种方法的适用性。

i) 可比非受控价格法

可比非受控价格法的评估基础是，将受控交易中收取的金额与可比的非受控交易中收取的金额进行对比。由于上海剑桥科技与剑桥美国在可比市场层级下不存在与第三方之间的产品销售或采购，因此无法通过内部可比交易来适用可比非受控价格法。

同时，我们也未能识别出在类似环境下类似产品的第三方交易，能够符合可比非受控价格法下的可比性标准。可比非受控价格的适用高度依赖于被测试方与非受控方之间存在相同或高度相似的财产交易。因此，本次分析未选择可比非受控价格法作为评估该交易是否符合独立交易原则的最佳转让定价方法。

ii) 再销售价格法

再销售价格法的评估基础是，将受控交易中收取的金额与可比非受控交易所实现的毛利率进行对比。该方法通常适用于涉及有形资产采购及再销售的情形，且再销售方在转售前未对商品进行实质性加工或改造。

受控交易与非受控可比交易在会计处理（特别是存货及其他成本核算方式）方面的一致性，对毛利率的可比性和结果的可靠性具有重要影响。因此，如若存货或其他成本核算差异会对毛利率产生重大影响，而无法对该等差异作出可靠调整，则会削弱结果的可靠性。这一限制导致该方法在剑桥美国的案例中的适用性不足，因为关联方经销商与非关联方经销商之间的毛利率并不具备一致性。因此，本次分析未选择再销售价格法作为评估该交易是否符合独立交易原则的最佳转让定价方法。

iii) 成本加成法

成本加成法的评估基础是，将受控交易中收取的金额与可比非受控交易中实现的毛利加成进行对比。在成本加成法下，独立交易价格等于受控方生产有形资产的成本，加上适当的毛利加成；该毛利加成被界定为可比非受控交易中毛利与成本的比率。

由于剑桥美国负责集团的分销业务，剑桥集团未能提供可用于测试上海剑桥科技对剑桥美国商品销售盈利情况的可靠数据。因此，本次分析未选择成本加成法作为评估该交易是否符合独立交易原则的最佳转让定价方法。

iv) 利润分割法

利润分割法通过参考各关联方对合并营业利润或亏损的相对贡献价值，来评估归属于一个或多个受控交易的合并营业利润或亏损的分配是否符合独立交易原则。该合并营业利润或亏损应来源于受控方中可最为明确识别的业务活动，并且该业务活动的数据中应包含相关的受控交易（即“相关业务活动”）。当受控交易的各方均对交易贡献了有价值和/或独特的无形资产时，利润分割法尤为适用。

由于剑桥美国在本次交易相关业务中并未持有或使用非常规无形资产，因此，本次分析未选择利润分割法作为评估该交易是否符合独立交易原则的最佳转让定价方法。

v) 可比利润法

可比利润法的评估基础是，依据在相似环境下从事类似业务的非受控方所体现的客观盈利水平指标，判断受控交易中收取的金额是否符合独立交易原则。可比利润法的适用通常基于受控交易参与方之一的结果——通常是功能最简单、承担风险最少的一方。

在可比利润法下，要获得可靠结果，对受测方与非关联方之间功能可比性的要求通常低于再销售价格法或成本加成法。这是因为营业利润相较于毛利层面的利润指标，对产品和功能差异的敏感性较低。因此，可比利润法对承担风险和所使用资产差异的敏感性更高。

在本案例中，可以找到在使用资产及承担风险方面与剑桥美国相似的可比公司。综合以上所述的各项转让定价方法，并结合所有相关事实与情形，可比利润法被选中作为评估本次交易是否符合独立交易原则的最佳方法。

vi) 其他转让定价方法

其他转让定价方法也可用于评估受控交易中收取的金额是否符合独立交易原则。与上述既定方法保持一致，并依照美国财政部法规第 1.482-1 条的规定，其他转让定价方法应考虑这样一个原则：非受控方在评估交易条款时，会基于现实可行的替代方案进行判断，且仅在不存在更优替代方案时才会进入特定交易。其他转让定价方法在本案例中并不会比可比利润法更能可靠地分析该集团内部交易是否符合独立交易原则。

综上所述，可比利润法被选中为测试剑桥美国关联交易是否符合独立性交易原则最合适的转让定价方法。

b. 被测试方选择

对剑桥美国的关联交易，我们选中**可比利润法**作为最适合的转让定价方法。在该方法下，必须在关联交易双方中选出被测试方，并通过测试该方的净利润水平来评估相关的关联交易是否符合独立交易原则。从可行性角度出发，我们选择了剑桥美国作为被测试方。

c. 利润水平指标选择

利润水平指标用于衡量利润与销售收入、实际成本或资源投入之间的关系。利润指标的选取应当反映交易各方执行的功能、承担的风险和使用的资产。

被测试方剑桥美国为分销企业，通常应选用的净利润水平指标为营业利润率。即：

营业利润率=息税前利润/营业收入

d. 经济分析

基于美国财政部法规第 1.482-5 条的规定，可比利润法被选定为评估剑桥美国关联交易的合理的转让定价方法。在该方法下，剑桥美国被选为本案的被测试方。针对分销型企业，选用营业利润率作为主要利润指标来分析评估剑桥美国的利润状况和合理利润区间。

审阅期间，剑桥美国关联交易合理性的审阅结果如下表所示。

年份	被测试方	利润指标	利润水平	合理利润区间	审阅结果
2022	剑桥美国	营业利润率	4.40%	3.50% - 4.80% - 7.10%	符合独立交易原则
2023	剑桥美国	营业利润率	2.50%	2.20% - 4.50% - 5.40%	符合独立交易原则
2024	剑桥美国	营业利润率	2.23%	0.73% - 3.33% - 5.18%	符合独立交易原则

请注意，剑桥美国在 2025 年审阅期间内，利润水平为 4.31%。由于可比上市公司财务数据尚未更新，最新基准区间暂无法获取，但基于往年合理利润区间以及行业整体经营情况，我们认为该利润水平仍处于合理范围之内，该期间的关联交易符合独立交易原则。

除上述分销关联交易外，剑桥美国在审阅期间内还接受上海剑桥科技以及剑桥相模原公司提供的业务支持、研发服务，以及特许权技术授权，但由于该类交易金额很小且对整体利润水平的影响未达重要性水平，我们未对其进行详细的量化测试。当地专业团队在当年度的转让定价分析报告进行了描述与分析并认为，上述关联交易的定价安排符合独立交易原则。我们认可该结论，并认为上述关联交易的定价安排具有合理性，符合独立交易原则。

VI. 结论

本次转让定价关联交易审阅过程中，我们审阅了剑桥科技集团 2022 年 1 月 1 日至 2024 年 12 月 31 日及截至 2025 年报告编写日前被发生的关联交易，并对发生的关联交易进行分析。

根据上海剑桥科技与剑桥美国所属期转让定价同期资料披露的数据与分析，针对关联交易安排合理性的审阅结果如下所示：

年份	被测试方	利润指标	利润水平	合理利润区间	审阅结果
2022	上海剑桥科技	完全成本加成率	2.26%	-0.89% - 1.91% - 11.57%	符合独立交易原则
	剑桥美国	营业利润率	4.40%	3.50% - 4.80% - 7.10%	符合独立交易原则
2023	上海剑桥科技	完全成本加成率	3.12%	-2.57% - 1.54% - 9.84%	符合独立交易原则
	剑桥美国	营业利润率	2.50%	2.20% - 4.50% - 5.40%	符合独立交易原则
2024	上海剑桥科技	完全成本加成率	4.63%	-1.46% - 1.52% - 4.24%	符合独立交易原则
	剑桥美国	营业利润率	2.23%	0.73% - 3.33% - 5.18%	符合独立交易原则

在 2025 年审阅期间，上海剑桥科技与剑桥美国的利润水平分别为 11.68%和 4.31%。尽管当前可比上市公司财务数据尚未更新，导致无法获取最新的可比公司的四分位区间数据，但结合以往年度的合理利润区间及行业整体发展趋势综合判断，上述利润水平均处于合理范围，该期间内发生的关联交易符合独立交易原则。

在所属期内，上海剑桥科技由我们为其编制了转让定价同期资料本地文档。剑桥美国亦委托当地业内领先的专业事务所就其关联交易编制了相应报告。两家公司所依据的报告均由具备行业声誉的专业机构出具，分析严谨、数据可信。报告显示，两家公司相关年度的利润率水平均处于可比公司三年加权平均利润率的四分位区间之内。鉴于上述关联

交易的定价政策与各公司在交易中所执行的功能、承担的风险及取得的回报相匹配，基于现有专业报告的分析结论，我们合理判断该关联交易整体上符合独立交易原则。

综上所述，在本次审阅期间内，剑桥科技集团的关联交易定价政策与各成员企业的功能、风险及回报相匹配，整体符合独立交易原则。经综合评估，我们认为集团整体面临的转让定价税务风险可控且水平较低。同时，根据目前所掌握的情况，我们未发现任何关于税务机关对集团内部关联交易提出问询、质疑，或启动审计、调查的信息。

致同（北京）税务师事务所有限责任公司上海分所



名称：王丽理

职位：合伙人

2025 年 10 月 20 日

附件

以下是 2022 年度至 2024 年度被审阅公司的本地文档文件。

Grant Thornton
致同

转让定价同期资料本地文档

上海剑桥科技股份有限公司

截止至 2022 年 12 月 31 日的会计年度

上海剑桥科技股份有限公司声明

根据《国家税务总局关于完善关联申报和同期资料管理有关事项的公告》("42 号公告")的相关规定，符合条件的企业应根据要求，按纳税年度准备、保存、并按税务机关要求提供转让定价同期资料本地文档。本公司按照以上规定准备 2022 年度转让定价同期资料本地文档（"本报告"）。

本报告旨在从中国转让定价的角度，分析本公司 2022 年度关联交易的转让定价政策是否符合独立交易原则。为此，本公司按以下程序准备本报告：

1. 针对本公司与关联方之间的关联交易，收集、整理与本公司 2022 年度生产经营情况和关联交易情况相关的资料；

2. 分析本公司与关联方在关联交易中各自执行的功能、承担的风险，以及拥有的资产，以判断本公司与关联方在关联交易中的性质；

3. 针对关联交易的类型和特点，选择适当的转让定价方法，用以分析和验证关联交易定价的合理性；

4. 针对本公司关联交易的特征和性质以及上述的功能和风险分析，搜索并选取适当的可比公司，并运用选定的转让定价方法进行可比性分析，以确定在符合独立交易原则的条件下，本公司与关联方之间关联交易定价的合理范围；

5. 综合以上程序和分析结果，准备本报告。

本公司在此确认，本报告所包含的财务和背景事实真实反映了本公司与集团内部的各关联方在 2022 年度发生的关联交易情况。

地址：

邮编：

电话：

电子信箱：

法定代表人（签字）：　　单位（盖章）：

日期：　　年　　月　　日

专业名词一览表

42号公告	国家税务总局公告2016 年第42 号 - 《国家税务总局关于完善关联申报和同期资料管理有关事项的公告》
6号公告	国家税务总局公告2017年第6号 - 《国家税务总局关于特别纳税调查及相互协商程序管理办法的公告》
SIC代码	标准行业分类代码
OECD	经济合作发展组织（Organization for Economic Co-operation and Development）
BEPS	税基侵蚀和利润转移（Base Erosion and Profit Shifting）

企业简称一览表

CIG或CIG集团	Cambridge Industries Group及其全球子公司
上海剑桥科技	上海剑桥科技股份有限公司
剑桥开曼	Cambridge Industries Company Ltd.
剑桥香港	Cambridge Industries Group Ltd.
剑桥美国	Cambridge Industries USA Inc.
迈智微电子	迈智微电子（上海）有限公司
浙江剑桥	浙江剑桥电子科技有限公司
上海剑桥通讯	上海剑桥通讯设备有限公司
上海剑桥科技（武汉）	上海剑桥科技（武汉）有限公司
上海剑桥光通信	上海剑桥光通信技术有限公司
上海剑桥技术	上海剑桥通讯技术有限公司
剑桥相模原公司	CIG Photonics Japan Limited
剑桥香港通讯	Cambridge Industries Group Telecommunication Limited
剑桥德国	CIG Photonics Europe GmbH

前言



致同（北京）税务师事务所有限责任公司上海分所（“我们”）受上海剑桥科技股份有限公司（“上海剑桥科技”或“贵公司”）的委托，为上海剑桥科技准备 2022 年度（“报告期”）转让定价同期资料本地文档。

我们按照《国家税务总局关于完善关联申报和同期资料管理有关事项的公告》（“42 号公告”）的要求准备该本地文档（“本报告”），作为法定关联交易记录的一部分，并分析相应的转让定价政策是否符合《中华人民共和国企业所得税法》及 42 号公告提及的独立交易原则。按照 42 号公告的要求，本报告主要涵盖下列信息：

1. 企业概况
2. 关联关系
3. 关联交易
4. 转让定价方法的选择和使用
5. 可比性分析

服务声明

我们通过与上海剑桥科技管理层的访谈，了解了公司及其集团关联公司的运营情况，并从管理层获取了上海剑桥科技及其他集团公司的财务信息。上海剑桥科技代表其本身及其关联企业声明所提供的信息真实、正确及完整，本报告系依据截至报告完成日之事实、假设及陈述所编制。

本报告内容引用行业分析数据及可比公司财务数据均来自相关公开信息及第三方数据库,我们系依经验评估上述信息之合理性及适用性,并未验证其正确性。

本报告系依中国转让定价法律、法规、规章和规范性文件的规定进行验证和分析，并非提供中国以外之国家或地区之转让定价查核使用，亦非提供纳税人用以避免本报告范围

以外之重大税务争议的可能。本报告只针对因关联交易的转让定价而引起的中国企业所得税问题，其他任何税种均不在本报告的分析范围之内。

I.企业概况

A. 组织结构

Cambridge Industries Group（"CIG"或"CIG 集团"）总部位于中国上海，专注于有线和无线宽带接入终端领域，经过多年的发展，已成为集杰出研发能力、大规模生产制造和良好品牌形象于一体的高端通信设备厂商。

CIG 的研发及生产领域包括基于 FTTH/FTTB 技术的无源光纤接入终端设备（EPON/GPON）产品、基于无线接入技术的产品如（Wi-Fi）产品和 Small Cell、DSL 技术如 VDSL，G.fast 和 FTTdp、小基站、工业物联网产品、智能家庭和存储产品、高速光组件与光模块等产品以及完整的 JDM（协同设计制造）平台和流程。其产品应用于世界主流通信运营商的网络，包括中国三大运营商，以及美国、英国、法国、澳大利亚、新西兰、俄罗斯、巴西、墨西哥、土耳其、阿联酋等国家通信网络。

上海剑桥科技前身系新岥网络设备（上海）有限公司，由剑桥开曼全资组建于 2006 年。经过一系列的股权转让、增资、改制后，上海剑桥科技于 2017 年首发上市。截止至 2022 年 12 月 31 日，剑桥开曼对上海剑桥科技的持股比例为 16.69%，社会公开发行的人民币普通股（A 股）的持股比例为 72.05%，其余股东共持股 11.26%。[1]

2022 年度，上海剑桥科技主要从事电信宽带终端、无线网络设备、智能家庭网关、工业物联网产品、小基站以及高速光组件与光模块等的研发、生产和销售。

上海剑桥科技在 2022 年年底员工人数为 1,062 人。公司部门设置、职责范围与雇员人数如下表所示：

[1] 其余股东主要包括员工持股平台、以及外部机构投资者,持股比例均未超过 25%，因此不在本报告中详细披露。

企业组织架构和职责表[2]

部门	职责	人数
总裁办公室	负责公司生产经营发展	1
董事会	负责公司上市后续管理及股权激励等事项	3
审计委员会	负责公司内部审计	1
产品线	负责公司产品研究与开发	259
产品资源线	负责公司产品研究与开发	212
市场销售平台	负责公司产品销售并提供相关服务并提供售后支持工作	51
运营支撑平台	负责管理及支持公司日常经营业务	88
智能制造平台	负责公司工厂产品生产及支持	447
	合计	**1,062**

B. 管理架构

从公司运营架构来看，上海剑桥科技的各部门负责人向总裁办公室进行汇报。总裁办公室负责公司的日常运营管理，并向本公司董事会进行汇报。上海剑桥科技具体的管理架构以及汇报对象如下图所示：

企业管理架构和汇报情况表[3]

部门	本公司汇报	海外汇报对象及所在国家及地区
总裁办公室	董事会	/
董事会	董事会	/
审计委员会	总裁办公室	/
产品线	总裁办公室	/
产品资源线	总裁办公室	/
市场销售平台	总裁办公室	/
运营支撑平台	总裁办公室	/
智能制造平台	总裁办公室	/

C. 业务描述和行业概况

1. 业务描述

上海剑桥科技由剑桥开曼在中国投资设立，成立于 2006 年 3 月。上海剑桥科技是一家高新技术企业，适用企业所得税税率为 15%。下表总结了上海剑桥科技的基本信息。

[2] 来源：上海剑桥科技管理层
[3] 来源：上海剑桥科技管理层

上海剑桥科技基本信息表 [4]

公司全称	上海剑桥科技股份有限公司
公司地址	上海市闵行区陈行公路2388号8幢501室
公司类型	股份有限公司（中外合资、上市）
投资方及持股比例	Cambridge Industries Company Ltd.（16.69%）； 社会公开发行的人民币普通股（A股）（72.05%）； 其他投资方（11.26%）
注册资本	人民币26,822.2941万
成立时间	2006-03-14
经营期限	不约定期限
业务范围	开发、设计、制作计算机和通信软件，计算机和通信网络设备维护；生产光纤交换机等电信终端设备（仅限分支机构经营），销售自产产品，并提供相关技术服务、咨询服务以及相关的产品的维修和再制造业务；商务信息咨询，企业管理咨询，市场营销策划，通讯设备批发，通信设备制造（除卫星电视广播地面接收设施及关键生产），计算机、软件及辅助设备批发，从事货物及技术进出口业务。【依法须经批准的项目，经相关部门批准后方可开展经营活动】

如前文所述，2022 年度，上海剑桥科技主要从事电信宽带终端、无线网络设备、智能家庭网关、工业物联网产品、小基站以及高速光组件与光模块等的研发、生产和销售。上海剑桥科技在集团的整个产业链中，是一家集研发、销售于一体的生产商。上海剑桥科技主要基于 JDM（协同设计制造）和 ODM（自主设计制造）的合作模式，其产品主要应用于通信网络等行业，其客户主要包括 Actiontec、FPT TELECOM、Plume、SCSK、DKT、 Icotera、 D-LINK、华为、阿尔卡特朗讯（现诺基亚）、上海贝尔、中国移动、瑞斯康达、朝歌、惠普、北京格林、深圳信锐等。

上海剑桥科技主要从境内外关联方和境内外第三方供应商采购原材料，进行生产后，其产品部分销售至境内外第三方客户（约占 39.03%），部分销售至境内外关联方。上海剑桥科技详细的交易模型请参见 III.关联交易章节中 B.功能风险分析部分。

[4] 来源：上海剑桥科技管理层

2. 所处行业概况

上海剑桥科技所在行业为通信设备制造行业。因此本节主要介绍该行业。

a) 行业发展概况

通信设备制造业包括通信系统设备制造业和通信终端设备制造业，通信设备制造业是通信业的重要基础，对通信业的发展起着至关重要的影响。通信设备制造业主要以通信终端设备制造业为主，占比 64%，通信系统设备占比为 36%。但是随着 5G、云计算、大数据、信息安全、物联网等领域的发展，通信系统设备市场需求得到拓展。未来随着 5G 规模建网扩大，数据中心规模建设持续拉动，通信系统设备行业前景充满机会和希望，通信系统设备规模将加速增长。[5]

CIG 集团的产品主要用于通信领域，包括电信宽带终端、无线网络设备、智能家庭网关、数据交换机、工业物联网基础硬件、高速光组件（核心自主品牌）、高速光模块（大客户定制）、4G/5G 无线网络的小基站和前传光模块及组件等九大品类。公司产品已广泛应用到世界各国主流通信运营商的网络。通信设备行业的发展对 CIG 集团有着深远的影响。[6]

2022 年，全国移动通信基站总数达 1,083 万个，全年净增 87 万个。其中 5G 基站为 231.2 万个，全年新建 5G 基站 88.7 万个。在物联网方面，截至 2022 年底，三家基础电信企业发展蜂窝物联网用户 18.45 亿户，全年净增 4.47 亿户，较移动电话用户数高 1.61 亿户，占移动网终端连接数（包括移动电话用户和蜂窝物联网终端用户）的比重达 52.3%。发展 IPTV（网络电视）用户总数达 3.8 亿户，全年净增 3192 万户。随着数据中心、云计算、大数据、物联网等新兴业务快速发展，2022 年共完成业务收入 3,072 亿元，比上年增长 32.4%，在电信业务收入中占比由上年的 16.1%提升至 19.4%，拉动电信业务收入增长 5.1 个百分点。[7]其中，数据中心、云计算、大数据、物联网业务比上年分别增长

[5] 来源：前瞻产业研究院 https://www.qianzhan.com/analyst/detail/220/220712-9c9b9dfa.html
https://www.qianzhan.com/analyst/detail/220/210319-cba0ef63.html
[6] 来源：上海剑桥官方网站 - 公司简介
https://www.cigtech.com/%e5%85%ac%e5%8f%b8%e7%ae%80%e4%bb%8b/
[7] 来源：工业和信息化部
https://www.miit.gov.cn/gxsj/tjfx/txy/art/2023/art_77b586a554e64763ab2c2888dcf0b9e3.html

11.5%、118.2%、58%和 24.7%。此外，我国计算机、通信和其他电子设备制造业民间固定资产投资累计增长 26.6%，然而，受 2022 年以来全国多地"奥密克戎"疫情反复影响，增速较 2021 年同期下降 11.4%，环比下降 4/6%。这也对部分通信技术企业造成了一定的负面影响。[8]

随着供给侧结构性改革的深入推进、各项政策的落地实施、新一代信息技术加强渗透，日益增长的智能化、高端化、品质化的消费升级需求将不断释放。未来随着 5G 规模建网扩大，数据中心规模建设持续拉动，通信系统设备行业前景充满机会和希望，预计通信系统设备收入也将加速增长。

b) 行业限制及产业政策

国内政策方面，目前我国通信设备制造业已经成为电子信息业的支柱产业。在国务院《关于大力推进信息化发展和切实保障信息安全的若干意见》等政策的大力支持下，随着"宽带中国"战略的实施，我国光纤宽带和无线移动通信建设将快速推进，为通信设备行业提供了发展动力。

2019 年 1 月 25 日，工业和信息化部和国家标准化管理委员会印发《工业互联网综合标准化体系建设指南》，发挥标准在工业互联网产业生态体系构建中的顶层设计和引领规范作用，推动相关产业转型升级，加快制造强国和网络强国建设步伐。该指南指出，到 2020 年，初步建立工业互联网标准体系，重点研制工厂内网、网络资源管理、边缘设备、异构标识互操作、工业大数据、工业微服务、工业 APP 开发部署、安全能力评估等产业发展急用标准。[9]

2019 年 4 月 16 日，工业和信息化部印发了《工业和信息化部关于开展 2019 年 IPv6 网络就绪专项行动的通知》，对 2019 年 IPv6 规模部署相关任务的组织实施工作提出了具体的改造措施和相应目标要求。该专项行动将提升 IPv6 网络和服务的质量作为本年度 IPv6 规模部署的重点举措，一是要求基础电信企业持续优化 IPv6 网络传输性能，保证用户在 IPv6 环境下的实际访问体验不会降低；二是要求数据中心、内容分发网络、云服

[8] 来源：新浪财经 https://finance.sina.com.cn/roll/2022-07-12/doc-imizmscv1173751.shtml
[9] 来源：中国政府网 http://www.gov.cn/xinwen/2019-03/08/content_5371933.htm

务平台为用户提供与 IPv4 趋同质量的 IPv6 服务。到 2019 年第三季度末，IPv6 网络基础设施、应用基础设施的平均丢包率、时延等网络指标以及 IPv4 性能相比劣化不超过 10%。[10]

2019 年 11 月 19 日，工业和信息化部办公厅印发“5G+工业互联网”512 工程推进方案，指出：“5G+工业互联网”512 工程的发展目标为：到 2022 年，突破一批面向工业互联网特定需求的 5G 关键术，“5G+工业互联网”的产业支撑能力显著提升；打造 5 个产业公共服务平台，构建创新载体和公共服务能力；加快垂直领域“5G+工业互联网”的先导应用，内网建设改造覆盖 10 个重点行业；打造一批“5G+工业互联网”内网建设改造标杆、样板工程，形成至少 20 大典型工业应用场景；培育形成 5G 与工业互联网融合叠加、互促共进、倍增发展的创新态势，促进制造业数字化、网络化、智能化升级，推动经济高质量发展。[11]

2020 年 3 月 24 日，我国工业和信息化部发布了《工业和信息化部关于推动 5G 加快发展的通知》（工信部通信〔2020〕49 号），致力于全力推进 5G 网络建设、应用推广、技术发展和安全保障，充分发挥 5G 新型基础设施的规模效应和带动作用，支撑经济高质量发展。[12]

2020 年 5 月 7 日，我国工业和信息化部办公厅发布了《工业和信息化部办公厅关于深入推进移动物联网全面发展的通知》（工信厅通信〔2020〕25 号），以致力于加快 5G、物联网等新型基础设施建设和应用的决策部署，加速传统产业数字化转型，有力支撑制造强国和网络强国建设。[13]

2021 年 1 月 13 日，我国工业和信息化部办公厅发布了《工业互联网创新发展行动计划（2021-2023 年）》，指出到 2023 年，工艺也互联网新型基础设施建设将量质并进，大

[10] 来源：工业和信息化部
https://wap.miit.gov.cn/zwgk/zcwj/wjfb/txy/art/2020/art_9a30e4d84ce04c808caaeebc08a50f8b.html
[11] 来源：工业和信息化部
https://wap.miit.gov.cn/jgsj/xgj/wjfb/art/2020/art_9c304ec519084f9d930cd91780d021d1.html
[12] 来源：工业和信息化部
https://www.miit.gov.cn/zwgk/zcwj/wjfb/txy/art/2020/art_ffd918abf3e848efbb2a6225dbe266db.html
[13] 来源：工业和信息化部
https://www.miit.gov.cn/jgsj/txs/wjfb/art/2020/art_f0ea6a0156a441e99bf52ae98cd12729.html

范围推广新模式、新业态，深化“5G+工业互联网”，支持 5G 和工业企业的全面连接。[14]

2021 年 3 月 16 日，国家发改委联合科技部、工信部等十三个部门发布了《关于加快推动制造服务业高质量发展的意见》，指出推进“5G+工业互联网”512 工程，将聚焦重点环节和领域，从 6 个方面加快推动制造服务业发展，以高质量的服务供给引领制造业转型升级和品质提升，以专项行动和重点工程为抓手，统筹谋划、重点突破，实现制造业与制造服务业耦合共生、相融相长。[15]

2021 年 11 月 16 日，国家工业和信息化部门发布了《“十四五”信息通信行业发展规划》，《规划》进一步凸显了信息通信行业的功能和定位，也进一步强化了坚持新发展理念、坚持系统观念方面的有关要求。首次明确提出了加强跨地域跨行业统筹协调的重点任务，并通过增加工程数量进一步明确了任务落地实施的重点和抓手。[16]

2022 年 1 月，工信部、发改委发布《关于促进云网融合加快中小城市信息基础设施建设的通知》，指出需要持续完善城区光缆网络，加快建设新型 IP 城域网、光传送网络(OTN)5G 承载网、云专网等；重点聚焦政务服务、社会管理、工业制造、交通、教育、医疗、文化旅游等传统基础设施领域，开展千兆虚拟专网建设试点，协同部署工业无源光网络(PON)、工业 OTN、5G 基站、边缘计算、行业终端等设施，推广应用网络切片、A1、物联网等新技术，建设适应数字化发展的融合基础设施体系。[17]

近年来，由于技术更新速度的不断提高，贸易保护主义加剧、美国对华为等中国通信设备制造商的限制政策频出，复杂多变的内、外部环境和国际贸易形势仍将对我国通信设备制造行业的发展增长和利润水平造成一定程度的影响。

c) 上海剑桥科技的主要竞争者及其发展前景

在 ICT 终端设备行业，上海剑桥科技的主要竞争者是中磊电子、明泰科技、智易科技和共进股份。在 5G 网络设备行业，上海剑桥科技的主要竞争者是京信通信、佰才邦、启

[14] 来源：工业和信息化部 https://wap.miit.gov.cn/ztzl/rdzt/gyhlw/wjfb/art/2021/art_6706d89a6cbc49cea75e8d47d4787064.html
[15] 来源：中国政府网 http://www.gov.cn/zhengce/zhengceku/2021-03/23/content_5595161.htm
[16] 来源：工业和信息化部门 https://wap.miit.gov.cn/zwgk/zcwj/wjfb/tz/art/2021/art_3a0b0c726bd94b7d9b5092770d581c73.html
[17] 来源：工业和信息化部门 https://www.gov.cn/zhengce/2022-01/28/content_5670934.htm

基科技、中磊电子和富士康。在高速光组件和光模块行业，上海剑桥科技的主要竞争者是中际旭创、新易盛、Finisar(被 II-VI 收购)、索尔思（被华西股份收购)。

上海剑桥科技凭借先进的管理体系、完整而雄厚的研发能力和平台、优异的产品质量和服务，使其产品广泛运用于全球范围的主流通信运营商。

上海剑桥科技建立了一整套端到端的研发项目管理平台，从客户需求的确认，软硬件的开发完成，到生产工艺的管控，其雄厚的研发实力在业内备受瞩目。目前，上海剑桥科技已拥有多项全球专利。上海剑桥科技的 PON、Wi-Fi、Small Cell、智能家居等技术，广泛应用于通讯网络行业，并在行业内建立起坚实的客户基础。

近年来，通信设备企业的机遇与挑战并存。一方面，通信设备制造行业面临着市场品牌低价竞争、劳动力成本日益攀升等严峻挑战；另一方面，全球尤其中国在于通讯技术方面不断更新发展，通讯设备市场的前景值得关注，此类产品在未来也将有不小的成长和利润空间。不过如前所述，复杂多变的外部环境和国际贸易形势仍将对我国通信设备制造行业的发展增长和利润水平造成一定程度的影响。如何在机遇与挑战面前实现良性发展，将会是上海剑桥科技未来发展经营首先需要面临的问题。

D. 经营策略

如前文所述，2022 年度，上海剑桥科技主要从事电信宽带终端、无线网络设备、智能家庭网关、工业物联网产品、小基站、光器件以及高速光组件与光模块等的研发、生产和销售。上海剑桥科技在集团的整个产业链中，是一家集研发、销售于一体的生产商，其主要的业务流程如下图所示。

上海剑桥科技主要业务流程图



从业务流程来看，上海剑桥科技主要承担产品研发、生产职能，各部门的运作也主要围

绕产品的研发、生产和按时交付而进行。上海剑桥科技的产品资源线负责开展研发工作。其智能制造平台下的计划管理中心根据收到的订单以及需求预测制定生产计划，采购管理中心负责生产所需原材料的采购，经过生产加工后，再销售给客户，其质量与精益中心会对日常生产全过程进行检测。上海剑桥科技在各部门的协作支持下确保了其产品质量的稳定性以及交付的及时性。因而，其价值贡献在于其研发能力和稳定可靠的生产能力。

详细的业务流程及运营模式请参见第 III.关联交易中的 B. 功能风险分析章节部分的进一步描述。

E. 财务数据

下表列示了上海剑桥科技 2022 年度的整体财务状况。

上海剑桥科技利润表 [18]

项目	公式	2022 年度
主营业务收入	1	4,082,319,506.76
主营业务成本及税金	2	3,732,830,583.08
营业利润	3=1-2	349,488,923.68
营业费用	4	29,418,527.33
管理费用	5	288,072,137.27
财务费用	6	13,545,833.46
其中：汇兑差异	7	-41,133,635.77
息税前利润	8=3-4-5-7	73,131,894.85

如上表所示，2022 年度上海剑桥科技的息税前利润为人民币 73,131,894.85 元。

如前文所述，上海剑桥科技主要从境内外第三方供应商采购原材料，进行生产后，将产品销售至第三方客户（约占 39.03%）及关联客户（由其进一步销售给境外市场终端客户）。就业务类型来看，公司除此类生产销售业务类型外，并无其他业务类型。就产品类型来

[18] 来源：上海剑桥科技 2022 年度审计报告

看，公司所生产销售的产品同属一类产品。因此，本报告将第三方销售业务和关联方销售业务的财务数据进行拆分，通过对关联业务财务数据的分析来验证上海剑桥科技的关联交易是否符合独立交易原则。

上海剑桥科技关联业务下的利润表 [19]

项目	公式	2022 年度
主营业务收入	1	2,488,834,917.05
主营业务成本及税金	2	2,300,557,132.06
营业利润	3=1-2	188,277,784.99
营业费用	4	18,217,689.79
管理费用	5	139,067,913.60
财务费用	6	9,355,974.59
其中：汇兑差异	7	-23,980,017.86
息税前利润	8=3-4-5-7	54,972,199.46
利润水平指标		
毛利率	9=3/1	7.56%
完全成本加成率	10=8/(1-8)	2.26%

如上表所示，2022 年度上海剑桥科技关联业务的息税前利润为人民币 54,972,199.46 元，完全成本加成率为 2.26%。

F. 企业重组/无形资产转让情况

上海剑桥科技在 2022 年度未发生企业重组或无形资产转让的情况。

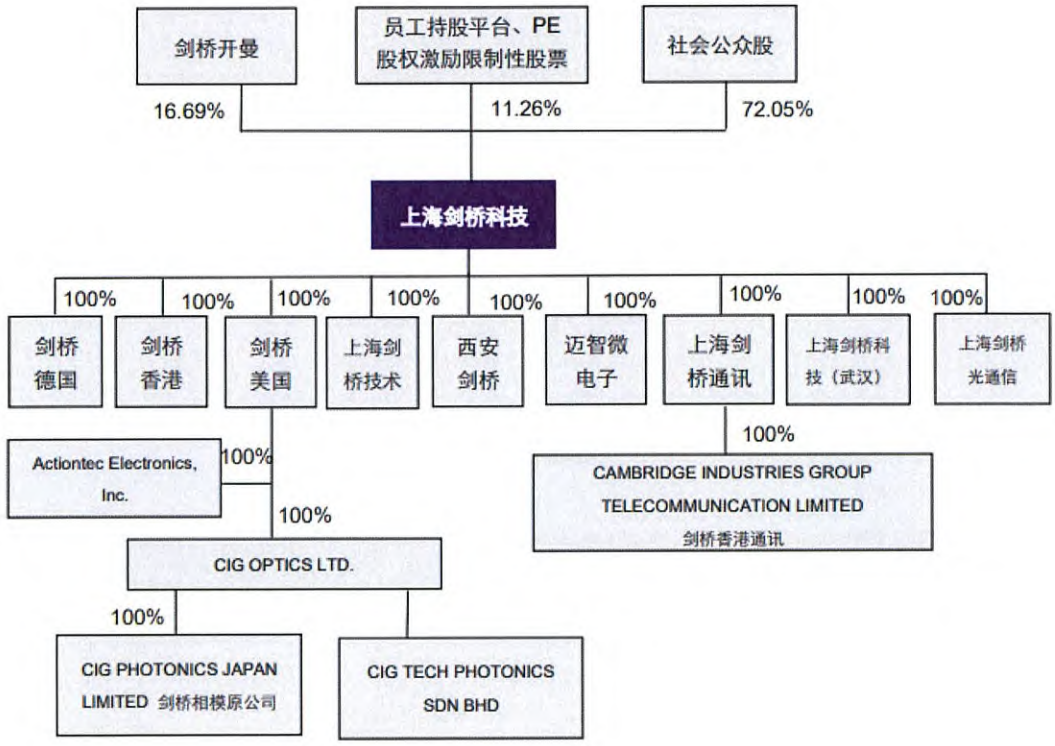
[19] 来源：上海剑桥科技管理层

II.关联关系

A. 与上海剑桥科技相关的集团股权架构图

上海剑桥科技相关的集团股权架构图如下:

集团相关股权架构图[20]



B. 与上海剑桥科技相关的关联方信息

在 2022 年期间，上海剑桥科技与集团内其他子公司构成关联关系。与上海剑桥科技相关的关联方信息如下所示:

[20] 来源：上海剑桥科技管理层

2022 年度关联方信息简表[21]

关联公司名称	国家/地区	关联关系	法定所得税率	是否享有税收优惠	关联关系变化情况
剑桥开曼	开曼	直接控股公司	0.00%	无	—
剑桥美国	美国	非控股，有交易	21.00%	无	—
剑桥香港通讯	香港	非控股，有交易	16.50%	无	—
剑桥德国	德国	非控股，有交易	19.00%	无	—
剑桥相模原公司	日本	非控股，有交易	34.08%	无	—
上海剑桥科技（武汉）	中国	非控股，有交易	25.00%	无	—
剑桥香港	香港	非控股，有交易	16.50%	无	—
迈智微电子（上海）	中国	非控股，有交易	25.00%	无	新增
上海剑桥通讯	中国	非控股，有交易	25.00%	无	—
上海剑桥光通信	中国	非控股，有交易	25.00%	无	—

上述列表中企业的其他信息，包括关联企业的法定代表人及实际经营地址等信息如下所示：

2022 年度关联企业详细背景

关联公司名称	国家/地区	地址	法定代表人
剑桥开曼	开曼	George Town in the Island of Grand Cayman	GERALD G WONG
剑桥美国	美国	2445 Augustine Drive, 6th Floor Santa Clara,CA 95054	IRIS WONG
剑桥香港通讯	香港	25th Floor, Jardine House, 1 Connaught Place, Hong Kong, PRC	GERALD G WONG
剑桥德国	德国	Siemensallee 1 17489	GERALD G

[21] 来源：上海剑桥科技管理层

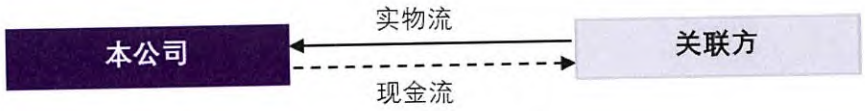
关联公司名称	国家/地区	地址	法定代表人
剑桥相模原公司	日本	神奈川県相模原市中央区小山四丁目 1 番 55 号	江良佳和
上海剑桥科技（武汉）	中国	武汉市东湖新技术开发区高新大道 999 号未来科技城海外人才大楼 A 座 18 楼 142 室	GERALD G WONG
剑桥香港	香港	Unit 501-502 5/F Hanford Commercial Centre 221B-E Nathan Road Jordan KI	GERALD G WONG
迈智微电子（上海）	中国	上海市闵行区陈行公路 2388 号 8 幢 504 室	GERALD G WONG
上海剑桥通讯	中国	上海市闵行区陈行公路 2388 号 8 幢 502 室	GERALD G WONG
上海剑桥光通信	中国	上海市闵行区江月路 505 号 1 号厂房第 1 层	GERALD G WONG

III.关联交易

A. 关联交易概况

本节披露了 2022 年度中，上海剑桥科技所涉及关联交易的类型、参与方、货币金额、物流和资金流等信息。除另有说明，以下数据金额均为人民币元列支。

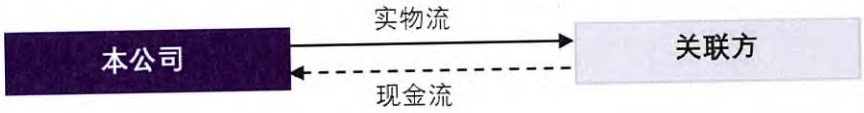
1. 有形资产所有权受让



2022 年，上海剑桥科技向关联方采购货物，年度采购金额如下：

关联方	金额
上海剑桥科技（武汉）	817,684,561.26
剑桥美国	90,237,348.53
剑桥相模原公司	67,682,343.66
剑桥香港通讯	25,098,642.43
剑桥香港	190,085.03
合计	**1,000,892,980.91**

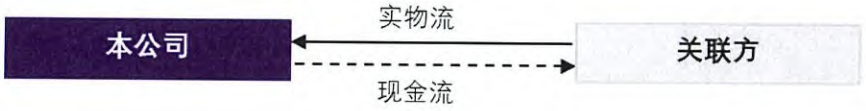
2. 有形资产所有权出让



2022 年，上海剑桥科技向关联方销售货物，年度销售金额如下：

关联方	金额
剑桥美国	1,235,389,119.98
上海剑桥通讯	593,921,438.55
上海剑桥科技（武汉）	585,029,338.43
剑桥香港	24,361,290.11
剑桥德国	14,749,627.16
剑桥相模原公司	9,487,119.18
合计	**2,462,937,933.41**

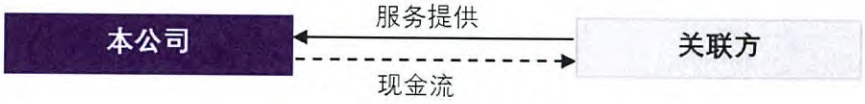
3. 有形资产使用权受让



2022 年，上海剑桥科技向关联方租赁房屋及建筑物，年度金额如下：

关联方	金额
迈智微电子（上海）	383,218.13
合计	**383,218.13**

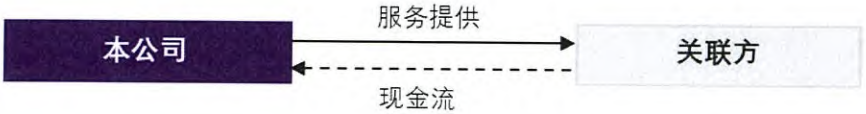
4. 接受劳务支出



2022 年，上海剑桥科技接受关联方提供的技术服务，并支付服务费，金额如下：

关联方	金额
上海剑桥光通信	13,879,149.69
合计	**13,879,149.69**

5. 提供劳务收入



2022 年，上海剑桥科技向关联方提供财会服务、人力资源等方面的支持服务，并向关联方收取服务费，金额如下：

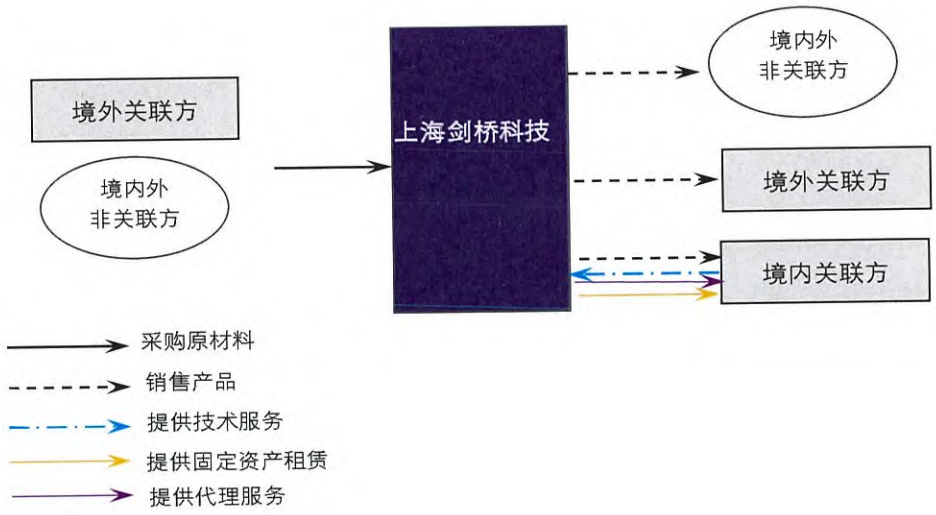
关联方	金额
上海剑桥通讯	442,160.09
合计	**442,160.09**

B. 功能风险资产分析

上海剑桥科技的主要交易模型

上海剑桥科技在集团的整个产业链中，是一家集研发、销售于一体的生产商。上海剑桥科技主要从境外关联方和境内外第三方供应商采购原材料，进行生产后，其产品部分销售至境内外第三方客户，部分销售至境内外关联方。另外，上海剑桥科技还接受关联方提供的技术服务，并向关联方提供代理服务；同时，上海剑桥科技向关联方租赁房屋及建筑物。具体如下图所示：

上海剑桥科技交易流程图



下文将描述和分析上海剑桥科技在上述交易模型下与其关联方在关联交易中执行的功能、承担的风险以及使用的资产情况。

功能风险分析

1. 研究与开发

功能

a) 核心技术研发

上海剑桥科技生产的通信设备类产品所涉及的核心技术包括无源光纤接入技术、无线接入技术、DSL 技术、电信宽带终端、无线网络设备与小基站、智能家庭和存储产品、工业物联网产品、以及高速光组件与光模块相关的技术以及生产制造相关技术（如自动化生产、工业 4.0 相关技术）。上海剑桥科技承担核心技术的研发，并相应承担与核心技术研发活动的相关成本。上海剑桥科技所拥有的该类技术在行业中处于领先地位，在生产过程中依赖并使用上述核心技术。

上海剑桥科技的研发工作集中于设计、开发、生产工艺等方面。目前，上海剑桥科技设有研发创新平台。具体而言，上海剑桥科技的工程师会负责新技术与新产品的开发，如电信宽带终端、无线网络设备与小基站、智能家庭和存储产品、工业物联网产品、高速光组件与光模块以及大数据、自动化生产技术等。

从研发流程来看，针对新中标的项目，上海剑桥科技的研发活动主要经过项目立项、硬件（芯片）选择与软件设计、原型机开发与验证、新产品导入、小批量试制与批量生产几个阶段。此外，上海剑桥科技也会根据市场、客户需求趋势进行自主研发。在整个研发过程中，上海剑桥科技的研发团队会与各部门紧密沟通合作，完成研发活动。

b) 生产和工艺设计

与上海剑桥科技生产过程相关的工艺流程设计和开发主要由上海剑桥科技主导开发，并相应承担开发费用，同时上海剑桥科技也负责各项专利的申请。

c) 产品标签

如前文所述，上海剑桥科技主要基于 JDM 和 ODM 的合作模式进行研发、生产。在 JDM 和 ODM 模式下，上海剑桥科技生产的产品所贴标签为客户的标签，此类标签为第三方客户所拥有。此外，小部分产品不经由 JDM 或 ODM 模式，而是由上海剑桥科技直接生产销售，此类产品所贴的标签为"CIG"，为上海剑桥科技所拥有。

风险

研发风险是因研发项目失败而造成损失的风险。它是指企业为开发新产品产生大量支出，但相关产品未能达到预期效果的风险。

如上所述，上海剑桥科技主要负责核心技术的研发以及产品的设计功能，并承担相关成本。因此，上海剑桥科技相应承担主要的核心技术研发/产品设计风险。

同理，上海剑桥科技负责主要的工艺流程的开发活动，并承担相应的费用。因此，上海剑桥科技承担主要的工艺流程开发风险。

资产

2. 生产

功能

a) 原材料采购

上海剑桥科技主要采购的原材料包括芯片、BOSA、PCB 板、电源、外壳组件、电阻、连接器、变压器、电感、二三极管以及纸箱、托盘等包装材料。

上海剑桥科技通常根据实际收到的订单以及需求预测制定生产计划，从而采购生产用原材料。上海剑桥科技的原材料采购主要来自境外关联方和境内外第三方供应商，其中，生产用核心物料（主要是电子芯片）主要从境外采购。上海剑桥科技自行与供应商洽谈采购价格与其他合同条款。

b) 原材料运输

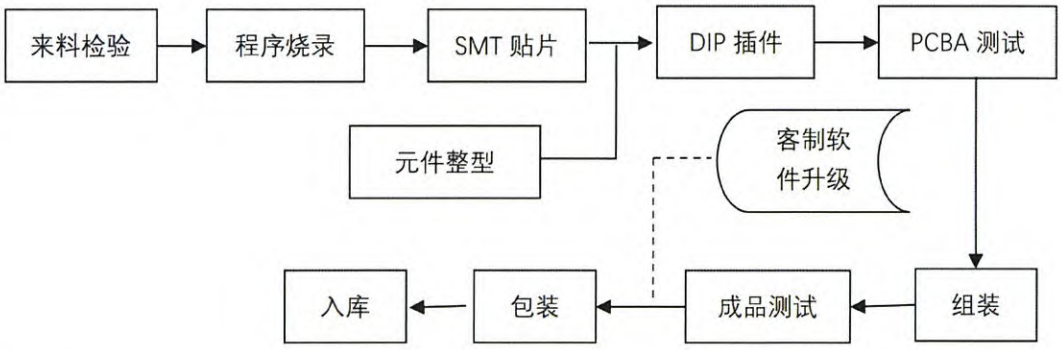
根据各个采购协议的不同，上海剑桥科技或供应商根据合同约定负责原材料的运输。对于境外采购，上海剑桥科技采取 Ex-Works 或 CIF 方式，上海剑桥科技需承担相应的运费和保险费；对于境内采购，多数情况下由境内供应商负责运输，并承担相应费用。上海剑桥科技拥有自己的仓库，负责原材料验收、入库和仓储保管以及存货的管理，并承担相应成本。

c) 产品生产

上海剑桥科技的产品主要有光纤接入终端设备、无线网络设备、智能家庭网关、工业物联网产品、小基站、高速光组件与光模块等。上海剑桥科技按照客户订单和需求预测来安排生产计划。

公司接到客户订单后，由销售部门、采购部门进行交货日期和采购评审的确认，然后交由生产制造部门进行生产排期；制造部制定生产计划，向生产车间下达具体生产指令；生产车间按单生产，根据物料供应与设备运行状况来安排具体的生产日计划；整个生产过程由公司品质管理部门负责全程质量监控。

上海剑桥科技的产品从原材料到成品的基本工艺流程主要包括 SMT（表面贴装技术）自动化贴片、DIP 插件、测试组装等主要工序，具体如下图所示：



在生产过程中，上海剑桥科技承担与厂房相关的各项费用成本、人员成本，并对工厂产线及设备进行投资。生产所用的主要机器设备由上海剑桥科技自行负责日常维护。

上海剑桥科技的产品存放在自己的仓库，由上海剑桥科技负责日常仓储保管以及存货管理。

d) 质量控制

上海剑桥科技自行负责日常生产的质量控制，并拥有相关的质量控制和检测设备并承担质量控制的成本。上海剑桥科技拥有的质控团队，采用集团内部质量控制标准及行业内标准，其质控覆盖原材料入库、生产线和成品出厂等各个环节。

e) 产品包装

上海剑桥科技自行包装产品并承担相应的成本。

风险

a) 原材料价格波动风险

原材料价格波动可能导致企业的利润水平受到影响。该类风险即为原材料价格波动风险。

由于上海剑桥科技是其生产用原材料的所有者，且这些原材料的价格波动可能直接导致公司利润水平的波动，因此其承担原材料价格波动风险。

b) 生产风险

生产风险是指在生产过程中可能发生的突发事件给企业造成的额外成本和损失。

上海剑桥科技自行进行生产活动，对生产进行全程管理，因此上海剑桥科技相应承担生产风险。

c) 投资、设备损失风险

上海剑桥科技根据实际生产需要和企业运营计划，采购必要的经营性设备和其它固定资产并承担相应的风险。

d) 质量控制风险

质量控制风险是指运达客户的产品有瑕疵而导致退货的风险，以及在生产商承诺的期间内产品出现质量问题而发生的退换和修理。

上海剑桥科技自行负责并实施质量控制，同时对生产过程相关的产品缺陷负责并承担相关替换成本。由于实施了严格的质量控制体系，上海剑桥科技在生产过程中的废品率很低。因此，上海剑桥科技的质量控制风险较为有限。

e) 包装风险

上海剑桥科技承担由于包装过程所导致的产品损坏或变质这一风险。但从实际情况来看，上海剑桥科技在产品包装过程中基本不会出现产品损坏的现象，因此，上海剑桥科技承担的包装风险非常有限。

f) 原材料和产品存货风险

原材料/产成品存货风险是指原材料囤积过久导致报废或价值下降而给企业造成的损失。

上海剑桥科技主要按照订单制定原材料采购计划和组织生产，并拥有所有自产产品的所有权。由于上海剑桥科技通常会保有一定量的库存方便客户提货，因此其承担一定的存货风险。

g) 原材料运输风险

原材料运输风险主要针对运输过程可能对原材料造成的损坏。

根据采购合同的约定，上海剑桥科技或其供应商负责原材料的运输。因此，原材料运输风险由上海剑桥科技或者其供应商承担。

3. 市场营销

功能

a) 营销策划

在非关联销售中，上海剑桥科技承担主要的市场营销活动，包括市场研究、制定总体营销策略、参与行业展会、参与国际标准化活动、刊登国外主流期刊、开发新客户、价格磋商和客户维护等，并承担所有相关费用。

在关联销售中，营销活动主要由上海剑桥科技负责，主要包括与客户沟通、新项目跟进等方式。上海剑桥科技的关联方会负责所在区域的部分营销活动，上海剑桥科技也会提供其境外关联方相应的营销指导与支持。

b) 商标和商誉

与市场营销活动最密切关联的主要无形资产是商标品牌 CIG。该商标的法定拥有者为上海剑桥科技。

风险

营销风险是指营销活动并未达到扩张市场地位或特定品牌与产品声誉目标的风险。

如上文所述，在非关联销售中，市场营销活动由上海剑桥科技主导，上海剑桥科技承担与境内市场相关的营销风险（即：营销活动无法按预期提升品牌和产品的市场地位）。

在关联销售中，上海剑桥科技会直接承担相关的营销风险，上海剑桥科技境外关联方仅承担部分与境外市场相关的营销风险。

4. 销售与分销

功能

a) 销售模式

上海剑桥科技的产品部分销售至境内外第三方客户，部分销售至境内外关联方。此外，上海剑桥科技销售部分原材料至境内关联方。

在非关联销售中，上海剑桥科技自行制定销售计划，具体包括处理客户询价；确定订单细节，如价格和交货期；跟踪客户的销售订单和预测；维护客户关系等。上海剑桥科技的第三方客户群主要为通信设备经销商，由其再销售给终端客户（大型通信运营商）。上海剑桥科技承担自身销售过程中产生的销售费用。

在关联销售中，上海剑桥科技将产品销售至关联方，经由其再销售给终端客户；同时，上海剑桥科技销售部分原材料至境内关联方。在此过程中，上海剑桥科技或其关联方负责销售活动并承担相应的销售费用。

b) 产品运输

在非关联销售中，根据销售合同的约定，上海剑桥科技或其客户会负责产品的运输。

在关联销售中，根据订单要求，由上海剑桥科技或其关联方负责运输，并承担运费。

c) 售后服务与质保

在非关联销售中，上海剑桥科技向客户提供一定的质保期，并承担相关成本。

在关联销售中，由关联方承担向终端客户提供质保期和相关的售后服务，并根据实际情况由关联方或上海剑桥科技承担成本和费用。

风险

a) 市场风险

市场风险是指由于市场需求变化、市场价格波动等造成企业盈利状况的不可预知性，如由于市场需求萎缩而造成的产品滞销、产品价格变化造成的利润下降、市场推广策略失误造成的损失等。

在非关联销售中，上海剑桥科技直接承担市场风险。

在关联销售中，上海剑桥科技或其关联方承担其分销产品所涉及的市场风险。

b) 信用风险

信用风险指向客户赊销后，最终可能产生的坏账风险。

在非关联销售中，上海剑桥科技在向境内第三方销售中提供一定的信用期，从而承担相应信用风险。

在关联方销售中，上海剑桥科技不产生信用风险，而是由关联方向终端客户销售时，自行承担信用风险。

c) 产成品运输风险

产成品运输风险主要针对运输过程可能对产成品造成的损坏。

在非关联销售中，根据销售合同的约定，上海剑桥科技或其客户会负责产品的运输。因此，产品运输风险由上海剑桥科技或者其客户承担。由于有相应的运输保险，上海剑桥科技实际承担的产品运输风险有限。

在关联销售中，上海剑桥科技根据订单要求将产品运往关联方或直接运至最终客户，并承担相应费用。

d) 售后质保风险

售后质保风险是指在保修期内为客户更换或修理有缺陷或故障产品所引发的费用。

上海剑桥科技在非关联销售中独立承担质保风险；在关联销售中，售后质保风险由上海剑桥科技和关联方共同承担。

e) 汇率波动风险

汇率波动风险存在于企业利润受汇率波动影响的情况下，即交易货币单位非该笔交易支付方记账本位币。

上海剑桥科技的企业账户中既有人民币，又有美元。上海剑桥科技在进口采购和出口销售中使用美元结算，在境内交易中使用人民币结算。因此，上海剑桥科技承担汇率波动风险。

5. 管理与其他服务

该职能主要包括日常行政管理和人事。

功能

a) 日常行政管理

作为一家独立企业，上海剑桥科技自行负责日常行政管理活动，并且承担所有相应的费用。

b) 人事

上海剑桥科技向其员工提供常规及专项培训，并承担相关的成本费用。

总结

C. 交易定价的影响要素

1. 地域特殊因素

地域特殊因素包括成本节约和市场溢价。在下文中，我们将针对这两类因素分别进行分析。

a) 成本节约

成本节约是指跨国企业通过将集团内某一运营企业从高成本地区转移至低成本地区从

而获得的成本净节约。[22]中国企业若能够相较于原先在另一地区运营的企业以更低的成本进行运营，则需要针对成本节约因素对该中国企业相关的关联交易定价进行分析与调整。

上海剑桥科技所处集团是一家总部设立于中国的"走出去"企业，并不涉及成本节约的情况。

b) 市场溢价

市场溢价是指跨国企业通过因其独特的品质影响到其服务及产品在某一地区的销售和需求，从而获得的超额利润。[23]站在中国的角度，当集团的服务及产品在中国市场的销售价格及需求量高于其他地区时，则需要针对市场溢价因素对该中国企业相关的关联交易定价进行分析与调整。

按照传统"供给 — 需求"模型，市场溢价可能与功能分析下的产品生产或销售地的市场特性有关，也可能与市场的整体购买力以及家庭对产品的偏好、市场处于扩张还是收缩状态、市场竞争程度、消费者预期、市场管制（政府对某种产业的激励因素）、市场准入、价格歧视、道德风险、信息不对称性及其他类似因素有关。因此，在多重因素作用影响之下，市场溢价现象终因中国市场供求关系的特殊性而形成。[24]

<u>供给方面</u>

上海剑桥科技所处行业为通信设备行业。如前文所述，通信设备企业竞争日益加剧，市场上各种规模和类型的通信设备制造商数量众多，竞争激烈。上海剑桥科技虽然具有一定的技术优势和产品质量口碑，但从市场的供给端来看，上海剑桥科技并不能通过市场垄断或者寡头来获取市场溢价。

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[22] 来源：OECD, Location savings are the net cost savings that an MNE realizes as a result of relocation of operations from a high-cost jurisdiction to a low-cost jurisdiction.
[23] 来源：United Nations: Practical Manual on Transfer Pricing for Developing Countries, D.2.4.4.4. Market premium relates to the additional profit derived by an MNE by operating in a jurisdiction with unique qualities impacting on the sale and demand for a service or product.
[24] 《地域性特殊优势之"市场溢价"理论透视：由来、定位、实践与未来趋向》，《中央财经大学学报》2016 年第 3 期

需求方面

如前文所述，过去十年电信运营商在互联网业务冲击下转型乏力，运营商的设备投资能力已经严重受限。但随着国家鼓励和规范通信设备行业发展的策略相继出台，行业正逐步规范，全社会的消费意识也在不断提高，越来越多的资本不断进入该领域，有力地促进了该行业的发展，其发展前景广阔。但受到全球经济下行的直接影响，通信设备制造行业整体收入增长速度放缓，直接影响上游通讯设备原材料的销售。因此，上海剑桥科技并不因市场需求情况而获得市场溢价。

综上，上海剑桥科技并没有因成本节约或市场溢价而获得特殊的地域因素收益。

2. 无形资产

集团的无形资产，主要包括技术型无形资产和营销型无形资产。

就技术型无形资产而言，上海剑桥科技拥有其自主研发的技术成果的专利权。上海剑桥科技拥有实力雄厚的研发技术团队，在许多核心技术方面都充满经验，其通信设备类产品所涉及的核心技术包括无源光纤接入技术、无线接入技术、DSL 技术、智能家庭和存储产品、高速光组件与光模块相关的技术以及生产制造相关技术（如自动化生产、工业 4.0 相关技术）。上海剑桥科技设立的产品研发平台负责前述技术的开发、维护、更新、升级等工作。这些关键技术在行业中处于领先地位，使得上海剑桥科技的通信设备产品更具竞争力。凭借其在技术的专业性，获得了越来越多客户的认可。上海剑桥科技的研发职能对价值创造具有重要的贡献。

就营销型无形资产而言，上海剑桥科技拥有商标和品牌"CIG"，其负责对商标品牌的形象设计工作，提供企业品牌构建活动，提供相关的市场宣传册，维护和防御商标避免商标模仿和伪造等。

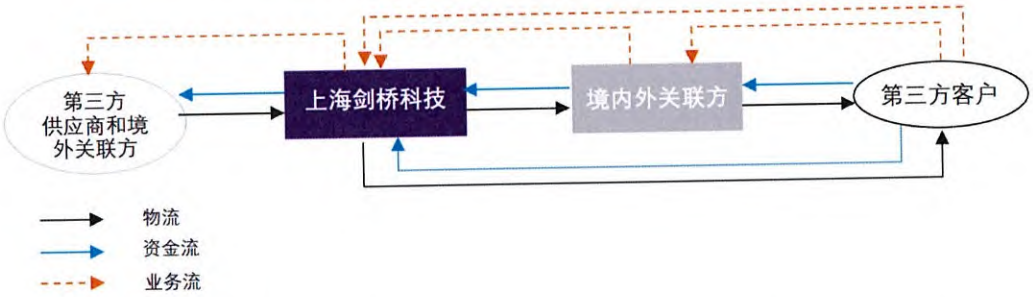
因此，上海剑桥科技针对技术型及营销型无形资产，进行开发、价值提升、维护、保护、应用和推广，对整个供应链的价值创造起到了重要的贡献作用。

D. 价值链分析

1. 集团内相关业务流、物流、资金流的说明

上海剑桥科技生产制造的产品为电信宽带终端、无线网络设备与小基站、智能家庭和存储产品、工业物联网产品、以及高速光组件与光模块等。集团产品的核心技术研究与开发由上海剑桥科技负责。上海剑桥科技基于客户的订单，进行产品的生产。生产相关的原材料主要来自境外关联方和第三方。上海剑桥科技在生产之后，将产品部分销售至第三方客户，部分销售至境内外关联方，后者再向第三方客户进行销售。上海剑桥科技公司相关的业务流、物流、资金流等情况如下图所示：

上海剑桥科技相关的业务流、物流、资金流情况



如上图所示，就业务流来看，上海剑桥科技根据第三方的订单情况，进行生产活动，并根据生产情况向境外关联方和境内外第三方进行原材料的采购。就物流来看，上海剑桥科技的产品被运往境内外关联方，后者再将产生品运往第三方客户。同时，也存在上海剑桥科技将产品直接运往第三方客户的情况。

2. 集团内价值链分析

上海剑桥科技参与的价值链分析图如下所示：

上海剑桥科技相关的价值链分析图



如上图所示，对该价值链利润贡献最大的职能为核心技术和生产工艺的研发与设计，其次为营销和销售职能（在激烈的市场竞争和多变的外部环境中，保持市场份额和维护客户），再其次为生产制造，最后是采购、物流与售后等辅助职能。如前所述，上海剑桥科技在价值链中承担研发、生产、采购、物流运输、市场的营销和销售功能；同时其关联方承担了境外市场的营销和销售职能。因此，上海剑桥科技承担了对价值链起到重要贡献因素的职能。

3. 地域特殊因素对企业创造价值贡献的计量及特性

如前文所述，不存在上海剑桥科技留有因中国产生成本节约/市场溢价带来的利润。

4. 企业集团利润在全球价值链中的分配原则和分配结果

根据经济合作发展组织（"OECD"）及 G20 的税基侵蚀和利润转移（"BEPS"）行动计划、以及 42 号公告的精神，跨国企业应当就其利润就经济活动发生地及价值创造地合理纳税，且其经济活动、价值创造、税负水平需相应匹配。对于上海剑桥科技而言，在集团的供应链中是一家具有研发、销售功能的生产商，其对价值链具有重要的贡献。上海剑桥科技在价值链中留存了符合其功能风险和价值创造的合理利润。对于上海剑桥科技获得的利润水平的分析，参见 V.可比性分析章节。

E. 价值链分析中参与方最近会计年度的财务报表

关联交易参与方的财务报表由集团管理层统一保管，可根据税局要求另行提供。

F. 对外投资

2022 年度，上海剑桥科技未发生对外投资的情况。

G. 关联股权转让

2022 年度，上海剑桥科技未发生关联股权转让的情况。

H. 关联劳务

从关联方接受服务

如前所述，上海剑桥科技 2022 年所发生的关联劳务为从境内关联方接受技术服务。上海剑桥科技在生产运营中接受关联方提供的技术服务，并向关联方支付服务费。

向关联方提供服务

2022 年度，上海剑桥科技向关联方提供共享服务，具体包括财会服务、人力资源服务等支持性服务，并向关联方收取服务费。上海剑桥科技向其关联方提供关联劳务，主要原因是其关联方自身部门人员还不足以完全承担该功能的正常运作。上海剑桥科技提供的服务符合了关联方的经营需要，交易具有商业实质且为关联方的经营创造了实际的价值。因此，从商业角度和受益性原则考虑，上海剑桥科技与其关联方之间的关联劳务安排是合理且必要的。

上述关联劳务交易的内容和金额均已在"III-A. 关联交易概况"披露。

I. 现有单边和双边/多边预约定价安排和其他税收裁定

集团内的任何成员未签署任何与上海剑桥科技的关联交易直接相关的单边和双边/多边预约定价安排和其他税收裁定。

IV.转让定价方法的使用和选择

A. 可选用的转让定价方法

根据《国家税务总局关于特别纳税调查及相互协商程序管理办法的公告》("6 号公告")的规定，发生关联方的企业以及税务机关审核、评估关联交易均应遵循独立交易原则，选用合理的转让定价方法。其中所称的转让定价方法包括：

- 可比非受控价格法；
- 再销售价格法；
- 成本加成法；
- 交易净利润法；
- 利润分割法；
- 其他符合独立交易原则的方法包括成本法、市场法和收益法等资产评估方法，以及其他能够反映利润与经济活动发生地和价值创造地相匹配原则的方法。

选用合理的转让定价方法应进行可比性分析，主要包括以下五个方面：

1. 交易资产或劳务特性--有形资产的物理特性、质量、数量等；无形资产的类型、交易形式、保护程度、期限、预期收益等；劳务的性质和内容；金融资产的特性、内容、风险管理等；

2. 交易各方功能、承担的风险和使用的资产--功能主要包括研发、设计，采购，加工、装配、制造、维修、分销、营销、广告、存货管理、物流、仓储、融资、管理、财务、会计、法律及人力资源管理等。风险主要包括投资风险、研发风险、采购风险、生产风险、市场风险、管理风险及财务风险等。资产包括有形资产、无形资产、金融资产等；

3. 合同条款--包括交易标的、交易数量、交易价格、收付款方式和条件、交货条件、售后服务范围和条件、提供附加劳务的约定、变更或者修改合同内容的权利、合同有效期、终止或者续签合同的权利等。合同条款分析应当关注企业执行合同的能力与行为，

以及关联方之间签署合同条款的可信度等；

4. 经济环境--包括行业概况、地理区域、市场规模、市场层级、市场占有率、市场竞争程度、消费者购买力、商品或者劳务可替代性、生产要素价格、运输成本、政府管制，以及成本节约、市场溢价等地域特殊因素；

5. 经营策略--包括创新和开发、多元化经营、协同效应、风险规避及市场占有策略等。

本章就 6 号公告对各转让定价方法的解释以及上述可比性因素的规定，分析并选择适用于上海剑桥科技和其关联方之间关联交易的转让定价方法。

B. 可比非受控价格法

可比非受控价格法以非关联方之间进行的与关联交易相同或类似业务活动所收取的价格作为关联交易的公平成交价格。可比非受控价格法可以适用于所有类型的关联交易。

可比非受控价格法的可比性分析，应当按照不同交易类型，特别考察关联交易与非关联交易中交易资产或者劳务的特性、合同条款、经济环境和经营策略上的差异。

关联交易与非关联交易在以上方面存在重大差异的，应当就该差异对价格的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

在本案中，上海剑桥科技从境外关联方和第三方采购原材料进行生产后，将部分产品销售给境内外非关联方；部分产品，通过境内外关联方销售给终端第三方客户。虽然上海剑桥科技的关联交易存在类似第三方交易，即上海剑桥科技向关联方和第三方提供相类似的产品。然而经过分析，我们发现两项交易下上海剑桥科技在交易内容、承担的功能和风险程度、合同条款、经济实质等方面均存在重大差异。该差异无法通过数据分析进行合理量化和调整。此外，也无法获得外部可比非关联交易，即集团外的独立第三方之间进行的类似可比交易的信息。由此，本案应根据 42 号及 6 号公告的规定，选择其他合理的转让定价方法进行分析。

C. 再销售价格法

再销售价格法以关联方购进商品再销售给非关联方的价格减去可比非关联交易毛利后的金额作为关联方购进商品的公平成交价格。再销售价格法一般适用于再销售者未对商品进行改变外型、性能、结构或更换商标等实质性增值加工的简单加工或单纯购销业务。

再销售价格法的计算公式如下:

- 公平成交价格=再销售给非关联方的价格×（1-可比非关联交易毛利率）
- 可比非关联交易毛利率=可比非关联交易毛利/可比非关联交易收入净额 ×100%

针对再销售价格法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险、使用的资产和合同条款上的差异，以及影响毛利率的其他因素，具体包括营销、分销、产品保障及服务功能，存货风险，机器、设备的价值及使用年限，无形资产的使用及价值，有价值的营销型无形资产，批发或者零售环节，商业经验，会计处理及管理效率等。

关联交易与非关联交易在以上方面存在重大差异的，应当就该差异对毛利率的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

在本案中，上海剑桥科技从境外关联方和第三方采购原材料进行生产，并将部分产成品销售给境内外非关联方，部分销售给境内外关联方。而再销售价格法通常适用于再销售者未对商品进行改变外型、性能、结构或更换商标等实质性增值加工的简单加工或单纯购销业务。因此，在本案中无法使用再销售价格法。

D. 成本加成法

成本加成法以关联交易发生的合理成本加上可比非关联交易毛利后的金额作为关联交易的公平成交价格。成本加成法一般适用于有形资产使用权或者所有权的转让、资金融通、劳务提供等关联交易。

成本加成法的计算公式如下:

- 公平成交价格 = 关联交易发生的合理成本×(1+可比非关联交易成本加成率);

- 可比非关联交易成本加成率=可比非关联交易毛利/可比非关联交易成本×100%

成本加成法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险、使用的资产和合同条款上的差异，以及影响成本加成率的其他因素，具体包括制造、加工、安装及测试功能，市场及汇兑风险，机器、设备的价值及使用年限，无形资产的使用及价值，商业经验，会计处理，生产及管理效率等。

关联交易与非关联交易在以上方面如存在重大差异的，应当就该差异对成本加成率的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

如前所述，上海剑桥科技的关联交易存在类似第三方交易，即上海剑桥科技向关联方和第三方提供相类似的产品。然而经过分析，我们发现关联和第三方交易下上海剑桥科技在交易内容、承担的功能和风险程度、合同条款、经济实质等方面均存在重大差异。该差异无法通过数据分析进行合理量化和调整。此外，也无法获得外部可比非关联交易，即集团外的独立第三方之间进行的类似可比交易的信息。因为，可比企业的功能与风险的详细数据难以获取，同时可比公司不透露详细财务信息（包括具体的业务类别、财务数据的成本构成和利润计算过程），且涉及多种会计制度及处理方法，导致无法确定上海剑桥科技的成本类别与可比公司的成本类别是否一致划分，从而无法进行可靠的毛利加成率分析。由此，本案应根据 42 号及 6 号文的规定，选择其他合理的转让定价方法进行分析。

E. 交易净利润法

交易净利润法以可比非关联交易利润率指标确定关联交易净利润。非关联交易利润率指标通常为净利润性质，包括息税前利润率、完全成本加成率、资产收益率、贝里比率等。交易净利润法一般适用于不拥有重大价值无形资产企业的有形资产使用权或者所有权的转让和受让、无形资产使用权受让以及劳务交易等关联交易。

交易净利润法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险和使用的资产，经济环境上的差异，以及影响利润的其他因素，具体包括行业和市场情况，经营规模，经济周期和产品生命周期，收入、成本、费用和资产在各交易间的分配，会计处理及经营管理效率等。

从原理上来讲，交易净利润法合并测试一组或多组受控交易（关联交易）的总体利润水平。相比再销售价格法和成本加成法中使用的毛利率指标，交易净利润法下使用的净利润水平指标受关联和非关联业务间因功能、风险、会计处理等差异而造成的影响最小。

因此，交易净利润法下的净利润指标对评估关联交易是否符合独立交易原则非常有效。在目前中国和国际转让定价实务中，交易净利润法也是最为频繁使用的方法。

由此，本案选择了交易净利润法作为适合的方法来评估相关关联交易是否符合独立交易原则。

F. 利润分割法

利润分割法根据企业与其关联方对关联交易合并利润（实际或者预计）的贡献计算各自应该分配的利润额。利润分割法主要包括一般利润分割法和剩余利润分割法。

一般利润分割法通常根据关联交易各方所执行的功能、承担的风险和使用的资产，采用符合独立交易原则的利润分割方式，确定各方应当取得的合理利润；当难以获取可比交易信息但能合理确定合并利润时，可以结合实际情况考虑与价值贡献相关的收入、成本、费用、资产、雇员人数等因素，分析关联交易各方对价值做出的贡献，将利润在各方之间进行分配。

剩余利润分割法将关联交易各方的合并利润减去分配给各方的常规利润后的余额作为剩余利润，再根据各方对剩余利润的贡献程度进行分配。

利润分割法一般适用于企业及其关联方均对利润创造具有独特贡献，业务高度整合且难以单独评估各方交易结果的关联交易。利润分割法的适用应当体现利润应在经济活动发生地和价值创造地征税的基本原则。

利润分割法的可比性分析，应当特别考察关联交易各方执行的功能、承担的风险和使用的资产，收入、成本、费用和资产在各方之间的分配，成本节约、市场溢价等地域特殊因素，以及其他价值贡献因素，确定各方对剩余利润贡献所使用的信息和假设条件的可靠性等。

考虑到上海剑桥科技与关联方之间的交易并不复杂，也不存在双方行为高度整合的情况，并且上海剑桥科技的关联方不拥有重要的无形资产，利润分割法也不是用来分析验证交易是否符合独立交易原则的最佳方法。

G. 其他转让定价方法

其他符合独立交易原则的方法包括成本法、市场法和收益法等资产评估方法，以及其他能够反映利润与经济活动发生地和价值创造地相匹配原则的方法。

成本法是以替代或者重置原则为基础，通过在当前市场价格下创造一项相似资产所发生的支出确定评估标的价值的评估方法。成本法适用于能够被替代的资产价值评估。

市场法是利用市场上相同或者相似资产的近期交易价格，经过直接比较或者类比分析以确定评估标的价值的评估方法。市场法适用于在市场上能找到与评估标的相同或者相似的非关联可比交易信息时的资产价值评估。

收益法是通过评估标的未来预期收益现值来确定其价值的评估方法。收益法适用于企业整体资产和可预期未来收益的单项资产评估。

考虑到上海剑桥科技为生产商，上述方法并不适用于分析验证上海剑桥科技的关联交易是否符合独立交易原则。

H. 交易净利润法下的被测试方选择

本案将交易净利润法选为最适合的转让定价方法。在该方法下，必须在关联交易双方中选出被测试方，并通过测试该方的净利润水平来评估相关的关联交易是否符合独立交易原则。

一般来讲，被测试方通常是在关联双方中，承担功能较简单，风险较小，并且不拥有足以使其有别于其他潜在可比非受控企业的重要无形资产的那方。根据本报告 III.关联交易章节中 B.功能风险分析部分结果，我们选择了上海剑桥科技为本案的被测试方。

I. 交易净利润法下的利润水平指标选择

利润水平指标用于衡量利润与销售收入、实际成本或资源投入之间的关系。利润指标的选取应当反映交易各方执行的功能、承担的风险和使用的资产。

被测试方上海剑桥科技为生产企业，通常应选用的净利润水平指标为完全成本加成率。即：

完全成本加成率=息税前利润/完全成本=息税前利润/（主营业务收入-息税前利润）
其中，完全成本=主营业务成本（包括税金及附加）+营业费用+管理费用

J. 可比公司数据统计

在交易净利润法下选定被测试方和利润水平指标后，应当通过基准定位分析（可比性分析）来搜索可比公司，并通过计算可比公司的利润水平来评估被测试方在关联交易中是否符合独立交易原则。对可比公司进行数据统计时，一般采用多年数据和四分位区间。

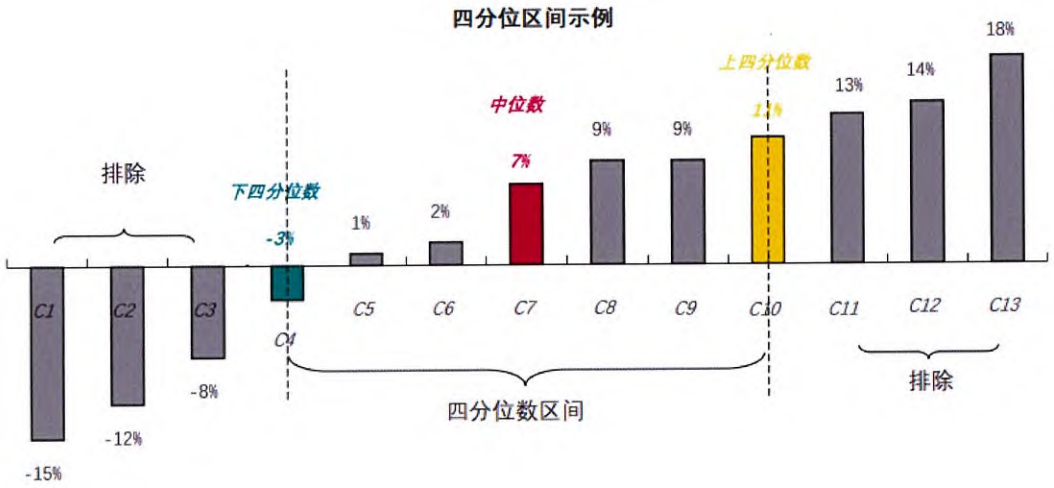
1. 多年数据的使用

由于一系列非转让定价因素的影响，可比公司的财务数据在短期内可能有波动。为了避免因此造成的影响，我们在稍后的基准定位分析章节中对可比企业进行了三年的数据分析（2019 到 2021），并计算它们利润指标的加权平均值。

2. 四分位区间

搜索得出多家可比公司后，中国和国际转让定价实务中的通行做法是在此基础上建立合理利润区间。为了建立这一区间，通常剔除最低和最高区域内各 25%的数值，从而得到统计学上的"四分位数区间"。该区间内的最小端值被称为"下四分位数"，最大端值被称为"上四分位数"，中位值即中位数。

举例来说，下图列出了对 13 个可比对象的四分位数的计算方法。去掉最好和最差的各 25%的公司后，四分位数区间涵盖的便是从第 4 家到第 10 家的公司，其中第 7 家公司代表的是中位数值。



如果被测试企业的利润水平处于可比公司四分位数区间之内，一般便可认为其关联交易遵循了独立交易原则。

V.可比性分析

可比性分析（基准定位分析）的目的是通过数据库搜寻与上海剑桥科技功能与产品可比的亚太地区公司，并通过计算可比公司的财务和利润水平来确定上海剑桥科技在关联业务中所应该获取的合理利润水平。本章节详述了我们的分析标准，分析过程以及最后的结果。

A. 可比公司筛选标准

在本次测试的关联业务中，我们的搜索旨在找到符合以下条件的亚太地区上市公司作为上海剑桥科技的可比公司：

- 主营业务为生产；
- 主要产品为通信设备；
- 在 2019-2021 财政年度间，可从数据库中获得至少两年的财务数据；
- 在 2019-2021 财政年度间，不存在连续亏损状况；
- 不受关联方重大控制，无大额关联方交易；
- 不承担明显不可比的功能，如销售、市场营销以及投资控股等，或生产不可比产品。

为达到有效搜索的目的，采用了一系列的量化和质化指标来评估和筛选潜在的可比公司。具体详见下文。

B. 可比公司搜索过程

1. 选用的数据库

我们选用的数据库为世界领先的商业和公司信息电子出版商 Bureau van Dijk Electronic Publishing ("BVD")所提供的 TP Catalyst 数据库。

TP Catalyst 数据库提供全世界 140 个以上国家中上市公司的财务，所有权，经济新闻，评级，股票数据等信息。库中共含总共约 115,000 多家上市企业近 30 年来的标准格式和报告格式财务数据。

中国国家税务总局（"国税总局"）也已在其税收征管和反避税工作中使用 TP Catalyst 数据库。2005 年 3 月 25 日，国税总局发布了国税函[2005]239 号文，要求各级税务部门使用 BVD 公司的数据库作为反避税调查和纳税调整的依据。

我们在搜索可比公司时采用了 2022 年 12 月版的 TP Catalyst 数据库。

2. 基本搜索流程

搜索流程包含三大步骤：

- 电子识别 – 找到美国标准行业代码（"SIC"代码）系统中代表被测试方业务的代码，并找出该代码下的企业名单；
- 量化筛选 – 用量化指标对上一步中得出的全体公司进行初步筛选；
- 质化筛选 – 通过研读公司业务介绍来做进一步筛选，并得到最终可比公司组。

3. 电子识别

a) SIC 代码

本分析找到了以下符合上海剑桥科技业务的 SIC 代码：

可比性分析所选 SIC 代码表

SIC代码	描述
3629	其他未分类的电子行业仪器
3669	其他未分类的通讯设备

这些代码将有效覆盖上海剑桥科技的潜在可比公司。

此外，同时为了更好地覆盖与上海剑桥科技可比的公司，我们在 SIC 代码 36**（电子及其他电气设备零部件）下加入了针对"wifi（无线宽带）"、"wireless（无线宽带）"、"gateway

（网关）"字符串的检索。这些代码将有效覆盖上海剑桥科技的潜在可比公司。

b) 地域范围

我们将企业的搜索范围选定在亚太地区的以下主要经济实体:

可比性分析所选地域表

中国大陆	香港	印度	印尼	日本
韩国	澳门	马来西亚	尼泊尔	新西兰
巴基斯坦	菲律宾	新加坡	斯里兰卡	台湾
澳大利亚	泰国	越南		

c) 独立性

该步骤用于删除那些在交易上（由此也可能影响财务上）受大股东控制的公司。我们引入了 TP Catalyst 数据库所提供的独立性指标进行筛选，只保留那些被 TP Catalyst 数据库标注了如下独立性指标的公司:

- A+, A 或 A-: 表明该公司没有任何股东控制该公司的股份超过 25%(含 25%);
- U: 持股情况不详。(由于很多亚太区的公司不对外公开其股东持股情况，所以我们暂时接受独立性指标"U"的公司，通过检视其业务描述和公司历史概况加以判断独立性。)

为扩大中国大陆公司的样本量，我们未对中国大陆公司使用独立性这一标准，而是在质化筛选阶段通过查看公司年度审计报告中关于关联方交易的披露来判定。

经过上述步骤初步得到:

√ 552 家公司

接着使用量化和质化指标对这些企业进行进一步筛选。

4. 量化筛选

我们选用的量化指标包括：

a) 数据充分性

由于与转让定价无关的其他经济状况可能会对公司的财务数据带来短期波动变化，我们一般通过测试多年的平均数据来消除上述波动对最后的利润区间所带来的影响。为了达到该目的，我们删除了在 2019-2021 年间在数据库中可获得财务数据少于两年的公司。

b) 持续亏损

我们也删除了那些在 2019-2021 财政年度间持续亏损的企业。因为持续亏损的企业在会计意义上可能不能满足持续经营假设，因此其财务数据可能并不能有效反应行业常态。

经过上述量化筛选后，剩余：

√ 455 家公司

我们接着进行质化筛选以得到最终可比公司组。

5. 质化筛选

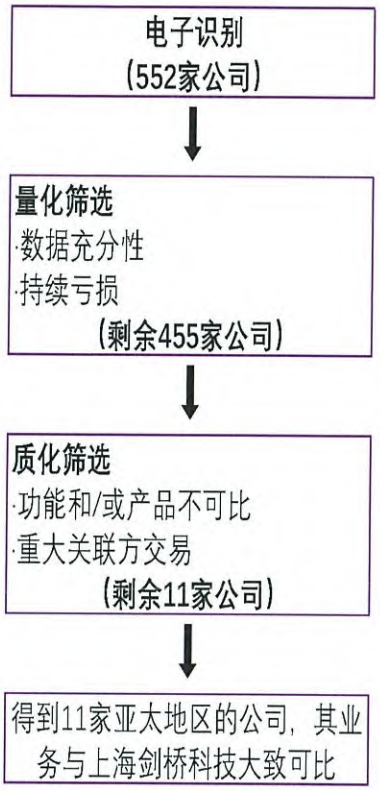
我们审阅了剩余公司的 TP Catalyst 业务描述，从而剔除与上海剑桥科技功能不符，或产品不符的公司。对于初步剩余的公司，我们还查阅了它们的网站和年度报告，以做进一步的分析和确认。最终的结果为：

√ 11 家公司

6. 可比公司搜索过程综述

下图总结了我们使用 TP Catalyst 数据库搜索可比公司的过程。

可比公司搜索过程表



C. 可比性分析结果

1. 可比公司概况

下表列示了 11 家可比公司的营业概况。可比公司筛选过程见附件。

可比公司营业概况

序号	公司名称	国家/地区	主营业务
1	ACON HOLDING INC.	台湾	该公司主要从事计算机和通讯电子连接器的制造和销售。
2	BEIJING JOINTBEST SYSTEM TECHNOLOGY CO.LTD	中国	该公司主要从事生产通信设备和其他相关产品。

序号	公司名称	国家/地区	主营业务
3	CYBERTAN TECHNOLOGY INC.	台湾	该公司从事宽带通信和无线网络产品的生产。产品包括无线网络接口卡（WNICs）、无线接入点的路由器、虚拟专用网（VPN）的路由器、防火墙路由器、无线网桥和路由器等。
4	DRAYTEK CORPORATION	台湾	该公司从事有线和无线信号通信设备的生产。公司的产品包括 USB（通用串行总线）ADSL 调制解调器、ADSL 路由器、ISDN 路由器和 USB ISDN TA（终端适配器）等。
5	EDIMAX TECHNOLOGY CO., LTD	台湾	该公司从事通信设备的生产。该公司的产品涵盖无线网络、共享系列路由器、交换机、KVM 连接和其他连接设备、完整的数字家庭网络和企业网络解决方案。
6	GEMTEK TECHNOLOGY CO.,LTD	台湾	该公司从事无线宽带产品的生产和销售。产品包括无线网络产品，如无线路由器、接入点、客户端适配器和模块；和宽带产品。
7	HEBEI SANMING COMMUNICATION CO.,LTD.	中国	该公司是从事通讯设备制造业，生产电视广播和无线通讯设备
8	HFCL LIMITED	印度	该公司从事通信产品的制造和销售。产品包括电信和 IT 网络的光纤电缆、GPON、无线中继器等。
9	OI ELECTRIC CO LTD	日本	该公司从事信息传输，监控和控制，电信网络以及移动通信设备和测量仪器的生产和销售。
10	TONGYU COMMUNICATION INC	中国	该公司主要从事通讯设备的生产和销售，产品包括各类 2G/3G/4G/5G 传输设备，光纤电缆产品以及通讯基站等。
11	U-MEDIA COMMUNICATIONS,INC.	台湾	该公司从事无线通信设备的制造。产品主要包括 3G/4G 无线宽带路由器、家庭智能监控设备、无线、游戏适配器，无线 11N 千兆路由器和便携式 4G 路由器。

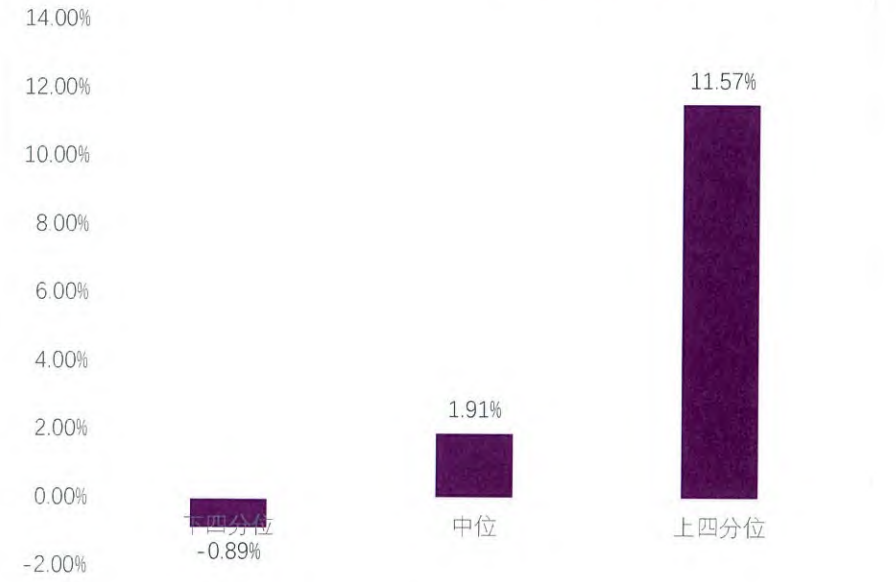
2. 利润水平

由于选用了完全成本加成率作为本次分析的利润水平指标，在分析中计算了 11 家可比公司 2019－2021 年度完全成本加成率的加权平均值，并由此得出可比公司完全成本加成率的四分位区间。详见下表:

可比公司利润率水平

序号	公司名称	完全成本加成率（3年加权平均）
1	ACON HOLDING INC.	-2.47%
2	BEIJING JOINTBEST SYSTEM TECHNOLOGY CO.LTD	27.22%
3	CYBERTAN TECHNOLOGY INC.	-1.92%
4	DRAYTEK CORPORATION	23.76%
5	EDIMAX TECHNOLOGY CO., LTD	3.32%
6	GEMTEK TECHNOLOGY CO.,LTD	1.48%
7	HEBEI SANMING COMMUNICATION CO.,LTD.	-8.98%
8	HFCL LIMITED	13.25%
9	OI ELECTRIC CO LTD	0.14%
10	TONGYU COMMUNICATION INC	1.91%
11	U-MEDIA COMMUNICATIONS,INC.	9.88%
	四分位区间	
	下四分位	**-0.89%**
	中位	**1.91%**
	上四分位	**11.57%**

可比公司完全成本加成率的四分位区间



最终可比公司组的完全成本加成率四分位区间为-0.89%-11.57%，中位数 1.91%。可比公司的财务数据详见附件。

D. 可比数据的差异调整及理由

本报告未对可比公司的财务数据进行调整。

VI.结论

上海剑桥科技由剑桥开曼在中国投资设立。上海剑桥科技从境外关联方和境内外第三方供应商采购原材料，进行生产后，其产品部分销售至境内外第三方客户，部分销售至境内外关联方。其产品主要为电信宽带终端、无线网络设备与小基站、智能家庭和存储产品、工业物联网产品、以及高速光组件与光模块等。

在集团相关业务的完整价值链中主要有研发、生产、市场营销和销售等一系列职能与活动。上海剑桥科技作为承担研发、境内营销和销售功能的生产公司，在非关联销售中，上海剑桥科技主要从事核心技术研发、采购、生产、质量控制、运输等职能，同时营销、销售等职能也由其承担；主要承担的相关商业风险包括研发风险、生产风险、原材料价格波动、质量控制等风险，也会承担营销和市场风险等。而在关联销售中，上海剑桥科技主要承担研发、生产职能以及相应的风险，市场营销、销售职能以及市场风险则由上海剑桥科技和其关联方承担。此外，重大的无形资产（例如核心技术、专利、商标与品牌）由上海剑桥科技所拥有。

上海剑桥科技在价值链中承担研发、生产、采购、物流运输、市场的营销和销售功能；同时其关联方承担了境外市场的营销和销售职能。因此，上海剑桥科技承担了对价值链起到重要贡献因素的职能。此外，基于对地域特殊因素的分析，上海剑桥科技及其集团未在中国产生相关成本节约/市场溢价。

基于如上分析，我们依照中国转让定价法规——42 号公告和 6 号公告的指导意见，选择了交易净利润法作为合理的转让定价方法，选用完全成本加成率作为主要利润指标来分析评估上海剑桥科技的利润状况和合理利润区间。上海剑桥科技被选为本案的被测试方。可比性分析显示：符合独立交易原则的完全成本加成率区间为-0.89% - 11.57%，中位数 1.91%。2022 年，上海剑桥科技在关联交易下获取的完全成本加成率为 2.26%，利润水平位于可比公司的四分位区间内，并高于中位数。上海剑桥科技在 2022 年度的关

联交易符合独立交易原则。

2022 年，尽管疫情出现了反复持续，但上海剑桥科技基于其稳定可靠的生产能力和产品质量，不断地开源节流，提高生产及管理效率，获得了较好于行业平均水平的利润。然而，鉴于外部环境复杂多变，且行业竞争十分激烈，未来上海剑桥科技还将面临更多的行业挑战，其未来的利润情况仍然存在一定的不确定性。与此同时，上海剑桥科技也将不断提升自身产品的竞争力，争取保持较好的利润水平。

附件 1.可比公司筛选详表

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
1	AFWCO,LTD.	韩国					X	
2	ABCTAIWANELECTRONICSCORP.	台湾					X	
3	ABCOELECTRONICSCO,LTD.	韩国					X	
4	ABOCOMSYSTEMSINC.	台湾					X	
5	ACBELPOLYTECHINC.	台湾					X	
6	ACETECHNOLOGIESCORP.	韩国					X	
7	ACONHOLDINGINC.	台湾	X					
8	ACSIPTECHNOLOGYCORP	台湾			X			
9	ADVANCEDCERAMICXCORPORATION	台湾				X		
10	AEMHOLDINGSLTD	新加坡					X	
11	AEMULUSHOLDINGSBERHAD	马来西亚				X		
12	AHOKUELECTRONICCOMPANY	台湾					X	
13	AKERTECHNOLOGYCO,LTD	台湾				X		

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
14	ALCORMICRO,CORP.	台湾					X	
15	ALICORNINTELLIGENTTECHNOLOGYCORP.LTD	中国				X		
16	ALINCOINCORPORATED	日本					X	
17	ALLRINGTECHCO.,LTD.	台湾					X	
18	ALLISELECTRICCOMPANYLIMITED	台湾					X	
19	ALLTEKTECHNOLOGYCORP.	台湾					X	
20	ALOYSINC.	韩国					X	
21	ALPHAMICROELECTRONICSCORPORATION	台湾					X	
22	ALPSALPINECO.,LTD.	日本					X	
23	ALTEKCORPORATION	台湾					X	
24	AMIGOTECHNOLOGYINC.	台湾				X		
25	AMOTECHCO.,LTD.	韩国					X	
26	AMPACSCORPORATION	台湾				X		
27	AMPLEELECTRONICTECHNOLOGYCO.,LTD.	台湾					X	
28	AMTELHOLDINGSBERHAD	马来西亚					X	
29	ANAMELECTRONICSCO.,LTD.	韩国				X		
30	ANFUCELINKLIMITED	中国					X	
31	ANHUITATFOOKTECHNOLOGYCO.,LTD	中国			X			
32	ANHUITONGGUANCOPPERFOILGROUPCO.,LTD.	中国					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
33	ANRITSUCORPORATION	日本				X		
34	APACOPTOELECTRONICSINC.	台湾					X	
35	APCBINC	台湾					X	
36	APPOTRONICSCORPORATIONLIMITED	中国					X	
37	ASIAMEDIAGROUPBERHAD	马来西亚					X	
38	ASIAPACIFICSATELLITELNC.	韩国					X	
39	ASRMICROELECTRONICSCO,LTD.	中国			X			
40	ASTRAMICROWAVEPRODUCTSLIMITED	印度					X	
41	ATECHOEMINC.	台湾					X	
42	ATWTECHNOLOGYINC.	台湾			X			
43	AUDENTECHNOCORP.	台湾					X	
44	AUDIXCORPORATION	台湾					X	
45	AVCONINFORMATIONTECHNOLOGYCO,LTD.	中国				X		
46	AVERMEDIATECHNOLOGIES,INC.	台湾					X	
47	AVERTRONICSINC.	台湾					X	
48	AXCENPHOTONICSCORPORATION	台湾					X	
49	B.A.G.FILMS&MEDIALIMITED	印度					X	
50	BANGYANTECHNOLOGYCO,LTD.	中国					X	
51	BAOTOUZHANHAOELECTRICCO,LTD	中国					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
52	BEIJINGBEIDAJADEBIRDUNIVERSALSCI-TECHCOMPANYLIMITED	中国					X	
53	BEIJINGCENTURYORIENTALZHIHUITECHNOLOGYCO.,LTD	中国					X	
54	BEIJINGDIGITALTELECOMCOMPANYLIMITED	中国				X		
55	BEIJINGDISONDIGITALENTERTAINMENTCORP.,LTD.	中国					X	
56	BEIJINGELECTRONICZONEHIGH-TECHGROUPCO.,LTD.	中国					X	
57	BEIJINGFUJIDANENGELECTRONICSPRODUCTSCO.,LTD	中国					X	
58	BEIJINGHENGYECENTURYTECHNOLOGYCO.,LTD.	中国					X	
59	BEIJINGHUAHUANELECTRONICSCO.,LTD.	中国			X			
60	BEIJINGJOINTBESTSYSTEMTECHNOLOGYCO.LTD	中国	X					
61	BEIJINGJRCSCIENCEANDTECHNOLOGYCO.,LTD.	中国					X	
62	BEIJINGMINGYIDATECHNOLOGYCO.,LTD.	中国					X	
63	BEIJINGSILIONTECHNOLOGYCORP.,LTD.	中国					X	
64	BEIJINGTRANSFARELECTRONICSGROUPCO.,LTD.	中国					X	
65	BEIJINGTSTDOPTOELECTRONICSTECHNOLOGYCO.,LTD	中国					X	
66	BEIJINGZHONGCHUANYUNHECULTURETECHNOLOGYLTD	中国					X	
67	BEIJINGZHONGXUNSIFANGSCIENCEANDTECHOLOGYCOMPANYLIMITED	中国			X			
68	BENSVVALVESTOCKCO.,LTD.	中国					X	
69	BILENERGYSYSTEMSLTD	印度		X				
70	BILLIONELECTRICCO.,LTD.	台湾					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
71	BOZHON PRECISION INDUSTRY TECHNOLOGY CO.,LTD.	中国				X		
72	C-MEDIA ELECTRONICS INC.	台湾					X	
73	C-TECH UNITED CORPORATION	台湾					X	
74	CCCG REAL ESTATE CORPERATION LIMITED	中国					X	
75	CETC POTEVIO SCIENCE & TECHNOLOGY CO.,LTD.	中国				X		
76	CETC SHANGHAI MICROWAVE COMMUNICATION CO.,LTD	中国					X	
77	CHANGCHUN GREAT TELECOMMUNICATION EQUIPMENT CO.,LTD	中国					X	
78	CHANGZHOU XIANGMING INTELLIGENT DRIVE SYSTEM CORPORATION	中国					X	
79	CHANGZHOU ZHONGXINGHUADA POLYTRON TECHNOLOGIES CO.,LTD	中国				X		
80	CHANGZHOU ZHONGYING SCIENCE & TECHNOLOGY CO.,LTD	中国					X	
81	CHEER TIME ENTERPRISE CO.,LTD	台湾			X			
82	CHEMTRONICS CO.,LTD.	韩国					X	
83	CHENGDU GUOGUANG ELECTRIC CO.,LTD.	中国				X		
84	CHINA BESTER GROUP TELECOM CO.,LTD.	中国				X		
85	CHINA ELECTRIC MFG. CORPORATION	台湾				X		
86	CHINA GLAZE CO.,LTD.	台湾			X			
87	CHINA HIGH SPEED RAILWAY TECHNOLOGY CO.,LTD.	中国				X		
88	CHINA SOUTHERN POWER GRID TECHNOLOGY CO.,LTD.	中国				X		
89	CHINA SPACESAT CO.,LTD.	中国					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
90	CHINAZHENHUA(GROUP)SCIENCE&TECHNOLOGYCO,LTD.	中国				X		
91	CHIPHOPECO,LTD	台湾			X			
92	CHIYODAINTEGRECOLTD	日本					X	
93	CHOGNQINGBIANBIHENGTECHNOLOGYCOLTD	中国			X			
94	CHONGQINGMASSCI&TECH.CO,LTD.	中国					X	
95	CHOROKBAEMCOMPANYCO,LTD.	韩国			X			
96	CHUNG-HSINELECTRIC&MACHINERYMFG.CORP.	台湾					X	
97	CICTMOBILECOMMUNICATIONTECHNOLOGYCO,LTD.	中国			X			
98	CIGSHANGHAICO,LTD.	中国					X	
99	COASIAELECTRONICSCORP.	台湾					X	
100	COMMAXCO,LTD.	韩国					X	
101	COMTECSYSTEMSCO,LTD.	韩国					X	
102	CONBUZZCO,LTD.	韩国			X			
103	CONGTYCOPHANCOKYVINA	越南				X		
104	COSCOSHIPPINGTECHNOLOGYCO,LTD.	中国					X	
105	COSNINECO,LTD.	韩国			X			
106	COTELLINTELLIGENTTECHNOLOGY(SHENZHEN)CO.LTD.	中国					X	
107	COWEAVERIND.CO,LTD.	韩国					X	
108	CSCORPORATION	韩国				X		

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
109	CYBERTANTECHNOLOGYINC.	台湾	X					
110	DAIHENCORPORATION	日本					X	
111	DALIANUNIONLINEINTELLIGENTSYSTEMCORPORATIONLTD.	中国				X		
112	DATANGTELECOMTECHNOLOGYCO.,LTD.	中国			X			
113	DBGTECHNOLOGYCO.,LTD.	中国					X	
114	DELTAELECTRONICSINC	台湾					X	
115	DISHTVINDIALIMITED	印度					X	
116	DKKCO.,LTD.	日本					X	
117	DONGGUANDONGYUNEWMATERIALSCO.,LTD	中国					X	
118	DONGWONSYSTEMSCORPORATION	韩国					X	
119	DONGYANGE&PINC.	韩国					X	
120	DRAYTEKCORPORATION	台湾	X					
121	EASTCOMPEACETECHNOLOGYCO.,LTD	中国				X		
122	EASTERNCOMMUNICATIONSCO.,LTD.	中国			X			
123	EASTONECENTURYTECHNOLOGYCO.,LTD.	中国			X			
124	EBTECHCO.,LTD.	韩国					X	
125	ECLOUDVALLEYDIGITALTECHNOLOGYCO.,LTD.	台湾				X		
126	EDIFIERTECHNOLOGYCO.,LTD.	中国					X	
127	EDIMAXTECHNOLOGYCO.,LTD	台湾	X					

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
128	EGALAX_EMPIATECHNOLOGYINC.	台湾					X	
129	EIWACORPORATION	日本					X	
130	ELECTRONICSCOMMUNICATIONSTECHNOLOGYINVESTMENT DEVELOPMENT	越南				X		
131	ELENTECCO.,LTD.	韩国					X	
132	EM-TECHCO.,LTD.	韩国				X		
133	ENETECHNOLOGYINC.	台湾					X	
134	EOPTOLINKTECHNOLOGYINCLIMITED	中国					X	
135	ETRONTECHNOLOGY,INC.	台湾					X	
136	EVEENERGYCO.,LTD.	中国					X	
137	EVERSPRINGINDUSTRYCO.,LTD.	台湾			X			
138	EWELLCHIPTECHNOLOGYCO.,LTD.	中国			X			
139	EXCELLIANCEMOSCORPORATION	台湾					X	
140	FARADAYTECHNOLOGYCORPORATION	台湾				X		
141	FERROTECHOLDINGSCORPORATION	日本					X	
142	FIBOCOMWIRELESSINC.	中国					X	
143	FINEDIGITALINC.	韩国					X	
144	FINETECHNIXCO.,LTD.	韩国					X	
145	FITIPOWERINTEGRATEDTECHNOLOGYINC.	台湾				X		
146	FORWARDELECTRONICSCO.,LTD.	台湾			X			

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
147	FORYOUCORPORATION	中国					X	
148	FOSHANCITYXINYUANELECTRONICCO.,LTD.	中国					X	
149	FUJIANFURIELECTRONICSCO.,LTD.	中国					X	
150	FUJIANLONGKINGCO.,LTD.	中国					X	
151	FUJIANMAIWEICOMMUNICATIONTECHNOLOGYCO.,LTD.	中国					X	
152	FUJIANSTAR-NETCOMMUNICATIONCO.,LTD.	中国					X	
153	FURUNOELECTRICCOLTD	日本					X	
154	GEMTERMINALINDUSTRYCO.,LTD.	台湾					X	
155	GEMTEKTECHNOLOGYCO.,LTD	台湾	X					
156	GENBYTETECHNOLOGYINC.	中国				X		
157	GENEWTECHNOLOGIESCO.,LTD.	中国				X		
158	GHTCO.,LTD	中国					X	
159	GKGPRECISIONMACHINECO.,LTD.	中国					X	
160	GLOBALSATWORLDCOMCORPORATION	台湾					X	
161	GOSUNCNTECHNOLOGYGROUPCOMPANYLIMITED	中国			X			
162	GUANGDONGANJUBAODIGITALTECHNOLOGYCO.,LTD.	中国					X	
163	GUANGDONGCHENGDEELECTRONICTECHNOLOGYCO.,LTD	中国					X	
164	GUANGDONGDONYANNETWORKTECHNOLOGIESCO.,LTD.	中国					X	
165	GUANGDONGEDATECHNOLOGYCO.,LTD	中国					X	

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166	GUANGDONGFUXINTECHNOLOGYCO.,LTD.	中国				X		
167	GUANGDONGGLOBALTECHNOLOGYCO.,LTD.	中国			X			
168	GUANGDONGKANGRONGHIGHTECHNEWMATERIALCO.,LTD	中国					X	
169	GUANGDONGLEETACELECTRONICSTECHNOLOGCO.,LTD.	中国					X	
170	GUANGDONGSHENGLUTELECOMMUNICATIONTECH.CO.,LTD.	中国					X	
171	GUANGZHOUFENGLEITRANSPORTATIONTECHNOLOGYCO.,LTD.	中国				X		
172	GUANGZHOUSTRONGTECHNOLOGYCOMPANYLIMITED	中国				X		
173	GUANGZHOUVIDEO-STARINTELLIGENTCORP.LTD	中国				X		
174	GUANGZHOUSENBAOELECTRICALAPPLIANCESCO.,LTD	中国					X	
175	GUIZHOUCHANGZHENGTIANCHENGHOLDINGCO.,LTD.	中国			X			
176	GUIZHOUSPACEAPPLIANCECO.,LTD.	中国				X		
177	GUIZHOUFLIDAMTECHNOLOGYCO.,LTD.	中国					X	
178	GUODIANNANJINGAUTOMATIONCOMPANYLIMITED	中国					X	
179	GUOGUANGELECTRICCOMPANYLIMITED	中国					X	
180	GWVITEKCO.,LTD.	韩国				X		
181	H&BDESIGNCO.,LTD.	韩国			X			
182	HANCHANGCORPORATION	韩国				X		
183	HANDANMOCARINFORMATIONTECHNOLOGYCO.,LTD.	中国			X			
184	HANGZHOUHUAXINGCHUANGYECOMMUNICATIONTECHNOLOGY CO.,LTD.	中国			X			

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185	HANGZHOUKEFENGELECTRONICCO.,LTD.	中国					X	
186	HANGZHOUOWEIKEINFORMATIONTECHNOLOGYCO.,LTD.	中国				X		
187	HANGZHOUTUNERSELECTRONICSCO.,LTD.	中国					X	
188	HANGZHOUXUXIANTECHNOLOGYCO.,LTD.	中国			X			
189	HEBEISANMINGCOMMUNICATIONCO.,LTD.	中国	X					
190	HEFEIANGELONELECTRONICSCO.,LTD.	中国					X	
191	HENANSPLENDORSCIENCE&TECHNOLOGYCO.,LTD.	中国				X		
192	HENANTHINKERAUTOMATICEQUIPMENTCO.,LTD.	中国					X	
193	HERONAV(ANHUI)TECHNOLOGYDEVELOPMENTCOMPANYLIMITED	中国				X		
194	HFCLLIMITED	印度	X					
195	HISHARPELECTRONICSCO.,LTD.	台湾					X	
196	HIGHERWAYELECTRONICCO.,LTD.	台湾				X		
197	HIROSEELECTRICCO.,LTD.	日本					X	
198	HITACHILTD	日本					X	
199	HIYOUNGCULTURALANDENTERTAINMENTCO.,LTD.	中国					X	
200	HOLTEKSEMICONDUCTORINC.	台湾				X		
201	HOMECASTCO.,LTD.	韩国			X			
202	HOTLANDELECTRONICS(SHENZHEN)CO.,LTD.	中国					X	
203	HUBEIXUNHUAGENGTAITELECOMMUNICATIONCO.,LTD	中国				X		

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204	HULANEASSOCIATEINC.	台湾					X	
205	HUANGSHANOPTORAYCOMMUNICATIONCORP.,LTD.	中国				X		
206	HUBEIDOTIMICROTECHNOLOGYCO.,LTD.	中国					X	
207	HUIZHOUCHINAEAGLEELECTRONICTECHNOLOGYINC.	中国					X	
208	HUIZHOUSPEEDWIRELESSTECHNOLOGYCOMPANYLIMITED	中国					X	
209	HUNANCOMTOMELECTRONICSCO.,LTD.	中国					X	
210	HUNEEDTECHNOLOGIESCO.,LTD.	韩国					X	
211	HYTERACOMMUNICATIONSCORPORATIONLIMITED	中国					X	
212	HYULIMNETWORKSCO.,LTD.	韩国					X	
213	HYUNIONHOLDINGCO.,LTD	中国					X	
214	I-CHIUNPRECISIONINDUSTRYCOMPANYLIMITED	台湾				X		
215	IA,INC.	韩国					X	
216	ICOMINCORPORATED	日本					X	
217	IKEGAMITSUSHINKICOLTD	日本					X	
218	ILJINDISPLAYCO.,LTD.	韩国			X			
219	INALWAYSCORPORATION	台湾					X	
220	INCONCO.,LTD.	韩国					X	
221	INNOWIRELESSCO.,LTD.	韩国				X		
222	INNOVATIVEIDEALSANDSERVICES(INDIA)LIMITED	印度			X			

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223	INTTECHCO,LTD	台湾			X			
224	INTELLIANTECHNOLOGIESINC.	韩国					X	
225	INTOPSCO,LTD.	韩国					X	
226	IOKCOMPANYCO,LTD.	韩国				X		
227	IWATSUELECTRICCOLTD	日本					X	
228	JADARDTECHNOLOGYINC.	中国					X	
229	JANGWONTECHCO,LTD.	韩国			X			
230	JAYMARTPCL	泰国				X		
231	JAZZHIPSTERCORPORATION	台湾			X			
232	JENTECHPRECISIONINDUSTRIALCOMPANYLIMITED	台湾					X	
233	JIANGMENKANHOOINDUSTRYCO,LTD	中国					X	
234	JIANGSUBOQIANNEWMATERIALSSTOCKCO,LTD.	中国				X		
235	JIANGSUCAIQINTECHNOLOGYCO,LTD.	中国					X	
236	JIANGSUFAVOREDNANOTECHNOLOGYCO,LTD.	中国					X	
237	JIANGSUHASENELECTRICCO,LTD.	中国					X	
238	JIANGSUSO-FINECOMMUNICATIONCO,LTD	中国					X	
239	JIANGSUTONGXINGBAOINTELLIGENTTRANSPORTATIONTECHNOLOGY CO,LTD	中国					X	
240	JIANGSUYINHEELECTRONICSCO,LTD.	中国					X	
241	JIANGSUYITONGHIGH-TECHCO,LTD.	中国					X	

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242	JIANGSUYUNYONGELECTRONICSANDTECHNOLOGYCOMPANYLIMITED	中国					X	
243	JIANGXIJINHUILITHIUMBATTERYELECTROLYTECO.,LTD.	中国					X	
244	JINHONGHOLDINGGROUPCO.,LTD.	中国			X			
245	JOINSOONELECTRONICSMFG.CO.,LTD.	台湾					X	
246	JSWPACIFICCORPORATION	台湾			X			
247	JUSHRITECHNOLOGIESINC	中国					X	
248	JVCKENWOODCORPORATION	日本				X		
249	KALPATARUPOWERTRANSMISSIONLIMITED	印度					X	
250	KAONMEDIACO.,LTD.	韩国					X	
251	KAVVERITELECOMPRODUCTSLIMITED	印度			X			
252	KENBOTONGTECHNOLOGYCO.LTD.	中国					x	
253	KERJAYAPROSPEKPROPERTYBERHAD	马来西亚					X	
254	KESPIONCO.,LTD.	韩国				X		
255	KEYASICBERHAD	马来西亚			X			
256	KINGYUANELECTRONICSCOMPANYLIMITED	台湾					X	
257	KINGCLEANELECTRICCO.,LTD	中国					X	
258	KINGLANDPROPERTYCORPORATIONLTD.	台湾			X			
259	KIWITECHNOLOGYINC.	台湾			X			
260	KOCOMCO.,LTD.	韩国				X		

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261	KONKAGROUPCO.,LTD	中国			X			
262	KOREAELECTRICTERMINALCO.,LTD.	韩国					X	
263	KUNGLONGBATTERIESINDUSTRIALCO.,LTD	台湾					X	
264	KWAN'SINTERNATIONALCO.,LTD.	台湾					X	
265	KYLANDTECHNOLOGYCO.,LTD.	中国			X			
266	KYOCERACORPORATION	日本					X	
267	LEADTEKRESEARCHINC	台湾					X	
268	LEAGUER(SHENZHEN)MICROELECTRONICSCORP.	中国					X	
269	LENSTECHNOLOGYCO.,LTD.	中国					X	
270	LGCORP.	韩国					X	
271	LIAONINGSHUNBANGCOMMUNICATIONTECHNOLOGYCO.,LTD	中国			X			
272	LIGHTRONINC.	韩国				x		
273	LIGHTSTAR(BEIJING)ELECTRONICCORPORATION	中国					X	
274	LINKCOMMANUFACTURINGCO.,LTD.	台湾					X	
275	LINKTELTECHNOLOGIESCO.,LTD.	中国					X	
276	LOOPTELECOMMUNICATIONINTERNATIONALINC	台湾					X	
277	LUNGHWAELECTRONICSCOMPANYLIMITED	台湾			X			
278	LUSTERLIGHTTECHCO.,LTD.	中国					X	
279	MAESTROSELECTRONICS&TELECOMMUNICATIONSSYSTEMSLTD	印度					X	

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280	MARSSEMICONDUCTORCORP.	台湾				X		
281	MAXECHOTECHNOLOGYCORP.	台湾					X	
282	MEDIALINKSCO.,LTD.	日本			X			
283	MEDIATEKINC.	台湾				X		
284	MEIDENSHACORPORATION	日本					X	
285	MERRYELECTRONICSCOMPANYLIMITED	台湾					X	
286	MICROELECTRONICSTECHNOLOGYINC.	台湾				X		
287	MICROTIPSTECHNOLOGYINC.	台湾					X	
288	MINAIKTECHNOLOGYCOMPANYLIMITED	台湾					X	
289	MIRAEINGCO.,LTD.	韩国					X	
290	MIRAIINDUSTRYCOLTD	日本					X	
291	MIRCELECTRONICSLIMITED	印度					X	
292	MITSUBISHIELECTRICCORPORATION	日本					X	
293	MODERNMALLEABLESLTD	印度				X		
294	MURATAMANUFACTURINGCO.,LTD.	日本				X		
295	MYSONCENTURYINC.	台湾			X			
296	NAKAYOINC	日本					X	
297	NAMSUNGCORPORATION	韩国					X	
298	NANJINGPANDAELECTRONICSCOMPANYLIMITED	中国				X		

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299	NANJINGPUTIANTELECOMMUNICATIONSCO.,LTD.	中国			X			
300	NANJINGTICOMTECHCOMPANYLIMITED	中国			X			
301	NANJINGXINLIANELECTRONICSCO.,LTD.	中国					X	
302	NATIONSTECHNOLOGIESINC.	中国					X	
303	NEWERAELECTRONICSCO.,LTD.	台湾			X			
304	NEWGUOMAIDIGITALCULTURECO.,LTD	中国					X	
305	NEWSEAUNIONTECHNOLOGYGROUPO.,LTD.	中国			X			
306	NINGBOBIRDCO.,LTD.	中国			X			
307	NINGBOKINGDUNELECTRONICINDUSTRYCO.,LTD.	中国					X	
308	NINGBOSHININGOPTOELECTRONICSCO.,LTD	中国					X	
309	NINGBOVICHNETTECHNOLOGYCO.,LTD.	中国					X	
310	NINGBOYUNSHENGCO.,LTD.	中国					X	
311	NIPPONANTENNACO.,LTD.	日本					X	
312	OESOLUTIONSCO.,LTD.	韩国					X	
313	OIELECTRICCOLTD	日本	X					
314	OKBIOTECHCO.,LTD.	台湾				X		
315	OKIELECTRICINDUSTRYCOLTD	日本					X	
316	OPECELECTRONICSCORP.	中国					X	
317	OPTEXGROUPCOMPANYLIMITED	日本					X	

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318	OPTICISCO.,LTD.	韩国					X	
319	ORANGEELECTRONICCO.,LTD	台湾					X	
320	ORIENTALSYSTEMTECHNOLOGYINC.	台湾					X	
321	P-DUKETECHNOLOGYCO.,LTD.	台湾					X	
322	PARTRONCO.,LTD.	韩国					X	
323	PHIHONGTECHNOLOGYCO.,LTD.	台湾			X			
324	PIXARTIMAGINGINC	台湾				X		
325	PLANETCOMMUNICATIONSASIAPCL	泰国				X		
326	POWERNETTECHNOLOGIESCORPORATION	韩国				X		
327	POWERTECHINDUSTRIALCO.,LTD.	台湾					X	
328	PPIINC.	韩国					X	
329	PRIMEELECTRONICS&SATELLITICSINC	台湾			X			
330	PROGATEGROUPCORPORATION	台湾					X	
331	QINGDAOTOPSCOMMCOMMUNICATIONINC	中国					X	
332	QUANTUMCTEKCO.,LTD.	中国			X			
333	QUECLINKWIRELESSSOLUTIONSCO.,LTD.	中国					X	
334	RADIATIONTECHNOLOGY,INC.	台湾					X	
335	RAFAELMICROELECTRONICS,INC	台湾					X	
336	RAONSECURECO.,LTD.	韩国				X		

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337	RDCSEMICONDUCTORCO,LTD	台湾					X	
338	REALLOPPELECTRIC(BEIJING)CO,LTD	中国					X	
339	REALTEKSEMICONDUCTORCORPORATION	台湾				X		
340	RFHICCORPORATION	韩国				X		
341	RFTECHCO,LTD.	韩国					X	
342	RICHWAVETECHNOLOGYCORPORATION	台湾				X		
343	RONGANPROPERTYCO,LTD.	中国					X	
344	RUBYTECHCORPORATION	台湾				X		
345	RVHINC	日本			X			
346	SCONNECTCO,LTD.	韩国			X			
347	S-ENERGYCO,LTD.	韩国					X	
348	SALZERELECTRONICSLIMITED	印度					X	
349	SAMARTCORPORATIONPCL	泰国				X		
350	SAMBOMOTORSCO,LTD	韩国					X	
351	SAMSUNGELECTRONICSCO,LTD.	韩国					X	
352	SANGJICAELUM,INC.	韩国					X	
353	SANGSINENERGYDISPLAYPRECISIONCO,LTD.	韩国					X	
354	SANSHAELECTRICMANUFACTURINGCO,LTD.	日本					X	
355	SATPROM&CTECHCO,LTD.	中国				X		

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356	SAXAHOLDINGSINC	日本				X		
357	SECCARBONLIMITED	日本					X	
358	SEIRYOELECTRICCORPORATION	日本				X		
359	SEVENUTILITIESANDPOWERPUBLICCOMPANYLIMITED	泰国			X			
360	SHANDONGBITTELINTELLIGENTTECHNOLOGYCO,LTD	中国					X	
361	SHANDONGKAERELECTRIC.CO,LTD	中国					X	
362	SHANDONGLCARBOENERGYTECHNOLOGYCO,LTD.	中国					X	
363	SHANDONGSHEENRUNOPTICSELECTRONICSCO,LTD	中国					X	
364	SHANGHAIBROADBANDTECHNOLOGYCO,LTD.	中国					X	
365	SHANGHAICHANGXINTECHNOLOGYCORP,LTD.	中国					X	
366	SHANGHAICOOLTECHPOWERCO,LTD.	中国			X			
367	SHANGHAIHONGHUIOPTICSCOMMUNICATIONTECH.CO,LTD	中国					X	
368	SHANGHAILETELCOMMUNICATIONEQUIPMENT(GROUP)CO,LTD	中国					X	
369	SHANGHAIOPTECHSCIENCEANDTECHNOLOGYCO,LTD.	中国					X	
370	SHANGHAIREVZONEINDUSTRYCORP	中国					X	
371	SHANGHAIRGBLEOPTICAL-ELECTRICALTECHNOLOGYCO.LTD	中国				X		
372	SHANGHAISHANNOVERENVIRONMENTTECHNOLOGYCO,LTD.	中国					X	
373	SHANGHAISHINLINKINTELLECTUALTECHNOLOGYCO,LTD.	中国					X	
374	SHANGHAITIANCHENGCOMMUNICATIONTECHNOLOGY CORPORATION	中国					X	

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375	SHANGHAIXINYINGPOWERTECHCO,LTD	中国				X		
376	SHANXICHANGCHENGMICROLIGHTEQUIPMENTCOMPANYLIMITED	中国			X			
377	SHENGYIDEVELOPMENTCO,LTD	台湾					X	
378	SHENGTAKNEWMATERIALCO,LTD.	中国					X	
379	SHENGYEELECTRICCO,LTD.	中国					X	
380	SHENGYIELECTRONICSCO,LTD.	中国					X	
381	SHENZHENBLUETRUMTECHNOLOGYCO,LTD.	中国					X	
382	SHENZHENBOWINHIGH-TECHCO,LTD	中国			X			
383	SHENZHENBOFOOKAUTOSALES&SERVICECENTER	中国			X			
384	SHENZHENBOOMTECHINDUSTRYSHARESCO,LTD	中国					X	
385	SHENZHENCHAORANTECHNOLOGYCO,LTD	中国					X	
386	SHENZHENCONSYSSCIENCE&TECHNOLOGYCO,LTD.	中国					X	
387	SHENZHENCOSHIPELECTRONICSCO,LTD	中国			X			
388	SHENZHENDINSTARCO,LTD	中国					X	
389	SHENZHENE-JETONTECHNOLOGYCO,LTD	中国					X	
390	SHENZHENEASTSPACELIGHTTECHNOLOGYCO,LTD.	中国					X	
391	SHENZHENF&RTECHNOLOGIESCO,LTD.	中国					X	
392	SHENZHENFORETELLINTELLIGENTEQUIPMENTINC.	中国			X			
393	SHENZHENFUJIKAMINTELLIGENCECO,LTD.	中国					X	

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394	SHENZHEN GENVICT TECHNOLOGIES CO.,LTD.	中国					X	
395	SHENZHEN GLORY INFORMATION TECHNOLOGY CO.,LTD	中国			X			
396	SHENZHEN HUAKONG SEG CO.,LTD.	中国			X			
397	SHENZHEN INNOVIEW TECHNOLOGY CO.,LTD	中国					X	
398	SHENZHEN INOVANCE TECHNOLOGY CO.,LTD	中国				X		
399	SHENZHEN JUZHAO TECHNOLOGY CO.,LTD.	中国				X		
400	SHENZHEN KEENEYE TECHNOLOGY CO.,LTD.	中国			X			
401	SHENZHEN KEXIN COMMUNICATION TECHNOLOGIES CO.,LTD	中国					X	
402	SHENZHEN LONGTECH SMART CONTROL CO.,LTD.	中国				X		
403	SHENZHEN MICNO ELECTRIC CO.,LTD.	中国					X	
404	SHENZHEN PHOENIXTELECOM TECHNOLOGY CO.,LTD.	中国					X	
405	SHENZHEN SDG INFORMATION CO.,LTD	中国				X		
406	SHENZHEN SED INDUSTRY CO.,LTD.	中国				X		
407	SHENZHEN SOSEN ELECTRONICS CO.,LTD.	中国				X		
408	SHENZHEN SUNMOON MICROELECTRONICS CO.,LTD	中国				X		
409	SHENZHEN SUNWAY COMMUNICATION CO.,LTD	中国				X		
410	SHENZHEN U-IOT SMART TECHNOLOGY CO.,LTD	中国			X			
411	SHENZHEN YZOOM TECHNOLOGY CORP.,LTD.	中国			X			
412	SHENZHEN YONGCHENG TECHNOLOGY CORP.,LTD.	中国					X	

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413	SHENZHENZHAOHUAINTELLIGENTINC.,LTD.	中国			X			
414	SHENZHENZHONGHENGHUAFACO.,LTD.	中国			X			
415	SHENZHENZISTONETECHNOLOGYCO.,LTD.	中国				X		
416	SHENZHENZOWEETECHNOLOGYCO.,LTD.	中国			X			
417	SHINHEUNGENERGY&ELECTRONICSCO.,LTD.	韩国					X	
418	SHINEWAYTECHNOLOGIESINC.	中国			X			
419	SICHUANCHANGHONGELECTRICCO.,LTD.	中国			X			
420	SICHUANSDRISINGINFORMATIONTECHNOLOGYCO.,LTD	中国				X		
421	SICHUANTIANYICOMHEARTTELECOMCO.,LTD.	中国					X	
422	SIGURDMICROELECTRONICSCORP.	台湾					X	
423	SILICONINTEGRATEDSYSTEMSCORP.	台湾			X			
424	SILICONTOUCHTECHNOLOGYINC.	台湾			X			
425	SINYOPTIC-COMCO.,LTD	中国					X	
426	SITRONIXTECHNOLOGYCORP.	台湾				X		
427	SKARDININDUSTRIALCORPORATION	台湾				X		
428	SOLID,INC.	韩国					X	
429	SOLOMONTECHNOLOGYCORP.	台湾				X		
430	SOLUMCO.,LTD.	韩国					X	
431	SONGSHANGELECTRONICSCO.,LTD.	台湾					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
432	SONIXTECHNOLOGYCO.,LTD.	台湾					X	
433	STATEGRIDYINGDACO.,LTD.	中国			X			
434	SUMAVISIONTECHNOLOGIESCO.,LTD.	中国			X			
435	SUMIDACORPORATION	日本					X	
436	SUN-CREATEELECTRONICSCO.,LTD.	中国					X	
437	SUNACO.,LTD	中国				X		
438	SUNAMCO.,LTD.	韩国			X			
439	SUNDYLANDINVESTMENTCO.,LTD.	中国				X		
440	SUNSEAAIOTTECHNOLOGYCO.,LTD.	中国					X	
441	SUNWAVECOMMUNICATIONSCO.LTD	中国					X	
442	SUZHOUBECKLOSELECTRONICTECHNOLOGYCO.,LTD.	中国					X	
443	SUZHOUKEDATECHNOLOGYCO.,LTD	中国					X	
444	SUZHOUTROPHYADVANCE-TECHCORP.,LTD.	中国					X	
445	SUZHOUZHUOZHAODISPENSINGCO.,LTD	中国					X	
446	SWITELECTRONICSCO.,LTD.	中国					X	
447	SYNCLAYERINC	日本				X		
448	SYNCMOLDENTERPRISECORP.	台湾					X	
449	SYNTEKSEMICONDUCTORCO.,LTD.	台湾			X			
450	SYSGRATIONLTD.	台湾					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
451	TAI-SAW TECHNOLOGY CO.,LTD.	台湾				X		
452	TAI-TECH ADVANCED ELECTRONICS CO.,LTD.	台湾					X	
453	TAILYN TECHNOLOGIES,INC.	台湾					X	
454	TAINET COMMUNICATION SYSTEM CORP.	台湾			X			
455	TAITIEN ELECTRONICS CO.,LTD.	台湾					X	
456	TAIWAN IC PACKAGING CORPORATION	台湾					X	
457	TAIWAN MOBILE CO.,LTD.	台湾				X		
458	TAIWAN SANYO ELECTRIC CO.,LTD.	台湾					X	
459	TAIWAN SEMICONDUCTOR MANUFACTURING CO.,LTD.	台湾					X	
460	TAIWAN SURFACE MOUNTING TECHNOLOGY CORPORATION	台湾					X	
461	TAMAGAWA HOLDINGS CO.,LTD.	日本				X		
462	TAMURA CORPORATION	日本					X	
463	TDG HOLDING CO.,LTD.	中国					X	
464	TELCOWARE CO.,LTD.	韩国					X	
465	TELECHIPS INC.	韩国					X	
466	TELEFIELD INC.	韩国					X	
467	TERASAKI ELECTRIC CO LTD	日本					X	
468	THE MIDONG CO.,LTD.	韩国			X			
469	THINKING ELECTRONIC INDUSTRIAL CO.,LTD	台湾					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
470	TIANJIN712COMMUNICATION&BROADCASTINGCO.,LTD	中国					X	
471	TIANJINJINYUNNEWMEDIAGROUPCO.,LTD.	中国				X		
472	TOACORPORATION	日本					X	
473	TONGHSINGELECTRONICINDUSTRIES,LTD.	台湾					X	
474	TONGPUINFORMATIONTECHNOLOGYCO.,LTD.	中国					X	
475	TONGYUCOMMUNICATIONINC	中国	X					
476	TOPUNIONELECTRONICSCORP.	台湾					X	
477	TOPVIEWOPTRONICSCORPORATION	台湾					X	
478	TOYOELECTRICCORPORATION	日本					X	
479	TRANSCENDCOMMUNICATIONBEIJINGCO.,LTD.	中国					X	
480	TRANSCOM,INC.	台湾					X	
481	TRANSYSTEM,INC.	台湾			X			
482	TRIDUCTORTECHNOLOGY(SUZHOU)INC.	中国					X	
483	TWOWAYCOMMUNICATIONS,INC.	台湾						X
484	TWZCORPORATIONPCL	泰国				X		
485	TYNTEKCORPORATION	台湾					X	
486	U-MEDIACOMMUNICATIONS,INC.	台湾	X					
487	UNIONCOMMUNITYCO.,LTD.	韩国					X	
488	UNITECHPRINTEDCIRCUITBOARDCORP.	台湾					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
489	UNITED CREATION TECHNOLOGY CORP, LTD	中国			X			
490	UNITED FIBER OPTIC COMMUNICATION INC	台湾			X			
491	UNITY OPTO TECHNOLOGY COMPANY LIMITED	台湾		X				
492	UNIVERSAL MICROWAVE TECHNOLOGY, INC.	台湾					X	
493	UNIZYX HOLDING CORPORATION	台湾					X	
494	VERISILICON MICROELECTRONICS (SHANGHAI) CO., LTD.	中国					X	
495	VIA TECHNOLOGIES, INC.	台湾			X			
496	VIDENTE CO., LTD.	韩国			X			
497	VISUAL PHOTONICS EPITAXY CO., LTD.	台湾					X	
498	VTRON GROUP CO., LTD.	中国			X			
499	W-SCOPE CORPORATION	日本					X	
500	WANMA TECHNOLOGY CO., LTD.	中国					X	
501	WATCHES.COM LIMITED	新加坡			X			
502	WEIHAI CARINE ELECTRIC CO., LTD.	中国					X	
503	WETOWN ELECTRIC GROUP CO., LTD.	中国				X		
504	WHAYU INDUSTRIAL CO., LTD.	台湾			X			
505	WIESON TECHNOLOGIES CO., LTD.	台湾					X	
506	WILLINGS CO., LTD.	韩国					X	
507	WIN SEMICONDUCTORS CORP.	台湾					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
508	WINBONDELECTRONICSCORPORATION	台湾					X	
509	WISTRONNEWEBCORPORATION	台湾						X
510	WUHANAU3TECHINTELLIGENTTECHNOLOGIESCO,LTD	中国					X	
511	WUHANLIANCHUANGPHOTOELECTRICTECHNOLOGYCO.LTD	中国			X			
512	WUHANMAIWECOMMUNICATIONCO,LTD.	中国					X	
513	WUHANXIWENTECHNOLOGYCO,LTD.	中国					X	
514	WUHANYANGTZECOMMUNICATIONINDUSTRYGROUPCO,LTD	中国			X			
515	WUTONGHOLDINGGROUPCO,LTD	中国					X	
516	WUXIDENVELINTELLIGENTELECTRONICSINC.	中国					X	
517	WUXITACLINKOPTOELECTRONICSTECHNOLOGYCO,LTD.	中国					X	
518	XDCINDUSTRIES(SHENZHEN)LIMITED	中国					X	
519	XIANAUTCOMTELECOMTECHNOLOGYCO,LTD.	中国			X			
520	XIANHAITIANANTENNATECHNOLOGIESCO,LTD.	中国			X			
521	XIANSHIDAENERGYCO,LTD.	中国					X	
522	XIANXIDEELECTRONICTECHNOLOGYCO,LTD	中国					X	
523	XIANXUTONGELECTRONICTECHNOLOGYCO,LTD.	中国					X	
524	XIAMENBOLIONTECH.CO,LTD	中国					X	
525	XIAMENHUALIANELECTRONICSCORP,LTD.	中国					X	
526	XJELECTRICCO.LTD	中国					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
527	XUANHUITECHNOLOGYCO.,LTD.	中国					X	
528	YAHORNGELECTRONICCO.,LTD	台湾					X	
529	YAGEOCORPORATION	台湾					X	
530	YIDONGELECTRONICSTECHNOLOGYCO.,LTD.	中国					X	
531	YOKOWOCOLTD	日本					X	
532	YUNENGTECHNOLOGYCO.,LTD.	中国					X	
533	YWCOMPANYLIMITED	韩国					X	
534	Z-COM,INC	台湾			X			
535	ZHEJIANGSKUODIGITALTECHNOLOGYCO.,LTD	中国					X	
536	ZHEJIANGTRIBRERCOMMUNICATIONLIMITED	中国				X		
537	ZHEJIANGXIAXINGELECTRONICTECHNOLOGYCO.,LTD	中国					X	
538	ZHEJIANGYONGCHANGELECTRICCO.,LTD.	中国					X	
539	ZHEJIANGYOUPONINTEGRATEDCEILINGCO.,LTD.	中国					X	
540	ZHENGRONGCOMMUNICATIONNETWORKSLTD.	中国					X	
541	ZHENGZHOUHUAHANGTECHNOLOGYCO.,LTD	中国					X	
542	ZHENJIANGCELNICOAUTOMATIONCO.,LTD	中国					X	
543	ZHONGJINNOLIGHTCO.,LTD.	中国					X	
544	ZHONGSHANPIPEANDINFORMATIONTECHNOLOGYCO.,LTD.	中国					X	
545	ZHONGSHANPUBLICUTILITIESGROUPCOMPANYLIMITED	中国					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
546	ZHUHAIBOJAYELECTRONICSCO.,LTD.	中国				X		
547	ZHUHAICOMLEADERINFORMATIONSCIENCE&TECHNOLOGYCO.,LTD.	中国					X	
548	ZHUHAIGOTECHINTELLIGENTTECHNOLOGYCO.,LTD.	中国			X			
549	ZHUHAIHIGRANDTECHNOLOGYCO.LTD	中国					X	
550	ZHUHAITAICHUANCLOUDTECHNOLOGYCO.,LTD.	中国					X	
551	ZINWELLCORPORATION	台湾			X			
552	ZTECORPORATION	中国					X	
	总计	552	11	2	95	98	344	2

附件 2.可比公司财务数据

序号	公司名称	国家/地区	货币单位	2019			
				销售收入	息税前利润	总成本	完全成本加成率
1	ACONHOLDINGINC.	台湾	千美元	248,268	-10,579	258,847	-4.09%
2	BEIJINGJOINTBESTSYSTEMTECHNOLOGYCO.LTD	中国	千美元	5,430	1,482	4,908	37.54%
3	CYBERTANTECHNOLOGYINC.	台湾	千美元	189,596	1,230	188,366	0.65%
4	DRAYTEKCORPORATION	台湾	千美元	30,603	5,972	24,631	24.25%
5	EDIMAXTECHNOLOGYCO.,LTD	台湾	千美元	182,303	6,350	175,954	3.61%
6	GEMTEKTECHNOLOGYCO.,LTD	台湾	千美元	599,785	1,710	598,074	0.29%
7	HEBEISANMINGCOMMUNICATIONCO.,LTD.	中国	千美元	2,731	-213	3,192	-7.24%
8	HFCLLIMITED	印度	千美元	508,699	62,031	446,667	13.89%
9	OIELECTRICCOLTD	日本	千美元	232,884	5,236	227,649	2.30%
10	TONGYUCOMMUNICATIONINC	中国	千美元	231,590	719	250,037	0.31%
11	U-MEDIACOMMUNICATIONSINC.	台湾	千美元	68,637	5,162	63,476	8.13%
	下四分位数						0.30%
	中位数						2.30%
	上四分位数						11.01%
	样本量						11

序号	公司名称	国家/地区	货币单位	2020			
				销售收入	息税前利润	总成本	完全成本加成率
1	ACONHOLDINGINC.	台湾	千美元	271,459	1,129	270,331	0.42%
2	BEIJINGJOINTBESTSYSTEMTECHNOLOGYCO.LTD	中国	千美元	7,872	1,926	7,041	32.39%
3	CYBERTANTECHNOLOGYINC.	台湾	千美元	169,572	-864	170,436	-0.51%
4	DRAYTEKCORPORATION	台湾	千美元	29,509	5,124	24,386	21.01%
5	EDIMAXTECHNOLOGYCO.,LTD	台湾	千美元	221,460	13,752	207,708	6.62%
6	GEMTEKTECHNOLOGYCO.,LTD	台湾	千美元	699,080	16,414	682,666	2.40%
7	HEBEISANMINGCOMMUNICATIONCO.,LTD.	中国	千美元	3,948	129	4,042	3.38%
8	HFCLLIMITED	印度	千美元	600,975	65,102	535,874	12.15%
9	OIELECTRICCOLTD	日本	千美元	265,676	2,741	262,936	1.04%
10	TONGYUCOMMUNICATIONINC	中国	千美元	227,057	8,757	235,921	4.01%
11	U-MEDIACOMMUNICATIONSINC.	台湾	千美元	77,068	8,585	68,483	12.54%
	下四分位数						1.72%
	中位数						4.01%
	上四分位数						12.34%
	样本量						11

序号	公司名称	国家/地区	货币单位	2021			
				销售收入	息税前利润	总成本	完全成本加成率
1	ACONHOLDINGINC.	台湾	千美元	264,497	-10,452	274,949	-3.80%
2	BEIJINGJOINTBESTSYSTEMTECHNOLOGYCO.LTD	中国	千美元	5,687	655	6,234	13.02%
3	CYBERTANTECHNOLOGYINC.	台湾	千美元	142,535	-10,183	152,718	-6.67%
4	DRAYTEKCORPORATION	台湾	千美元	33,623	6,899	26,724	25.82%
5	EDIMAXTECHNOLOGYCO.,LTD	台湾	千美元	189,509	-1,049	190,558	-0.55%
6	GEMTEKTECHNOLOGYCO.,LTD	台湾	千美元	827,472	12,858	814,614	1.58%
7	HEBEISANMINGCOMMUNICATIONCO.,LTD.	中国	千美元	1,220	-695	2,197	-36.29%
8	HFCLLIMITED	印度	千美元	622,367	75,554	546,813	13.82%
9	OIELECTRICCOLTD	日本	千美元	202,088	-6,967	209,055	-3.33%
10	TONGYUCOMMUNICATIONINC	中国	千美元	213,895	3,161	226,977	1.50%
11	U-MEDIACOMMUNICATIONS,INC.	台湾	千美元	62,273	4,955	57,319	8.64%
	下四分位数						-3.57%
	中位数						1.50%
	上四分位数						10.83%
	样本量						11

序号	公司名称	国家/地区	货币单位	3 年加权平均值			
				销售收入	息税前利润	总成本	完全成本加成率
1	ACONHOLDINGINC.	台湾	千美元	261,408	-6,634	268,042	-2.47%
2	BEIJINGJOINTBESTSYSTEMTECHNOLOGYCO.LTD	中国	千美元	6,330	1,354	6,061	27.22%
3	CYBERTANTECHNOLOGYINC.	台湾	千美元	167,234	-3,272	170,507	-1.92%
4	DRAYTEKCORPORATION	台湾	千美元	31,245	5,998	25,247	23.76%
5	EDIMAXTECHNOLOGYCO.,LTD	台湾	千美元	197,757	6,351	191,407	3.32%
6	GEMTEKTECHNOLOGYCO.,LTD	台湾	千美元	708,779	10,327	698,451	1.48%
7	HEBEISANMINGCOMMUNICATIONCO.,LTD.	中国	千美元	2,633	-260	3,144	-8.98%
8	HFCLLIMITED	印度	千美元	577,347	67,562	509,785	13.25%
9	OIELECTRICCOLTD	日本	千美元	233,549	337	233,213	0.14%
10	TONGYUCOMMUNICATIONINC	中国	千美元	224,181	4,212	237,645	1.91%
11	U-MEDIACOMMUNICATIONSINC.	台湾	千美元	69,326	6,234	63,093	9.88%
	下四分位数						-0.89%
	中位数						1.91%
	上四分位数						11.57%
	样本量						11

注：所有财务数据均出自 2022 年 12 月版的 TPCatalyst 数据库。



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转让定价同期资料本地文档

上海剑桥科技股份有限公司

截止至 2023 年 12 月 31 日的会计年度

上海剑桥科技股份有限公司声明

根据《国家税务总局关于完善关联申报和同期资料管理有关事项的公告》("42 号公告")的相关规定，符合条件的企业应根据要求，按纳税年度准备、保存、并按税务机关要求提供转让定价同期资料本地文档。本公司按照以上规定准备 2023 年度转让定价同期资料本地文档（"本报告"）。

本报告旨在从中国转让定价的角度，分析本公司 2023 年度关联交易的转让定价政策是否符合独立交易原则。为此，本公司按以下程序准备本报告：

1. 针对本公司与关联方之间的关联交易，收集、整理与本公司 2023 年度生产经营情况和关联交易情况相关的资料；

2. 分析本公司与关联方在关联交易中各自执行的功能、承担的风险，以及拥有的资产，以判断本公司与关联方在关联交易中的性质；

3. 针对关联交易的类型和特点，选择适当的转让定价方法，用以分析和验证关联交易定价的合理性；

4. 针对本公司关联交易的特征和性质以及上述的功能和风险分析，搜索并选取适当的可比公司，并运用选定的转让定价方法进行可比性分析，以确定在符合独立交易原则的条件下，本公司与关联方之间关联交易定价的合理范围；

5. 综合以上程序和分析结果，准备本报告。

本公司在此确认，本报告所包含的财务和背景事实真实反映了本公司与集团内部的各关联方在 2023 年度发生的关联交易情况。

地址：

邮编：

电话：

电子信箱：

法定代表人（签字）：　　单位（盖章）：

日期：　　年　　月　　日

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专业名词一览表

42号公告	国家税务总局公告2016 年第42 号 - 《国家税务总局关于完善关联申报和同期资料管理有关事项的公告》
6号公告	国家税务总局公告2017年第6号 - 《国家税务总局关于特别纳税调查及相互协商程序管理办法的公告》
SIC代码	标准行业分类代码
OECD	经济合作发展组织（Organization for Economic Co-operation and Development）
BEPS	税基侵蚀和利润转移（Base Erosion and Profit Shifting）

企业简称一览表

CIG或CIG集团	Cambridge Industries Group及其全球子公司
上海剑桥科技	上海剑桥科技股份有限公司
剑桥开曼	Cambridge Industries Company Ltd.
剑桥香港	Cambridge Industries Group Ltd.
剑桥美国	Cambridge Industries USA Inc.
迈智微电子	迈智微电子（上海）有限公司
浙江剑桥	浙江剑桥通信设备有限公司
上海剑桥通讯	上海剑桥通讯设备有限公司
上海剑桥科技（武汉）	上海剑桥科技（武汉）有限公司
上海剑桥光通信	上海剑桥光通信技术有限公司
上海剑桥技术	上海剑桥通讯技术有限公司
剑桥相模原公司	CIG Photonics Japan Limited
剑桥香港通讯	Cambridge Industries Group Telecommunication Limited
剑桥德国	CIG Photonics Europe GmbH

前言

致同（北京）税务师事务所有限责任公司上海分所（“我们”）受上海剑桥科技股份有限公司（“上海剑桥科技”或“贵公司”）的委托，为上海剑桥科技准备 2023 年度（“报告期”）转让定价同期资料本地文档。

我们按照《国家税务总局关于完善关联申报和同期资料管理有关事项的公告》（“42 号公告”）的要求准备该本地文档（“本报告”），作为法定关联交易记录的一部分，并分析相应的转让定价政策是否符合《中华人民共和国企业所得税法》及 42 号公告提及的独立交易原则。按照 42 号公告的要求，本报告主要涵盖下列信息：

1. 企业概况
2. 关联关系
3. 关联交易
4. 转让定价方法的选择和使用
5. 可比性分析

服务声明

我们通过与上海剑桥科技管理层的访谈，了解了公司及其集团关联公司的运营情况，并从管理层获取了上海剑桥科技及其他集团公司的财务信息。上海剑桥科技代表其本身及其关联企业声明所提供的信息真实、正确及完整，本报告系依据截至报告完成日之事实、假设及陈述所编制。

本报告内容引用行业分析数据及可比公司财务数据均来自相关公开信息及第三方数据库,我们系依经验评估上述信息之合理性及适用性,并未验证其正确性。

本报告系依中国转让定价法律、法规、规章和规范性文件的规定进行验证和分析，并非提供中国以外之国家或地区之转让定价查核使用，亦非提供纳税人用以避免本报告范围

以外之重大税务争议的可能。本报告只针对因关联交易的转让定价而引起的中国企业所得税问题，其他任何税种均不在本报告的分析范围之内。

I.企业概况

A. 组织结构

Cambridge Industries Group（"CIG"或"CIG 集团"）总部位于中国上海，专注于有线和无线宽带接入终端领域，经过多年的发展，已成为集杰出研发能力、大规模生产制造和良好品牌形象于一体的高端通信设备厂商。

CIG 的研发及生产领域包括基于 FTTH/FTTB 技术的无源光纤接入终端设备（EPON/GPON）产品、基于无线接入技术的产品如（Wi-Fi）产品和 Small Cell、DSL 技术如 VDSL，G.fast 和 FTTdp、小基站、工业物联网产品、智能家庭和存储产品、高速光组件与光模块等产品以及完整的 JDM（协同设计制造）平台和流程。其产品应用于世界主流通信运营商的网络，包括中国三大运营商，以及美国、英国、法国、澳大利亚、新西兰、俄罗斯、巴西、墨西哥、土耳其、阿联酋等国家通信网络。

上海剑桥科技前身系新岸网络设备（上海）有限公司，由剑桥开曼全资组建于 2006 年。经过一系列的股权转让、增资、改制后，上海剑桥科技于 2017 年首发上市。截止至 2023 年 12 月 31 日，剑桥开曼对上海剑桥科技的持股比例为 15.05%，社会公开发行的人民币普通股（A 股）的持股比例为 80.46%，其余股东共持股 4.49%。

2023 年度，上海剑桥科技主要从事电信宽带终端、无线网络设备、智能家庭网关、工业物联网产品、小基站、光器件以及光模块等的研发、生产和销售。

上海剑桥科技在 2023 年年底员工人数为 1,023 人。公司部门设置、职责范围与雇员人数如下表所示：

企业组织架构和职责表[1]

部门	职责	人数
总裁办公室	负责公司生产经营发展	1
证券部	负责公司上市后续管理及股权激励等	3
审计委员会	负责公司内部审计	1
产品线	负责公司产品研究与开发	267
产品资源线	负责公司产品研究与开发	207
市场销售平台	负责公司销售并提供相关服务和销售	50
运营支撑平台	负责管理及支持公司日常经营业务	92
智能制造平台	负责公司工厂产品生产及支持	402
	合计	1,023

B. 管理架构

从公司运营架构来看，上海剑桥科技的各部门负责人向总裁进行汇报。总裁负责公司的日常运营管理，并向本公司董事会进行汇报。上海剑桥科技具体的管理架构以及汇报对象如下图所示：

企业管理架构和汇报情况表[2]

部门	本公司汇报	海外汇报对象及所在国家及地区
总裁办公室	董事会	/
证券部	董事会	/
审计委员会	总裁办公室	/
产品线	总裁办公室	/
产品资源线	总裁办公室	/
市场销售平台	总裁办公室	/
运营支撑平台	总裁办公室	/
智能制造平台	总裁办公室	/

C. 业务描述和行业概况

1. 业务描述

上海剑桥科技由剑桥开曼在中国投资设立，成立于 2006 年 3 月。上海剑桥科技是一家高新技术企业，适用企业所得税税率为 15%。下表总结了上海剑桥科技的基本信息。

[1] 来源：上海剑桥科技管理层
[2] 来源：上海剑桥科技管理层

上海剑桥科技基本信息表 [3]

公司全称	上海剑桥科技股份有限公司
公司地址	上海市闵行区陈行公路2388号8幢501室
公司类型	股份有限公司（中外合资、上市）
投资方及持股比例	Cambridge Industries Company Ltd.（15.05%）； 社会公开发行的人民币普通股（A股）（80.46%）； 其他投资方（4.49%）
注册资本	人民币26,822.2941万
成立时间	2006年3月14日
经营期限	不约定期限
业务范围	开发、设计、制作计算机和通信软件，计算机和通信网络设备维护；生产光纤交换机等电信终端设备（仅限分支机构经营），销售自产产品，并提供相关技术服务、咨询服务以及相关的产品的维修和再制造业务；商务信息咨询，企业管理咨询，市场营销策划，通讯设备批发，通信设备制造（除卫星电视广播地面接收设施及关键生产），计算机、软件及辅助设备批发，从事货物及技术进出口业务。【依法须经批准的项目，经相关部门批准后方可开展经营活动】

如前文所述，2023 年度，上海剑桥科技主要从事电信宽带终端、无线网络设备、智能家庭网关、工业物联网产品、小基站、光器件以及光模块等的研发、生产和销售。上海剑桥科技在集团的整个产业链中，是一家生产、分销与服务为一体的公司。上海剑桥科技主要基于 JDM（协同设计制造）和 ODM（自主设计制造）的合作模式，其产品主要为电信宽带终端、无线网络设备、智能家庭网关、工业物联网产品、小基站、光器件以及光模块等。这些产品主要应用于通信网络等行业，其客户主要包括 Actiontec、FPT TELECOM、Plume、SCSK、 DKT、 Icotera、 D-LINK、华为、阿尔卡特朗讯 (现诺基亚)、上海贝尔、中国移动、瑞斯康达、朝歌、惠普、北京格林、深圳信锐等。

上海剑桥科技主要从境外关联方和境内外第三方供应商采购原材料，进行生产后，其小部分产品销售至境内外第三方客户，大部分产品销售至境内外关联方。上海剑桥科技详细的交易模型请参见 III.关联交易章节中 B.功能风险分析部分。

[3] 来源：上海剑桥科技管理层

2. 所处行业概况

上海剑桥科技所在行业为通信设备制造行业。因此本节主要介绍该行业。

a) 行业发展概况

通信设备行业涉及的产品分为有线设备和无线设备。有线通信设备指利用架空线缆、同轴线缆、光纤、音频线缆等传输介质传递信息，包括 PCM（脉冲编码调制）、光端机等；无线通信设备指无线 AP、无线网桥、无线网卡、无线避雷器、天线等设备，包括无线广播、无线电视（地铁或公交车上）、移动电话（手机）、手机 GPRS 上网等。

通信设备制造业包括通信系统设备制造业和通信终端设备制造业，通信设备制造业是通信业的重要基础，对通信业的发展起着至关重要的影响。在人工智能、物联网、云计算等技术的带动下，该行业正经历着快速的技术变革，向着智能化、高端化的方向发展。从现有技术行业周期的角度来看，逐步完善的 5G 网络建设和日渐成熟的高速光模块等技术使得市场趋于饱和，行业发展速度因此放缓。

上海剑桥科技的产品主要用于通信领域，包括电信宽带终端、无线网络设备、智能家庭网关、数据交换机、工业物联网基础硬件、高速光组件（核心自主品牌）、高速光模块（大客户定制）、4G/5G 无线网络的小基站和前传光模块及组件等九大品类 。公司产品已广泛应用到世界各国主流通信运营商的网络。通信设备行业的发展对上海剑桥科技有着深远的影响。[4]

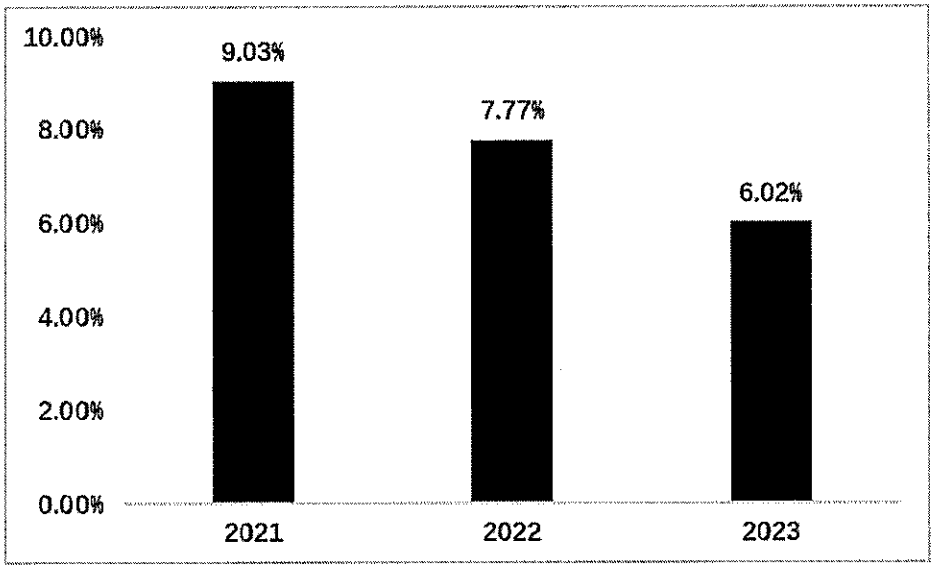
2023 年，全国移动通信基站总数达 1,162 万个，其中 5G 基站为 337.7 万个。基站总数净增 79 万个，增幅较去年有所放缓。数据中心、云计算、物联网等新兴技术的营业收入达 3,564 亿元，增长率较去年大幅减小。[5]从数据上可以看出，现有技术下的行业周期已发展至较为成熟的阶段，行业增速有所放缓，通信设备制造业的企业正着眼于新一代产品的研发、生产环节的改良与销售推广，如 800G 高速光模块、WIFI7 等产品的兴起打破了原有的市场格局。新产品在为该行业带来了机遇的同时，也在一定程度上给企业

[4] 来源：上海剑桥官方网站 - 公司简介
https://www.cigtech.com/%e5%85%ac%e5%8f%b8%e7%ae%80%e4%bb%8b/
[5] 来源：工业和信息化部
https://www.miit.gov.cn/jgsj/yxj/xxfb/art/2024/art_7f101ab7d4b54297b4a18710ae16ff83.html

的经营施加了压力。

下图显示了 2021 至 2023 年间通信设备制造业下游行业的增长率变化情况：

2021-2023 年通信行业业务收入增长率[6]



随着供给侧结构性改革的深入推进、各项政策的落地实施、新一代信息技术加强渗透，日益增长的智能化、高端化、品质化的消费升级需求将不断释放。然而，通往高端产品的道路在带来机遇的同时往往也伴随着挑战，如上文所述，WIFI7 等新技术的出现或将影响原有的市场格局，人工智能的兴起对高速光模块的技术规格提出了更高的要求，加之 2022 年度遗留的库存问题与 2023 年新一代产品不可避免的良率与产能问题，身处该行业的企业面临着来自多方面的竞争压力。

b) 行业限制及产业政策

近年来，国家各部门发布了一系列文件，旨在推广通信技术的应用，提高国家通信行业制造水平与可靠性，并积极寻求技术突破。这些政策推动了行业的发展，但同时也不可避免地加剧了行业竞争。

2020 年 3 月 24 日，我国工业和信息化部发布了《工业和信息化部关于推动 5G 加快发展的通知》（工信部通信〔2020〕49 号），致力于全力推进 5G 网络建设、应用推广、技

[6] 来源：中国政府网 https://www.gov.cn/lianbo/bumen/202401/content_6928019.htm

术发展和安全保障，充分发挥 5G 新型基础设施的规模效应和带动作用，支撑经济高质量发展。[7]

2020 年 5 月 7 日，我国工业和信息化部办公厅发布了《工业和信息化部办公厅关于深入推进移动物联网全面发展的通知》（工信厅通信〔2020〕25 号），以致力于加快 5G、物联网等新型基础设施建设和应用的决策部署，加速传统产业数字化转型，有力支撑制造强国和网络强国建设。[8]

2021 年 3 月 16 日，国家发改委联合科技部、工信部等十三个部门发布了《关于加快推动制造服务业高质量发展的意见》，指出推进"5G+工业互联网"512 工程，将聚焦重点环节和领域，从 6 个方面加快推动制造服务业发展，以高质量的服务供给引领制造业转型升级和品质提升，以专项行动和重点工程为抓手，统筹谋划、重点突破，实现制造业与制造服务业耦合共生、相融相长。[9]

2021 年 11 月 16 日，国家工业和信息化部门发布了《"十四五"信息通信行业发展规划》，《规划》进一步凸显了信息通信行业的功能和定位，也进一步强化了坚持新发展理念、坚持系统观念方面的有关要求。首次明确提出了加强跨地域跨行业统筹协调的重点任务，并通过增加工程数量进一步明确了任务落地实施的重点和抓手。[10]

2022 年 1 月，工信部、发改委发布《关于促进云网融合加快中小城市信息基础设施建设的通知》，指出需要持续完善城区光缆网络，加快建设新型 IP 城域网、光传送网络(OTN)5G 承载网、云专网等；重点聚焦政务服务、社会管理、工业制造、交通、教育、医疗、文化旅游等传统基础设施领域，开展千兆虚拟专网建设试点，协同部署工业无源光网络(PON)、工业 OTN、5G 基站、边缘计算、行业终端等设施，推广应用网络切片、A1、物联网等新技术，建设适应数字化发展的融合基础设施体系。[11]

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[7] 来源：工业和信息化部
https://www.miit.gov.cn/zwgk/zcwj/wjfb/txy/art/2020/art_ffd918abf3e848efbb2a6225dbe266db.html
[8] 来源：工业和信息化部
https://www.miit.gov.cn/jgsj/txs/wjfb/art/2020/art_f0ea6a0156a441e99bf52ae98cd12729.html
[9] 来源：中国政府网 http://www.gov.cn/zhengce/zhengceku/2021-03/23/content_5595161.htm
[10] 来源：工业和信息化部门
https://wap.miit.gov.cn/zwgk/zcwj/wjfb/tz/art/2021/art_3a0b0c726bd94b7d9b5092770d581c73.html
[11] 来源：工业和信息化部 https://www.gov.cn/zhengce/2022-01/28/content_5670934.htm

2023 年 6 月，工业和信息化部、教育部、科学技术部、财政部、国家市场监督管理总局发布《制造业可靠性提升实施意见》，提出重点提升精密光学元器件、光通信器件、等电子元器件的可靠性水平。[12]

2023 年 12 月，国家发展改革委、国家数据局、中央网信办、工业和信息化部、国家能源局发布《关于深入实施"东数西算"工程加快构建全国一体化算力网的实施意见》，要求充分发掘重点行业算力需求，优化跨区域算力的调动与使用成本，以此提高计算资源的利用率，与此同时，加速推进算力基础设施的建设。[13]

近年来，由于技术更新速度的不断提高，贸易保护主义加剧、美国对华为等中国通信设备制造商的限制政策频出，复杂多变的内、外部环境和国际贸易形势仍将对我国通信设备制造行业的发展增长和利润水平造成一定程度的影响。

c) 上海剑桥科技的主要竞争者及其发展前景

在 ICT 终端设备行业，上海剑桥科技的主要竞争者是中磊电子、明泰科技、智易科技和共进股份。在 5G 网络设备行业，上海剑桥科技的主要竞争者是京信通信、佰才邦和启基科技。在高速光组件和光模块行业，上海剑桥科技的主要竞争者是 Finisar（被 II-VI 收购）、索尔思（被华西股份收购）、光迅科技、中际旭创和新易盛。

上海剑桥科技凭借先进的管理体系、完整而雄厚的研发能力和平台、优异的产品质量和服务，使其产品广泛运用于全球范围的主流通信运营商。

上海剑桥科技建立了一整套端到端的研发项目管理平台，从客户需求的确认，软硬件的开发完成，到生产工艺的管控，其雄厚的研发实力在业内备受瞩目。目前，上海剑桥科技已拥有多项全球专利。上海剑桥科技的 PON、Wi-Fi、Small Cell、智能家居等技术，广泛应用于通讯网络行业，并在行业内建立起坚实的客户基础。

近年来，通信设备企业的机遇与挑战并存。一方面，通信设备制造行业面临着市场品牌

[12] 来源：工业和信息化部
https://www.miit.gov.cn/zwgk/zcwj/wjfb/tz/art/2023/art_5cb0990349f149668490f50742da22f2.html
[13] 来源：中国政府网 https://www.gov.cn/zhengce/zhengceku/202401/content_6924596.htm

低价竞争、劳动力成本日益攀升等严峻挑战；另一方面，全球尤其中国在于通讯技术方面不断更新发展，通讯设备市场的前景值得关注，此类产品在未来也将有不小的成长和利润空间。不过如前所述，复杂多变的外部环境和国际贸易形势仍将对我国通信设备制造行业的发展增长和利润水平造成一定程度的影响。如何在机遇与挑战面前实现良性发展，将会是上海剑桥科技未来发展经营首先需要面临的问题。

D. 经营策略

如前文所述，2023 年度，上海剑桥科技主要从事电信宽带终端、无线网络设备、智能家庭网关、工业物联网产品、小基站、光器件以及光模块等的研发、生产和销售。上海剑桥科技在集团的整个产业链中，是一家生产、分销与服务为一体的公司，其主要的业务流程如下图所示。

上海剑桥科技主要业务流程图



从业务流程来看，上海剑桥科技主要承担产品研发、生产职能，各部门的运作也主要围绕产品的研发、生产和按时交付而进行。上海剑桥科技的产品资源线负责开展研发工作。其智能制造平台下的计划管理中心根据收到的订单以及需求预测制定生产计划，采购管理中心负责生产所需原材料的采购，经过生产加工后，再销售给客户，其质量与精益中心会对日常生产全过程进行检测。上海剑桥科技在各部门的协作支持下确保了其产品质量的稳定性以及交付的及时性。因而，其价值贡献在于其研发能力和稳定可靠的生产能力。

详细的业务流程及运营模式请参见第 III.关联交易中的 B. 功能风险分析章节部分的进一步描述。

E. 财务数据

下表列示了上海剑桥科技 2023 年度的整体财务状况。

上海剑桥科技利润表 [14]

项目	公式	2023 年度
营业收入	1	3,240,444,564.20
营业成本及税金	2	2,844,428,806.28
营业利润	3=1-2	396,015,757.92
营业费用	4	26,050,686.23
管理费用	5	292,743,510.31
财务费用	6	13,861,970.47
其中：汇兑差异	7	-39,173,571.87
息税前利润	8=3-4-5-7	116,395,133.25

如上表所示，2023 年度上海剑桥科技的息税前利润为人民币 116,395,133.25 元。

如前文所述，上海剑桥科技主要从境内外第三方供应商采购原材料，进行生产后，将产品销售至第三方客户（约占总销售收入的 32.70%）及关联客户（约占总销售收入的 67.30%）。就业务类型来看，公司除此类生产销售业务类型外，并无其他业务类型。就产品类型来看，公司所生产销售的产品同属一类产品。因此，本报告将第三方销售业务和关联方销售业务的财务数据进行拆分，通过对关联业务财务数据的分析来验证上海剑桥科技的关联交易是否符合独立交易原则。

上海剑桥科技关联业务下的利润表 [15]

单位：人民币元

项目	公式	2023
营业收入	1	2,180,796,878.86
营业成本及税金和附加	2	1,970,526,155.23
毛利	3=1-2	210,270,723.63
营业费用	4	10,705,231.10
管理费用	5	158,077,754.83
汇兑差异	6	-24,586,978.95
财务费用	7	11,105,575.85
息税前利润	8=3-4-5-6	66,074,716.66
利润水平指标		
毛利率	9=3/1	9.64%
完全成本加成率	10=8/(1-8)	3.12%

[14] 来源：上海剑桥科技 2023 年度审计报告
[15] 来源：上海剑桥科技管理层

如上表所示，2023 年度上海剑桥科技关联业务的息税前利润为人民币 66,074,716.66 元，完全成本加成率为 3.12%。

F. 企业重组/无形资产转让情况

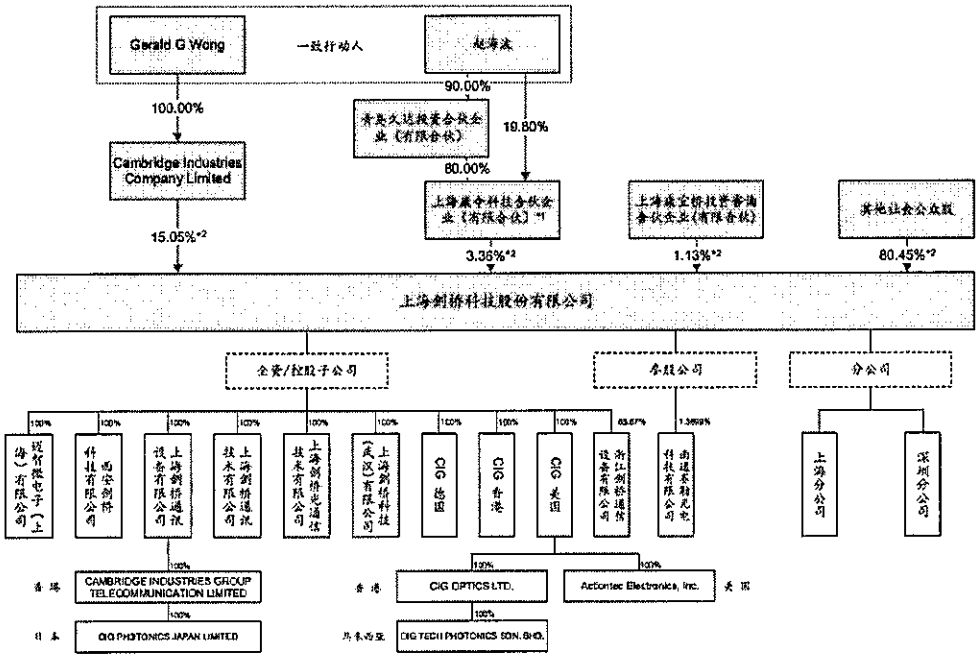
上海剑桥科技在 2023 年度未发生企业重组或无形资产转让的情况。

II.关联关系

A. 与上海剑桥科技相关的集团股权架构图

上海剑桥科技相关的集团股权架构图如下:

集团相关股权架构图[16]



B. 与上海剑桥科技相关的关联方信息

在 2023 年期间，上海剑桥科技与集团内其他子公司构成关联关系。与上海剑桥科技相关的关联方信息如下所示:

2023 年度关联方信息简表[17]

[16] 来源：上海剑桥科技管理层
[17] 来源：上海剑桥科技管理层

关联公司名称	国家/地区	关联关系	法定所得税率	是否享有税收优惠	关联关系变化情况
剑桥开曼	开曼	直接控股公司	0.00%	无	—
剑桥美国	美国	非控股，有交易	21.00%	无	—
上海剑桥科技（武汉）	中国	非控股，有交易	25.00%	无	—
上海剑桥通讯	中国	非控股，有交易	25.00%	无	—
剑桥德国	德国	非控股，有交易	19.00%	无	—
剑桥香港通讯	香港	非控股，有交易	16.50%	无	—
剑桥相模原公司	日本	非控股，有交易	34.08%	无	—
浙江剑桥通信	中国	非控股，有交易	25.00%	无	新增
迈智微电子（上海）	中国	非控股，有交易	25.00%	无	—
上海剑桥光通信	中国	非控股，有交易	25.00%	无	—

上述列表中企业的其他信息，包括关联企业的法定代表人及实际经营地址等信息如下所示：

2023 年度关联企业详细背景

关联公司名称	国家/地区	地址	法定代表人
剑桥开曼	开曼	George Town in the Island of Grand Cayman	GERALD G WONG
剑桥美国	美国	2445 Augustine Drive, 6th Floor Santa Clara,CA 95054	IRIS WONG
上海剑桥科技（武汉）	中国	武汉市东湖新技术开发区高新大道 999 号未来科技城海外人才大楼 A 座 18 楼 142 室	GERALD G WONG
上海剑桥通讯	中国	上海市闵行区陈行公路 2388 号 8 幢 502 室	GERALD G WONG
剑桥德国	德国	Siemensallee 1 17489	GERALD G
剑桥香港通讯	香港	25th Floor, Jardine House, 1 Connaught Place, Hong Kong, PRC	GERALD G WONG
剑桥相模原公司	日本	神奈川県相模原市中央区小山四丁目 1 番 55 号	江良佳和
浙江剑桥通信	中国	浙江省嘉兴市嘉善县魏塘街道魏中路 1 号 8 栋 3 层 306 室第一间	GERALD G WONG

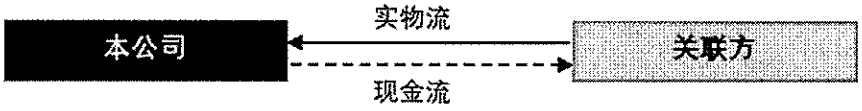
关联公司名称	国家/地区	地址	法定代表人
迈智微电子（上海）	中国	上海市闵行区江月路 505 号 1 号厂房第 1 层	GERALD G WONG
上海剑桥光通信	中国	上海市闵行区陈行公路 2388 号 8 幢 504 室	GERALD G WONG

III.关联交易

A. 关联交易概况

本节披露了 2023 年度中，上海剑桥科技所涉及关联交易的类型、参与方、货币金额、物流和资金流等信息。除另有说明，以下数据金额均为人民币元列支。

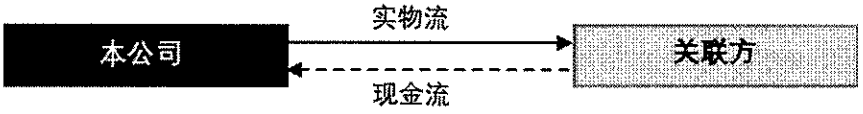
1. 有形资产所有权受让



2023 年，上海剑桥科技向关联方采购货物，年度采购金额如下：

关联方	金额
上海剑桥科技（武汉）	599,112,659.73
剑桥美国	71,818,141.98
剑桥相模原公司	40,548,283.25
剑桥香港通讯	15,724,555.40
浙江剑桥通信	118,860.00
合计	**727,322,500.36**

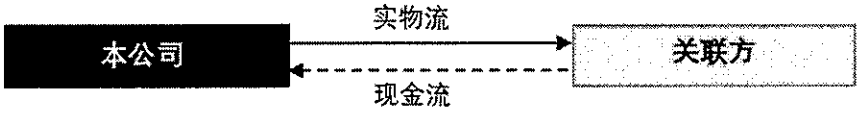
2. 有形资产所有权出让



2023 年，上海剑桥科技向关联方销售货物，年度销售金额如下：

关联方	金额
剑桥美国	1,178,275,924.00
上海剑桥科技（武汉）	547,002,264.81
上海剑桥通讯	387,479,646.71
剑桥德国	27,325,554.19
剑桥香港通讯	20,000,604.19
剑桥相模原公司	9,921,493.80
合计	**2,170,005,487.70**

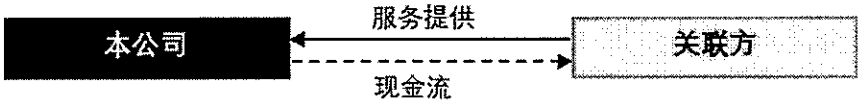
3. 有形资产使用权出让



2023 年，关联方向上海剑桥科技租赁房屋及建筑物，年度金额如下：

关联方	金额
迈智微电子（上海）	664,108.56
合计	**664,108.56**

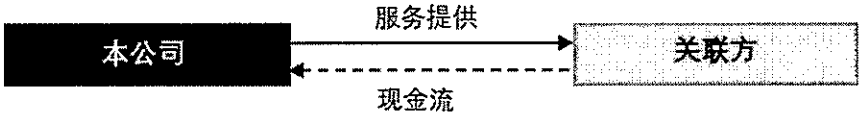
4. 接受劳务支出



2023 年，上海剑桥科技接受关联方提供的技术服务，并支付服务费，金额如下：

关联方	金额
上海剑桥光通信	11,108,498.31
合计	**11,108,498.31**

5. 提供劳务收入



2023 年，上海剑桥科技向关联方提供财会服务、人力资源等方面的支持服务，并向关

联方收取服务费，金额如下：

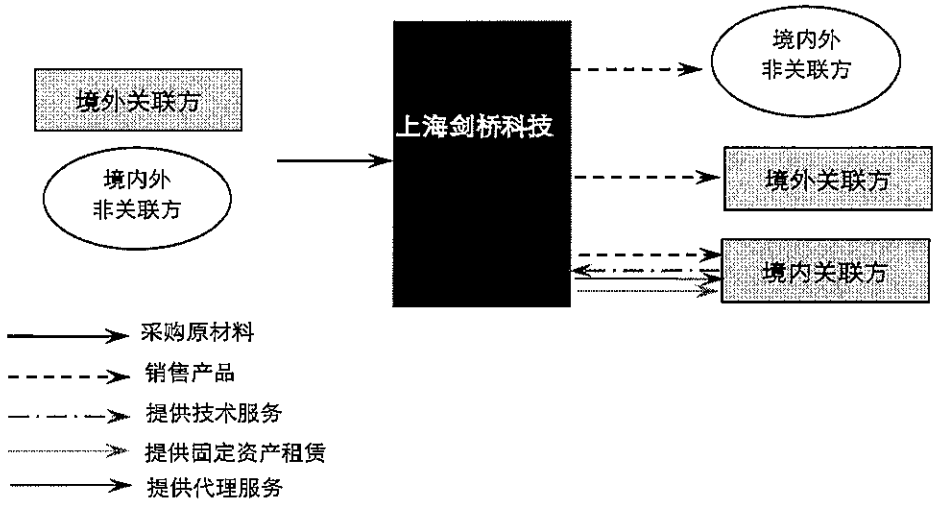
关联方	金额
上海剑桥通讯	8,101,572.74
合计	**8,101,572.74**

B. 功能风险资产分析

上海剑桥科技的主要交易模型

上海剑桥科技在集团的整个产业链中，是一家集研发、销售于一体的生产商。上海剑桥科技主要从境外关联方和境内外第三方供应商采购原材料，进行生产后，其产品部分销售至境内外第三方客户，部分销售至境内外关联方。另外，上海剑桥科技还接受关联方提供的技术服务，并向关联方提供代理服务；同时，上海剑桥科技向关联方租赁房屋及建筑物。具体如下图所示：

上海剑桥科技交易流程图



下文将描述和分析上海剑桥科技在上述交易模型下与其关联方在关联交易中执行的功能、承担的风险以及使用的资产情况。

功能风险分析

1. 研究与开发

功能

a) 核心技术研发

上海剑桥科技生产的通信设备类产品所涉及的核心技术包括无源光纤接入技术、无线接入技术、DSL 技术、电信宽带终端、无线网络设备与小基站、智能家庭和存储产品、工业物联网产品、以及高速光组件与光模块相关的技术以及生产制造相关技术（如自动化生产、工业 4.0 相关技术）。上海剑桥科技承担核心技术的研发，并相应承担与核心技术研发活动的相关成本。上海剑桥科技所拥有的该类技术在行业中处于领先地位，在生产过程中依赖并使用上述核心技术。

上海剑桥科技的研发工作集中于设计、开发、生产工艺等方面。目前，上海剑桥科技设有研发创新平台。具体而言，上海剑桥科技的工程师会负责新技术与新产品的开发，如电信宽带终端、无线网络设备与小基站、智能家庭和存储产品、工业物联网产品、高速光组件与光模块以及大数据、自动化生产技术等。

从研发流程来看，针对新中标的项目，上海剑桥科技的研发活动主要经过项目立项、硬件（芯片）选择与软件设计、原型机开发与验证、新产品导入、小批量试制与批量生产几个阶段。此外，上海剑桥科技也会根据市场、客户需求趋势进行自主研发。在整个研发过程中，上海剑桥科技的研发团队会与各部门紧密沟通合作，完成研发活动。

b) 生产和工艺设计

与上海剑桥科技生产过程相关的工艺流程设计和开发主要由上海剑桥科技主导开发，并相应承担开发费用，同时上海剑桥科技也负责各项专利的申请。

c) 产品标签

如前文所述，上海剑桥科技主要基于 JDM 和 ODM 的合作模式进行研发、生产。在 JDM

和 ODM 模式下，上海剑桥科技生产的产品所贴标签为客户的标签，此类标签为第三方客户所拥有。此外，小部分产品不经由 JDM 或 ODM 模式，而是由上海剑桥科技直接生产销售，此类产品所贴的标签为"CIG"，为上海剑桥科技所拥有。

风险

研发风险是因研发项目失败而造成损失的风险。它是指企业为开发新产品产生大量支出，但相关产品未能达到预期效果的风险。

如上所述，上海剑桥科技主要负责核心技术的研发以及产品的设计功能，并承担相关成本。因此，上海剑桥科技相应承担主要的核心技术研发/产品设计风险。

同理，上海剑桥科技负责主要的工艺流程的开发活动，并承担相应的费用。因此，上海剑桥科技承担主要的工艺流程开发风险。

资产

2. 生产

功能

a) 原材料采购

上海剑桥科技主要采购的原材料包括芯片、BOSA、PCB 板、电源、外壳组件、电阻、连接器、变压器、电感、二三极管以及纸箱、托盘等包装材料。

上海剑桥科技通常根据实际收到的订单以及需求预测制定生产计划，从而采购生产用原材料。上海剑桥科技的原材料采购主要来自境外关联方和境内外第三方供应商，其中，生产用核心物料（主要是电子芯片）主要从境外采购。上海剑桥科技自行与供应商洽谈采购价格与其他合同条款。

b) 原材料运输

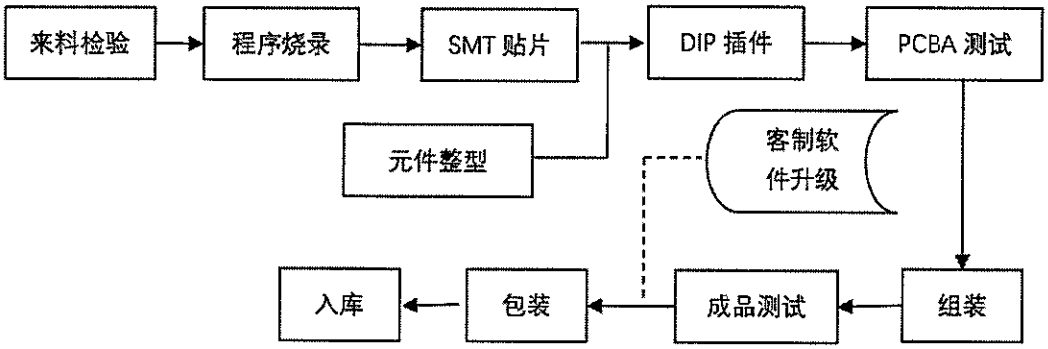
根据各个采购协议的不同，上海剑桥科技或供应商根据合同约定负责原材料的运输。对于境外采购，上海剑桥科技采取 Ex-Works 或 CIF 方式，上海剑桥科技需承担相应的运费和保险费；对于境内采购，多数情况下由境内供应商负责运输，并承担相应费用。上海剑桥科技拥有自己的仓库，负责原材料验收、入库和仓储保管以及存货的管理，并承担相应成本。

c) 产品生产

上海剑桥科技的产品主要有光纤接入终端设备、无线网络设备、智能家庭网关、工业物联网产品、小基站、高速光组件与光模块等。上海剑桥科技按照客户订单和需求预测来安排生产计划。

公司接到客户订单后，由销售部门、采购部门进行交货日期和采购评审的确认，然后交由生产制造部门进行生产排期；制造部制定生产计划，向生产车间下达具体生产指令；生产车间按单生产，根据物料供应与设备运行状况来安排具体的生产日计划；整个生产过程由公司品质管理部门负责全程质量监控。

上海剑桥科技的产品从原材料到成品的基本工艺流程主要包括 SMT（表面贴装技术）自动化贴片、DIP 插件、测试组装等主要工序，具体如下图所示：



在生产过程中，上海剑桥科技承担与厂房相关的各项费用成本、人员成本，并对工厂产线及设备进行投资。生产所用的主要机器设备由上海剑桥科技自行负责日常维护。

上海剑桥科技的产品存放在自己的仓库，由上海剑桥科技负责日常仓储保管以及存货管理。

d) 质量控制

上海剑桥科技自行负责日常生产的质量控制，并拥有相关的质量控制和检测设备并承担质量控制的成本。上海剑桥科技拥有的质控团队，采用集团内部质量控制标准及行业内标准，其质控覆盖原材料入库、生产线和成品出厂等各个环节。

e) 产品包装

上海剑桥科技自行包装产品并承担相应的成本。

风险

a) 原材料价格波动风险

原材料价格波动可能导致企业的利润水平受到影响。该类风险即为原材料价格波动风险。

由于上海剑桥科技是其生产用原材料的所有者，且这些原材料的价格波动可能直接导致公司利润水平的波动，因此其承担原材料价格波动风险。

b) 生产风险

生产风险是指在生产过程中可能发生的突发事件给企业造成的额外成本和损失。

上海剑桥科技自行进行生产活动，对生产进行全程管理，因此上海剑桥科技相应承担生产风险。

c) 投资、设备损失风险

上海剑桥科技根据实际生产需要和企业运营计划，采购必要的经营性设备和其它固定资产并承担相应的风险。

d) 质量控制风险

质量控制风险是指运达客户的产品有瑕疵而导致退货的风险，以及在生产商承诺的期间

内产品出现质量问题而发生的退换和修理。

上海剑桥科技自行负责并实施质量控制，同时对生产过程相关的产品缺陷负责并承担相关替换成本。由于实施了严格的质量控制体系，上海剑桥科技在生产过程中的废品率很低。因此，上海剑桥科技的质量控制风险较为有限。

e) 包装风险

上海剑桥科技承担由于包装过程所导致的产品损坏或变质这一风险。但从实际情况来看，上海剑桥科技在产品包装过程中基本不会出现产品损坏的现象，因此，上海剑桥科技承担的包装风险非常有限。

f) 原材料和产品存货风险

原材料/产成品存货风险是指原材料囤积过久导致报废或价值下降而给企业造成的损失。

上海剑桥科技主要按照订单制定原材料采购计划和组织生产，并拥有所有自产产品的所有权。由于上海剑桥科技通常会保有一定量的库存方便客户提货，因此其承担一定的存货风险。

g) 原材料运输风险

原材料运输风险主要针对运输过程可能对原材料造成的损坏。

根据采购合同的约定，上海剑桥科技或其供应商负责原材料的运输。因此，原材料运输风险由上海剑桥科技或者其供应商承担。

3. 市场营销

功能

a) 营销策划

在非关联销售中，上海剑桥科技承担主要的市场营销活动，包括市场研究、制定总体营

销策略、参与行业展会、参与国际标准化活动、刊登国外主流期刊、开发新客户、价格磋商和客户维护等，并承担所有相关费用。

在关联销售中，营销活动主要由上海剑桥科技负责，主要包括与客户沟通、新项目跟进等方式。上海剑桥科技的关联方会负责所在区域的部分营销活动，上海剑桥科技也会提供其境外关联方相应的营销指导与支持。

b) 商标和商誉

与市场营销活动最密切关联的主要无形资产是商标品牌 CIG。该商标的法定拥有者为上海剑桥科技。

风险

营销风险是指营销活动并未达到扩张市场地位或特定品牌与产品声誉目标的风险。

如上文所述，在非关联销售中，市场营销活动由上海剑桥科技主导，上海剑桥科技承担与境内市场相关的营销风险（即：营销活动无法按预期提升品牌和产品的市场地位）。

在关联销售中，上海剑桥科技会直接承担相关的营销风险，上海剑桥科技境外关联方仅承担部分与境外市场相关的营销风险。

4. 销售与分销

功能

a) 销售模式

上海剑桥科技的产品部分销售至境内外第三方客户，部分销售至境内外关联方。此外，上海剑桥科技销售部分原材料至境内关联方。

在非关联销售中，上海剑桥科技自行制定销售计划，具体包括处理客户询价；确定订单细节，如价格和交货期；跟踪客户的销售订单和预测；维护客户关系等。上海剑桥科技

的第三方客户群主要为通信设备经销商，由其再销售给终端客户（大型通信运营商）。上海剑桥科技承担自身销售过程中产生的销售费用。

在关联销售中，上海剑桥科技将产品销售至关联方，经由其再销售给终端客户；同时，上海剑桥科技销售部分原材料至境内关联方。在此过程中，上海剑桥科技的关联方负责销售活动并承担相应的销售费用。

b) 产品运输

在非关联销售中，根据销售合同的约定，上海剑桥科技或其客户会负责产品的运输。

在关联销售中，根据订单要求，由上海剑桥科技或其关联方负责运输，并承担运费。

c) 售后服务与质保

在非关联销售中，上海剑桥科技向客户提供一定的质保期，并承担相关成本。

在关联销售中，由关联方承担向终端客户提供质保期和相关的售后服务，并根据实际情况由关联方或上海剑桥科技承担成本和费用。

风险

a) 市场风险

市场风险是指由于市场需求变化、市场价格波动等造成企业盈利状况的不可预知性，如由于市场需求萎缩而造成的产品滞销、产品价格变化造成的利润下降、市场推广策略失误造成的损失等。

在非关联销售中，上海剑桥科技直接承担市场风险。

在关联销售中，上海剑桥科技与其关联方共同承担其分销产品所涉及的市场风险。

b) 信用风险

信用风险指向客户赊销后，最终可能产生的坏账风险。

在非关联销售中，上海剑桥科技在向境内第三方销售中提供一定的信用期，从而承担相应信用风险。

在关联方销售中，上海剑桥科技不产生信用风险，而是由关联方向终端客户销售时，自行承担信用风险。

c) 产成品运输风险

产成品运输风险主要针对运输过程可能对产成品造成的损坏。

在非关联销售中，根据销售合同的约定，上海剑桥科技或其客户会负责产品的运输。因此，产品运输风险由上海剑桥科技或者其客户承担。由于有相应的运输保险，上海剑桥科技实际承担的产品运输风险有限。

在关联销售中，上海剑桥科技根据订单要求将产品运往关联方或直接运至最终客户，并承担相应费用。

d) 售后质保风险

售后质保风险是指在保修期内为客户更换或修理有缺陷或故障产品所引发的费用。

上海剑桥科技在非关联销售中独立承担质保风险；在关联销售中，售后质保风险由上海剑桥科技和关联方共同承担。

e) 汇率波动风险

汇率波动风险存在于企业利润受汇率波动影响的情况下，即交易货币单位非该笔交易支付方记账本位币。

上海剑桥科技的企业账户中既有人民币，又有美元。上海剑桥科技在进口采购和出口销售中使用美元结算，在境内交易中使用人民币结算。因此，上海剑桥科技承担汇率波动

风险。

5. 管理与其他服务

该职能主要包括日常行政管理和人事。

功能

a) 日常行政管理

作为一家独立企业，上海剑桥科技自行负责日常行政管理活动，并且承担所有相应的费用。

b) 人事

上海剑桥科技向其员工提供常规及专项培训，并承担相关的成本费用。

C. 交易定价的影响要素

1. 地域特殊因素

地域特殊因素包括成本节约和市场溢价。在下文中，我们将针对这两类因素分别进行分析。

a) 成本节约

成本节约是指跨国企业通过将集团内某一运营企业从高成本地区转移至低成本地区从而获得的成本净节约。[18]中国企业若能够相较于原先在另一地区运营的企业以更低的成本进行运营，则需要针对成本节约因素对该中国企业相关的关联交易定价进行分析与调整。

上海剑桥科技所处集团是一家总部设立于中国的"走出去"企业，并不涉及成本节约的情

[18] 来源：OECD, Location savings are the net cost savings that an MNE realizes as a result of relocation of operations from a high-cost jurisdiction to a low-cost jurisdiction.

况。

b) 市场溢价

市场溢价是指跨国企业通过因其独特的品质影响到其服务及产品在某一地区的销售和需求，从而获得的超额利润。[19]站在中国的角度，当集团的服务及产品在中国市场的销售价格及需求量高于其他地区时，则需要针对市场溢价因素对该中国企业相关的关联交易定价进行分析与调整。

按照传统"供给 — 需求"模型，市场溢价可能与功能分析下的产品生产或销售地的市场特性有关，也可能与市场的整体购买力以及家庭对产品的偏好、市场处于扩张还是收缩状态、市场竞争程度、消费者预期、市场管制（政府对某种产业的激励因素）、市场准入、价格歧视、道德风险、信息不对称性及其他类似因素有关。因此，在多重因素作用影响之下，市场溢价现象终因中国市场供求关系的特殊性而形成。[20]

供给方面

上海剑桥科技所处行业为通信设备行业。如前文所述，通信设备企业竞争日益加剧，市场上各种规模和类型的通信设备制造商数量众多，竞争激烈。上海剑桥科技虽然具有一定的技术优势和产品质量口碑，但从市场的供给端来看，上海剑桥科技并不能通过市场垄断或者寡头来获取市场溢价。

需求方面

如前文所述，过去十年电信运营商在互联网业务冲击下转型乏力，运营商的设备投资能力已经严重受限。但随着国家鼓励和规范通信设备行业发展的策略相继出台，行业正逐步规范，全社会的消费意识也在不断提高，越来越多的资本不断进入该领域，有力地促进了该行业的发展，其发展前景广阔。但受到全球经济下行的直接影响，通信设备制造

[19] 来源：United Nations: Practical Manual on Transfer Pricing for Developing Countries, D.2.4.4.4. Market premium relates to the additional profit derived by an MNE by operating in a jurisdiction with unique qualities impacting on the sale and demand for a service or product.
[20] 《地域性特殊优势之"市场溢价"理论透视：由来、定位、实践与未来趋向》，《中央财经大学学报》2016 年第 3 期

行业整体收入增长速度放缓，直接影响上游通讯设备原材料的销售。因此，上海剑桥科技并不因市场需求情况而获得市场溢价。

综上，上海剑桥科技并没有因成本节约或市场溢价而获得特殊的地域因素收益。

2. 无形资产

集团的无形资产，主要包括技术型无形资产和营销型无形资产。

就技术型无形资产而言，上海剑桥科技拥有其自主研发的技术成果的专利权。上海剑桥科技拥有实力雄厚的研发技术团队，在许多核心技术方面都充满经验，其通信设备类产品所涉及的核心技术包括无源光纤接入技术、无线接入技术、DSL 技术、智能家庭和存储产品、高速光组件与光模块相关的技术以及生产制造相关技术（如自动化生产、工业 4.0 相关技术）。上海剑桥科技设立的产品研发平台负责前述技术的开发、维护、更新、升级等工作。这些关键技术在行业中处于领先地位，使得上海剑桥科技的通信设备产品更具竞争力。凭借其在技术的专业性，获得了越来越多客户的认可。上海剑桥科技的研发职能对价值创造具有重要的贡献。

就营销型无形资产而言，上海剑桥科技拥有商标和品牌"CIG"，其负责对商标品牌的形象设计工作，提供企业品牌构建活动，提供相关的市场宣传册，维护和防御商标避免商标模仿和伪造等。

因此，上海剑桥科技针对技术型及营销型无形资产，进行开发、价值提升、维护、保护、应用和推广，对整个供应链的价值创造起到了重要的贡献作用。

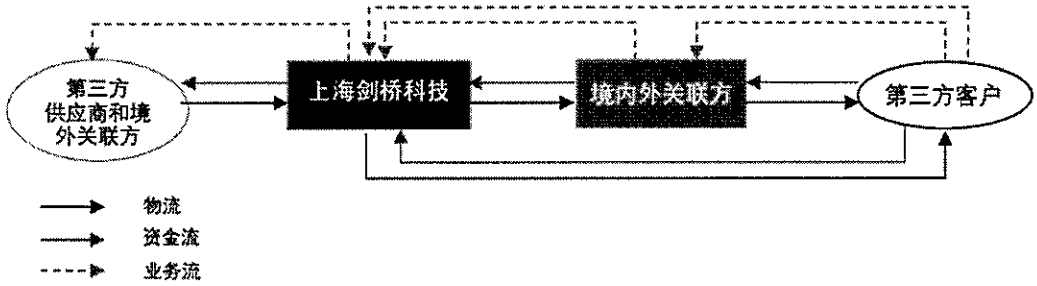
D. 价值链分析

1. 集团内相关业务流、物流、资金流的说明

上海剑桥科技生产制造的产品为电信宽带终端、无线网络设备与小基站、智能家庭和存储产品、工业物联网产品、以及高速光组件与光模块等。集团产品的核心技术研究与开发由上海剑桥科技负责。上海剑桥科技基于客户的订单，进行产品的生产。生产相关的原材料主要来自境外关联方和第三方。上海剑桥科技在生产之后，将产品部分销售至第

三方客户，部分销售至境内外关联方，后者再向第三方客户进行销售。上海剑桥科技公司相关的业务流、物流、资金流等情况如下图所示：

上海剑桥科技相关的业务流、物流、资金流情况

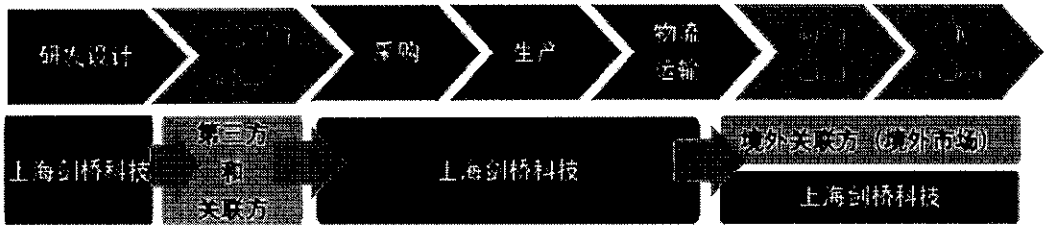


如上图所示，就业务流来看，上海剑桥科技根据第三方的订单情况，进行生产活动，并根据生产情况向境外关联方和境内外第三方进行原材料的采购。就物流来看，上海剑桥科技的产品被运往境内外关联方，后者再将产生品运往第三方客户。同时，也存在上海剑桥科技将产品直接运往第三方客户的情况。

2. 集团内价值链分析

上海剑桥科技参与的价值链分析图如下所示：

上海剑桥科技相关的价值链分析图



如上图所示，对该价值链利润贡献最大的职能为核心技术和生产工艺的研发与设计，其次为营销和销售职能（在激烈的市场竞争和多变的外部环境中，保持市场份额和维护客户），再其次为生产制造，最后是采购、物流与售后等辅助职能。如前所述，上海剑桥科技在价值链中承担研发、生产、采购、物流运输、市场的营销和销售功能；同时其关联

方承担了境外市场的营销和销售职能。因此，上海剑桥科技承担了对价值链起到重要贡献因素的职能。

3. 地域特殊因素对企业创造价值贡献的计量及特性

如前文所述，不存在上海剑桥科技留有因中国产生成本节约/市场溢价带来的利润。

4. 企业集团利润在全球价值链中的分配原则和分配结果

根据经济合作发展组织（"OECD"）及 G20 的税基侵蚀和利润转移（"BEPS"）行动计划、以及 42 号公告的精神，跨国企业应当就其利润就经济活动发生地及价值创造地合理纳税，且其经济活动、价值创造、税负水平需相应匹配。对于上海剑桥科技而言，在集团的供应链中是一家具有研发、销售功能的生产商，其对价值链具有重要贡献。作为价值链中的业务主体，上海剑桥科技作为承担研发、生产、营销、销售等职能的全功能企业，同时还承担了诸多经营风险比如研发风险、市场风险。特别是市场风险，当市场表现不佳或竞争激烈（如销量及毛利欠佳）时，上海剑桥科技会发生利润波动甚至亏损的情况；当市场表现良好（如销量及毛利尚可）时，上海剑桥科技则会取得良好的利润状况。因此，上海剑桥科技在价值链中承受着市场波动的不稳定因素，并承担相应的市场风险。上海剑桥科技在价值链中留存了符合其功能风险和价值创造的合理利润。对于上海剑桥科技获得的利润水平的分析，参见 V.可比性分析章节。

E. 价值链分析中参与方最近会计年度的财务报表

关联交易参与方的财务报表由集团管理层统一保管，可根据税局要求另行提供。

F. 对外投资

2023 年度，上海剑桥科技未发生对外投资的情况。

G. 关联股权转让

2023 年度，上海剑桥科技未发生关联股权转让的情况。

H. 关联劳务

从关联方接受服务

如前所述，上海剑桥科技 2023 年所发生的关联劳务为从境内关联方接受技术服务。上海剑桥科技在生产运营中接受关联方提供的技术服务，并向关联方支付服务费。

向关联方提供服务

2023 年度，上海剑桥科技向关联方提供共享服务，具体包括财会服务、人力资源服务等支持性服务，并向关联方收取服务费。上海剑桥科技向其关联方提供关联劳务，主要原因是其关联方自身部门人员还不足以完全承担该功能的正常运作。上海剑桥科技提供的服务符合了关联方的经营需要，交易具有商业实质且为关联方的经营创造了实际的价值。因此，从商业角度和受益性原则考虑，上海剑桥科技与其关联方之间的关联劳务安排是合理且必要的。

I. 现有单边和双边/多边预约定价安排和其他税收裁定

集团内的任何成员未签署任何与上海剑桥科技的关联交易直接相关的单边和双边/多边预约定价安排和其他税收裁定。

IV.转让定价方法的使用和选择

A. 可选用的转让定价方法

根据《国家税务总局关于特别纳税调查及相互协商程序管理办法的公告》（“6 号公告”）的规定，发生关联方的企业以及税务机关审核、评估关联交易均应遵循独立交易原则，选用合理的转让定价方法。其中所称的转让定价方法包括：

- 可比非受控价格法；
- 再销售价格法；
- 成本加成法；
- 交易净利润法；
- 利润分割法；
- 其他符合独立交易原则的方法包括成本法、市场法和收益法等资产评估方法，以及其他能够反映利润与经济活动发生地和价值创造地相匹配原则的方法。

选用合理的转让定价方法应进行可比性分析，主要包括以下五个方面：

1. 交易资产或劳务特性--有形资产的物理特性、质量、数量等；无形资产的类型、交易形式、保护程度、期限、预期收益等；劳务的性质和内容；金融资产的特性、内容、风险管理等；

2. 交易各方功能、承担的风险和使用的资产--功能主要包括研发、设计，采购，加工、装配、制造、维修、分销、营销、广告、存货管理、物流、仓储、融资、管理、财务、会计、法律及人力资源管理等。风险主要包括投资风险、研发风险、采购风险、生产风险、市场风险、管理风险及财务风险等。资产包括有形资产、无形资产、金融资产等；

3. 合同条款--包括交易标的、交易数量、交易价格、收付款方式和条件、交货条件、售后服务范围和条件、提供附加劳务的约定、变更或者修改合同内容的权利、合同有效期、终止或者续签合同的权利等。合同条款分析应当关注企业执行合同的能力与行为，

以及关联方之间签署合同条款的可信度等;

4. 经济环境--包括行业概况、地理区域、市场规模、市场层级、市场占有率、市场竞争程度、消费者购买力、商品或者劳务可替代性、生产要素价格、运输成本、政府管制，以及成本节约、市场溢价等地域特殊因素;

5. 经营策略--包括创新和开发、多元化经营、协同效应、风险规避及市场占有策略等。

本章就 6 号公告对各转让定价方法的解释以及上述可比性因素的规定，分析并选择适用于上海剑桥科技和其关联方之间关联交易的转让定价方法。

B. 可比非受控价格法

可比非受控价格法以非关联方之间进行的与关联交易相同或类似业务活动所收取的价格作为关联交易的公平成交价格。可比非受控价格法可以适用于所有类型的关联交易。

可比非受控价格法的可比性分析，应当按照不同交易类型，特别考察关联交易与非关联交易中交易资产或者劳务的特性、合同条款、经济环境和经营策略上的差异。

关联交易与非关联交易在以上方面存在重大差异的，应当就该差异对价格的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

在本案中，上海剑桥科技从境外关联方和第三方采购原材料进行生产后，将部分产品销售给境内外非关联方；部分产品，通过境内外关联方销售给终端第三方客户。虽然上海剑桥科技的关联交易存在类似第三方交易，即上海剑桥科技向关联方和第三方提供相类似的产品。然而经过分析，我们发现两项交易下上海剑桥科技在交易内容、承担的功能和风险程度、合同条款、经济实质等方面均存在重大差异。该差异无法通过数据分析进行合理量化和调整。此外，也无法获得外部可比非关联交易，即集团外的独立第三方之间进行的类似可比交易的信息。由此，本案应根据 42 号及 6 号公告的规定，选择其他合理的转让定价方法进行分析。

C. 再销售价格法

再销售价格法以关联方购进商品再销售给非关联方的价格减去可比非关联交易毛利后的金额作为关联方购进商品的公平成交价格。再销售价格法一般适用于再销售者未对商品进行改变外型、性能、结构或更换商标等实质性增值加工的简单加工或单纯购销业务。

再销售价格法的计算公式如下:

- 公平成交价格=再销售给非关联方的价格×（1-可比非关联交易毛利率）
- 可比非关联交易毛利率=可比非关联交易毛利/可比非关联交易收入净额 ×100%

针对再销售价格法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险、使用的资产和合同条款上的差异，以及影响毛利率的其他因素，具体包括营销、分销、产品保障及服务功能，存货风险，机器、设备的价值及使用年限，无形资产的使用及价值，有价值的营销型无形资产，批发或者零售环节，商业经验，会计处理及管理效率等。

关联交易与非关联交易在以上方面存在重大差异的，应当就该差异对毛利率的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

在本案中，上海剑桥科技从境外关联方和第三方采购原材料进行生产，并将部分产成品销售给境内外非关联方，部分销售给境内外关联方。而再销售价格法通常适用于再销售者未对商品进行改变外型、性能、结构或更换商标等实质性增值加工的简单加工或单纯购销业务。因此，在本案中无法使用再销售价格法。

D. 成本加成法

成本加成法以关联交易发生的合理成本加上可比非关联交易毛利后的金额作为关联交易的公平成交价格。成本加成法一般适用于有形资产使用权或者所有权的转让、资金融通、劳务提供等关联交易。

成本加成法的计算公式如下:

- 公平成交价格 = 关联交易发生的合理成本×(1+可比非关联交易成本加成率);
- 可比非关联交易成本加成率=可比非关联交易毛利/可比非关联交易成本×100%

成本加成法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险、使用的资产和合同条款上的差异，以及影响成本加成率的其他因素，具体包括制造、加工、安装及测试功能，市场及汇兑风险，机器、设备的价值及使用年限，无形资产的使用及价值，商业经验，会计处理，生产及管理效率等。

关联交易与非关联交易在以上方面如存在重大差异的，应当就该差异对成本加成率的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

如前所述，上海剑桥科技的关联交易存在类似第三方交易，即上海剑桥科技向关联方和第三方提供相类似的产品。然而经过分析，我们发现关联和第三方交易下上海剑桥科技在交易内容、承担的功能和风险程度、合同条款、经济实质等方面均存在重大差异。该差异无法通过数据分析进行合理量化和调整。此外，也无法获得外部可比非关联交易，即集团外的独立第三方之间进行的类似可比交易的信息。因为，可比企业的功能与风险的详细数据难以获取，同时可比公司不透露详细财务信息（包括具体的业务类别、财务数据的成本构成和利润计算过程），且涉及多种会计制度及处理方法，导致无法确定上海剑桥科技的成本类别与可比公司的成本类别是否一致划分，从而无法进行可靠的毛利加成率分析。由此，本案应根据 42 号及 6 号文的规定，选择其他合理的转让定价方法进行分析。

E. 交易净利润法

交易净利润法以可比非关联交易利润率指标确定关联交易净利润。非关联交易利润率指标通常为净利润性质，包括息税前利润率、完全成本加成率、资产收益率、贝里比率等。交易净利润法一般适用于不拥有重大价值无形资产企业的有形资产使用权或者所有权的转让和受让、无形资产使用权受让以及劳务交易等关联交易。

交易净利润法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险和使用的资产，经济环境上的差异，以及影响利润的其他因素，具体包括行业和市场情况，经营规模，经济周期和产品生命周期，收入、成本、费用和资产在各交易间的分配，会计处理及经营管理效率等。

从原理上来讲，交易净利润法合并测试一组或多组受控交易（关联交易）的总体利润水

平。相比再销售价格法和成本加成法中使用的毛利率指标，交易净利润法下使用的净利润水平指标受关联和非关联业务间因功能、风险、会计处理等差异而造成的影响最小。

因此，交易净利润法下的净利润指标对评估关联交易是否符合独立交易原则非常有效。在目前中国和国际转让定价实务中，交易净利润法也是最为频繁使用的方法。

因此，交易净利润法下的净利润指标对评估关联交易是否符合独立交易原则非常有效。在目前中国和国际转让定价实务中，交易净利润法也是最为频繁使用的方法。

F. 利润分割法

利润分割法根据企业与其关联方对关联交易合并利润（实际或者预计）的贡献计算各自应该分配的利润额。利润分割法主要包括一般利润分割法和剩余利润分割法。

一般利润分割法通常根据关联交易各方所执行的功能、承担的风险和使用的资产，采用符合独立交易原则的利润分割方式，确定各方应当取得的合理利润；当难以获取可比交易信息但能合理确定合并利润时，可以结合实际情况考虑与价值贡献相关的收入、成本、费用、资产、雇员人数等因素，分析关联交易各方对价值做出的贡献，将利润在各方之间进行分配。

剩余利润分割法将关联交易各方的合并利润减去分配给各方的常规利润后的余额作为剩余利润，再根据各方对剩余利润的贡献程度进行分配。

利润分割法一般适用于企业及其关联方均对利润创造具有独特贡献，业务高度整合且难以单独评估各方交易结果的关联交易。利润分割法的适用应当体现利润应在经济活动发生地和价值创造地征税的基本原则。

利润分割法的可比性分析，应当特别考察关联交易各方执行的功能、承担的风险和使用的资产，收入、成本、费用和资产在各方之间的分配，成本节约、市场溢价等地域特殊因素，以及其他价值贡献因素，确定各方对剩余利润贡献所使用的信息和假设条件的可靠性等。

考虑到上海剑桥科技与关联方之间的交易并不复杂，也不存在双方行为高度整合的情况，

并且上海剑桥科技的关联方不拥有重要的无形资产，利润分割法也不是用来分析验证交易是否符合独立交易原则的最佳方法。

G. 其他转让定价方法

其他符合独立交易原则的方法包括成本法、市场法和收益法等资产评估方法，以及其他能够反映利润与经济活动发生地和价值创造地相匹配原则的方法。

成本法是以替代或者重置原则为基础，通过在当前市场价格下创造一项相似资产所发生的支出确定评估标的价值的评估方法。成本法适用于能够被替代的资产价值评估。

市场法是利用市场上相同或者相似资产的近期交易价格，经过直接比较或者类比分析以确定评估标的价值的评估方法。市场法适用于在市场上能找到与评估标的相同或者相似的非关联可比交易信息时的资产价值评估。

收益法是通过评估标的未来预期收益现值来确定其价值的评估方法。收益法适用于企业整体资产和可预期未来收益的单项资产评估。

考虑到上海剑桥科技为生产商，上述方法并不适用于分析验证上海剑桥科技的关联交易是否符合独立交易原则。

H. 交易净利润法下的被测试方选择

本案将交易净利润法选为最适合的转让定价方法。在该方法下，必须在关联交易双方中选出被测试方，并通过测试该方的净利润水平来评估相关的关联交易是否符合独立交易原则。

一般来讲，被测试方通常是在关联双方中，承担功能较简单，风险较小，并且不拥有足以使其有别于其他潜在可比非受控企业的重要无形资产的那方。根据本报告 III.关联交易章节中 B.功能风险分析部分结果，从可行性角度出发，我们选择了上海剑桥科技为本案的被测试方。

I. 交易净利润法下的利润水平指标选择

利润水平指标用于衡量利润与销售收入、实际成本或资源投入之间的关系。利润指标的选取应当反映交易各方执行的功能、承担的风险和使用的资产。

被测试方上海剑桥科技为生产企业，通常应选用的净利润水平指标为完全成本加成率。即：

完全成本加成率=息税前利润/完全成本=息税前利润/（营业收入-息税前利润）
其中，完全成本=营业成本（包括税金及附加）+营业费用+管理费用

J. 可比公司数据统计

在交易净利润法下选定被测试方和利润水平指标后，应当通过基准定位分析（可比性分析）来搜索可比公司，并通过计算可比公司的利润水平来评估被测试方在关联交易中是否符合独立交易原则。对可比公司进行数据统计时，一般采用多年数据和四分位区间。

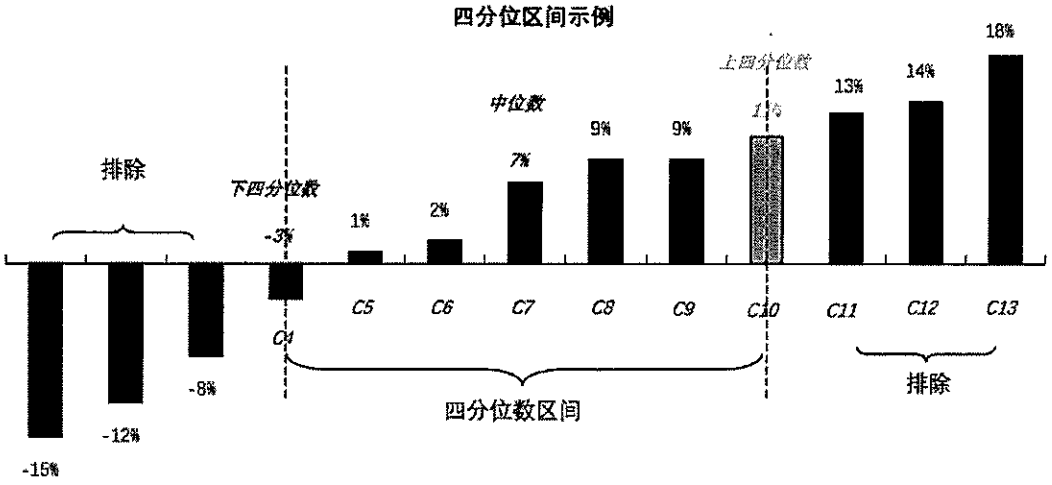
1. 多年数据的使用

由于一系列非转让定价因素的影响，可比公司的财务数据在短期内可能有波动。为了避免因此造成的影响，我们在稍后的基准定位分析章节中对可比企业进行了三年的数据分析（2020 到 2022），并计算它们利润指标的加权平均值。

2. 四分位区间

搜索得出多家可比公司后，中国和国际转让定价实务中的通行做法是在此基础上建立合理利润区间。为了建立这一区间，通常剔除最低和最高区域内各 25%的数值，从而得到统计学上的"四分位数区间"。该区间内的最小端值被称为"下四分位数"，最大端值被称为"上四分位数"，中位值即中位数。

举例来说，下图列出了对 13 个可比对象的四分位数的计算方法。去掉最好和最差的各 25%的公司后，四分位数区间涵盖的便是从第 4 家到第 10 家的公司，其中第 7 家公司代表的是中位数值。



如果被测试企业的利润水平处于可比公司四分位数区间之内，一般便可认为其关联交易遵循了独立交易原则。

V.可比性分析

可比性分析（基准定位分析）的目的是通过数据库搜寻与上海剑桥科技功能与产品可比的亚太地区公司，并通过计算可比公司的财务和利润水平来确定上海剑桥科技在关联业务中所应该获取的合理利润水平。本章节详述了我们的分析标准，分析过程以及最后的结果。

A. 可比公司筛选标准

在本次测试的关联业务中，我们的搜索旨在找到符合以下条件的亚太地区上市公司作为上海剑桥科技的可比公司：

- 主营业务为生产；
- 主要产品为通信设备；
- 在 2020-2022 财政年度间，可从数据库中获得至少两年的财务数据；
- 在 2020-2022 财政年度间，不存在连续亏损状况；
- 不受关联方重大控制，无大额关联方交易；
- 不承担明显不可比的功能，如销售、市场营销以及投资控股等，或生产不可比产品。

为达到有效搜索的目的，采用了一系列的量化和质化指标来评估和筛选潜在的可比公司。具体详见下文。

B. 可比公司搜索过程

1. 选用的数据库

我们选用的数据库为世界领先的商业和公司信息电子出版商 Bureau van Dijk Electronic Publishing ("BVD")所提供的 TP Catalyst 数据库。

TP Catalyst 数据库提供全世界 140 个以上国家中上市公司的财务，所有权，经济新闻，评级，股票数据等信息。库中共含总共约 118,059 多家上市企业近 30 年来的标准格式和报告格式财务数据。

中国国家税务总局（"国税总局"）也已在其税收征管和反避税工作中使用 TP Catalyst 数据库。2005 年 3 月 25 日，国税总局发布了国税函[2005]239 号文，要求各级税务部门使用 BVD 公司的数据库作为反避税调查和纳税调整的依据。

我们在搜索可比公司时采用了 2024 年 1 月版的 TP Catalyst 数据库。

2. 基本搜索流程

搜索流程包含三大步骤：

- 电子识别 – 找到美国标准行业代码（"SIC"代码）系统中代表被测试方业务的代码，并找出该代码下的企业名单；
- 量化筛选 – 用量化指标对上一步中得出的全体公司进行初步筛选；
- 质化筛选 – 通过研读公司业务介绍来做进一步筛选，并得到最终可比公司组。

3. 电子识别

a) SIC 代码

本分析找到了以下符合上海剑桥科技业务的 SIC 代码：

可比性分析所选 SIC 代码表

SIC代码	描述
3629	其他未分类的电子行业仪器
3669	其他未分类的通讯设备

这些代码将有效覆盖上海剑桥科技的潜在可比公司。

此外，同时为了更好地覆盖与上海剑桥科技可比的公司，我们在 SIC 代码 36**（电子及其他电气设备零部件）下加入了针对"wifi（无线宽带）"、"wireless（无线宽带）"、"gateway

（网关）"字符串的检索。这些代码将有效覆盖上海剑桥科技的潜在可比公司。

b) 地域范围

我们将企业的搜索范围选定在亚太地区的以下主要经济实体：

可比性分析所选地域表

中国大陆	香港	印度	印尼	日本
韩国	澳门	马来西亚	尼泊尔	新西兰
巴基斯坦	菲律宾	新加坡	斯里兰卡	台湾
澳大利亚	泰国	越南		

c) 独立性

该步骤用于删除那些在交易上（由此也可能影响财务上）受大股东控制的公司。我们引入了 TP Catalyst 数据库所提供的独立性指标进行筛选，只保留那些被 TP Catalyst 数据库标注了如下独立性指标的公司：

- A+, A 或 A-：表明该公司没有任何股东控制该公司的股份超过 25%(含 25%)；
- U：持股情况不详。(由于很多亚太区的公司不对外公开其股东持股情况，所以我们暂时接受独立性指标"U"的公司，通过检视其业务描述和公司历史概况加以判断独立性。)

为扩大中国大陆公司的样本量，我们未对中国大陆公司使用独立性这一标准，而是在质化筛选阶段通过查看公司年度审计报告中关于关联方交易的披露来判定。

经过上述步骤初步得到：

√ 532 家公司

接着使用量化和质化指标对这些企业进行进一步筛选。

4. 量化筛选

我们选用的量化指标包括:

a) 数据充分性

由于与转让定价无关的其他经济状况可能会对公司的财务数据带来短期波动变化，我们一般通过测试多年的平均数据来消除上述波动对最后的利润区间所带来的影响。为了达到该目的，我们删除了在 2020-2022 年间在数据库中可获得财务数据少于两年的公司。

b) 持续亏损

我们也删除了那些在 2020-2022 财政年度间持续亏损的企业。因为持续亏损的企业在会计意义上可能不能满足持续经营假设，因此其财务数据可能并不能有效反应行业常态。

经过上述量化筛选后，剩余:

√ 528 家公司

我们接着进行质化筛选以得到最终可比公司组。

5. 质化筛选

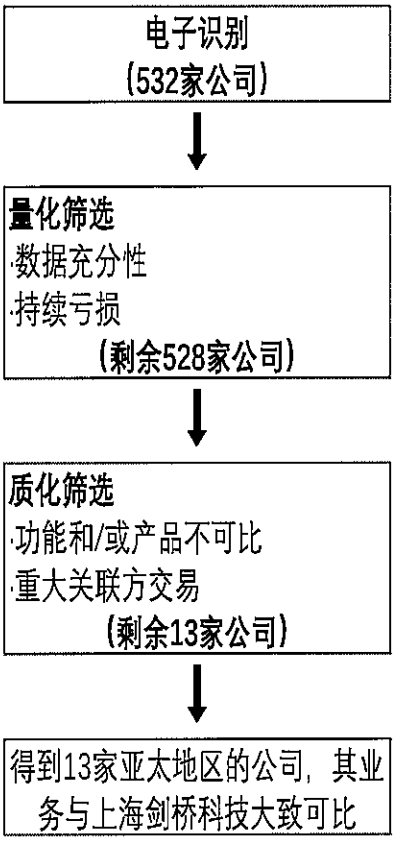
我们审阅了剩余公司的 TP Catalyst 业务描述，从而剔除与上海剑桥科技功能不符，或产品不符的公司。对于初步剩余的公司，我们还查阅了它们的网站和年度报告，以做进一步的分析和确认。最终的结果为:

√ 13 家公司

6. 可比公司搜索过程综述

下图总结了我们使用 TP Catalyst 数据库搜索可比公司的过程。

可比公司搜索过程表



C. 可比性分析结果

1. 可比公司概况

下表列示了 13 家可比公司的营业概况。可比公司筛选过程见附件。

可比公司营业概况

序号	公司名称	国家/地区	主营业务
1	ACON HOLDING INC.	台湾	该公司主要从事计算机和通讯电子连接器的制造和销售。

序号	公司名称	国家/地区	主营业务
2	ANHUI TATFOOK TECHNOLOGY CO., LTD	中国	该公司主要从事半导体和相关设备的制造。公司提供数字通信和信息协议（IP）网络、光通信和移动通信等多种产品。公司还提供射频、微波频段和毫米波频段的通用测量设备。此外，该公司还生产 IP 网络设备、图像分配系统以及公共信息系统和其他相关产品。
3	BEIJING HUAHUAN ELECTRONICS CO.,LTD.	中国	该公司主要从事面向国内和全球信息产业的电信设备的开发和制造。公司生产全面的通信设备组合，包括 SDH/MSPP（同步数字分层/多业务提供平台）产品、PDH（同步数字分层）产品、多功能综合业务复用器和网络转换器。
4	BEIJING JOINTBEST SYSTEM TECHNOLOGY CO.LTD	中国	该公司主要从事生产通信设备和其他相关产品。
5	CYBERTAN TECHNOLOGY INC.	台湾	该公司从事宽带通信和无线网络产品的生产。产品包括无线网络接口卡（WNICs）、无线接入点的路由器、虚拟专用网（VPN）的路由器、防火墙路由器、无线网桥和路由器等。
6	DRAYTEK CORPORATION	台湾	该公司从事有线和无线信号通信设备的生产。公司的产品包括 USB（通用串行总线）ADSL 调制解调器、ADSL 路由器、ISDN 路由器和 USB ISDN TA（终端适配器）等。

序号	公司名称	国家/地区	主营业务
7	EDIMAX TECHNOLOGY CO., LTD	台湾	该公司从事通信设备的生产。该公司的产品涵盖无线网络、共享系列路由器、交换机、KVM 连接和其他连接设备、完整的数字家庭网络和企业网络解决方案。
8	GEMTEK TECHNOLOGY CO.,LTD	台湾	该公司从事无线宽带产品的生产和销售。产品包括无线网络产品，如无线路由器、接入点、客户端适配器和模块；和宽带产品。
9	HEBEI SANMING COMMUNICATION CO.,LTD.	中国	该公司是从事通讯设备制造业，生产电视广播和无线通讯设备
10	HFCL LIMITED	印度	该公司从事通信产品的制造和销售。产品包括电信和 IT 网络的光纤电缆、GPON、无线中继器等。
11	OI ELECTRIC CO LTD	日本	该公司从事信息传输，监控和控制，电信网络以及移动通信设备和测量仪器的生产和销售。
12	U-MEDIA COMMUNICATIONS,INC.	台湾	该公司从事无线通信设备的制造。产品主要包括 3G/4G 无线宽带路由器、家庭智能监控设备、无线、游戏适配器，无线 11N 千兆路由器和便携式 5G 路由器。
13	TONGYU COMMUNICATION INC	中国	该公司主要从事通讯设备的生产和销售，产品包括各类 2G/3G/4G/5G 传输设备，光纤电缆产品以及通讯基站等。

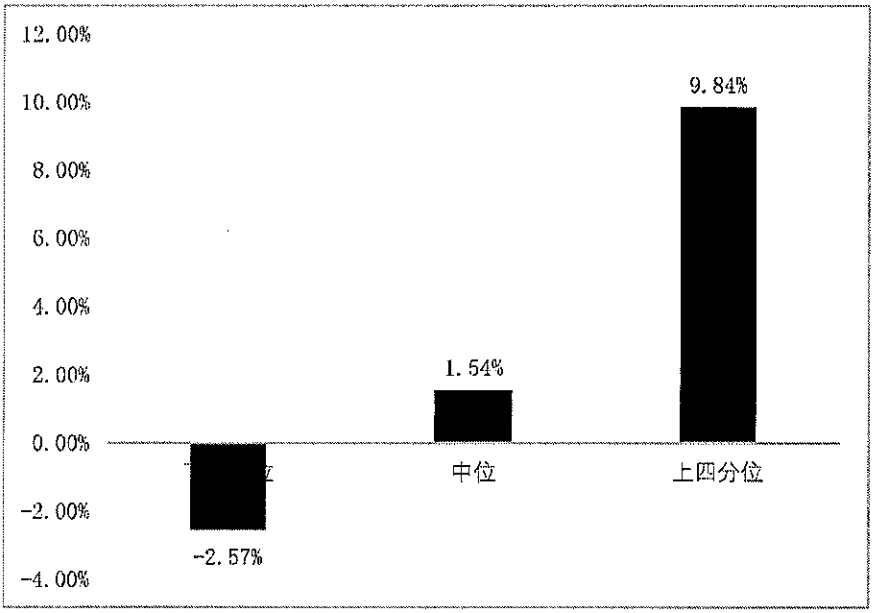
2. 利润水平

由于选用了完全成本加成率作为本次分析的利润水平指标，在分析中计算了 13 家可比公司 2020－2022 年度完全成本加成率的加权平均值，并由此得出可比公司完全成本加成率的四分位区间。详见下表：

可比公司利润率水平

序号	公司名称	完全成本加成率（3年加权平均）
1	ACON HOLDING INC.	-1.90%
2	ANHUI TATFOOK TECHNOLOGY CO., LTD	-6.20%
3	BEIJING HUAHUAN ELECTRONICS CO.,LTD.	-2.57%
4	BEIJING JOINTBEST SYSTEM TECHNOLOGY CO.LTD	16.43%
5	CYBERTAN TECHNOLOGY INC.	-3.40%
6	DRAYTEK CORPORATION	21.57%
7	EDIMAX TECHNOLOGY CO., LTD	3.07%
8	GEMTEK TECHNOLOGY CO.,LTD	2.23%
9	HEBEI SANMING COMMUNICATION CO.,LTD.	-21.63%
10	HFCL LIMITED	12.38%
11	OI ELECTRIC CO LTD	-1.19%
12	U-MEDIA COMMUNICATIONS,INC.	9.84%
13	TONGYU COMMUNICATION INC	1.54%
四分位区间		
下四分位		**-2.57%**
中位		**1.54%**
上四分位		**9.84%**

可比公司完全成本加成率的四分位区间



最终可比公司组的完全成本加成率四分位区间为-2.57%-9.84%，中位数 1.54%。可比公司的财务数据详见附件。

D. 可比数据的差异调整及理由

本报告未对可比公司的财务数据进行调整。

VI.结论

上海剑桥科技由剑桥开曼在中国投资设立。上海剑桥科技从境外关联方和境内外第三方供应商采购原材料，进行生产后，其产品部分销售至境内外第三方客户，部分销售至境内外关联方。其产品主要为电信宽带终端、无线网络设备与小基站、智能家庭和存储产品、工业物联网产品、以及高速光组件与光模块等。

在集团相关业务的完整价值链中主要有研发、生产、市场营销和销售等一系列职能与活动。上海剑桥科技作为承担研发、境内营销和销售功能的生产公司，在非关联销售中，上海剑桥科技主要从事核心技术研发、采购、生产、质量控制、运输等职能，同时境内的营销、销售等职能也由其承担；主要承担的相关商业风险包括研发风险、生产风险、原材料价格波动、质量控制等风险，也会承担境内市场风险等。而在关联销售中，上海剑桥科技主要承担研发、生产职能以及相应的风险，境外市场营销、销售职能以及市场风险则由上海剑桥科技的关联方承担。此外，重大的无形资产（例如核心技术、专利、商标与品牌）由上海剑桥科技所拥有。

上海剑桥科技在价值链中承担研发、生产、采购、物流运输、中国市场的营销和销售功能；同时其关联方承担了较为重要的境外市场的营销和销售职能。因此，上海剑桥科技和其关联方均承担了对价值链起到重要贡献因素的职能。此外，基于对地域特殊因素的分析，上海剑桥科技及其集团未在中国产生相关成本节约/市场溢价。

基于如上分析，我们依照中国转让定价法规——42 号公告和 6 号公告的指导意见，选择了交易净利润法作为合理的转让定价方法，选用完全成本加成率作为主要利润指标来分析评估上海剑桥科技的利润状况和合理利润区间。上海剑桥科技被选为本案的被测试方。可比性分析显示：符合独立交易原则的完全成本加成率区间为-2.57% - 9.84%，中位数 1.54%。2023 年，上海剑桥科技在关联交易下获取的完全成本加成率为 3.12%，利润水平位于可比公司的四分位区间内，并高于中位数。上海剑桥科技在 2023 年度的关联

交易符合独立交易原则。

附件 1.可比公司筛选详表

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
1	A.F.W CO.,LTD.	韩国					X	
2	ABC TAIWAN ELECTRONICS CORP.	台湾					X	
3	ABCO ELECTRONICS CO.,LTD.	韩国					X	
4	ABOCOM SYSTEMS INC.	台湾					X	
5	ACBEL POLYTECH INC.	台湾					X	
6	ACE TECHNOLOGIES CORP.	韩国					X	
7	ACON HOLDING INC.	台湾	X					
8	ACSIP TECHNOLOGY CORP.	台湾					X	
9	ACTIONS TECHNOLOGY CO., LTD.	中国					X	
10	ADVANCED CERAMIC X CORPORATION	台湾				X		
11	AEM HOLDINGS LTD	新加坡					X	
12	AEMULUS HOLDINGS BERHAD	马来西亚				X		
13	AHOKU ELECTRONIC COMPANY	台湾					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
14	AI HOLDINGS CORPORATION	日本					X	
15	AKER TECHNOLOGY CO., LTD	台湾				X		
16	ALCOR MICRO,CORP.	台湾					X	
17	ALICORN INTELLIGENT TECHNOLOGY CORP. LTD	中国				X		
18	ALINCO INCORPORATED	日本					X	
19	ALL RING TECH CO., LTD.	台湾					X	
20	ALLIS ELECTRIC COMPANY LIMITED	台湾					X	
21	ALLTEK TECHNOLOGY CORP.	台湾					X	
22	ALPHA MICROELECTRONICS CORP.	台湾					X	
23	ALPS ALPINE CO.,LTD.	日本					X	
24	ALTEK CORPORATION	台湾					X	
25	AMIGO TECHNOLOGY INC.	台湾				X		
26	AMOTECH CO.,LTD.	韩国					X	
27	AMPACS CORPORATION	台湾				X		
28	AMPLE ELECTRONIC TECHNOLOGY CO.,LTD.	台湾					X	
29	ANAM ELECTRONICS CO.,LTD.	韩国				X		

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
30	ANFU CE LINK LIMITED	中国					X	
31	ANHUI TATFOOK TECHNOLOGY CO., LTD	中国	X					
32	ANHUI TONGGUAN COPPER FOIL GROUP CO., LTD.	中国					X	
33	ANRITSU CORPORATION	日本				X		
34	APAC OPTO ELECTRONICS INC.	台湾					X	
35	APCB INC	台湾					X	
36	APPOTRONICS CORPORATION LIMITED	中国					X	
37	ASR MICROELECTRONICS CO., LTD.	中国					X	
38	ASTRA MICROWAVE PRODUCTS LIMITED	印度					X	
39	ATECH OEM INC.	台湾					X	
40	ATW TECHNOLOGY INC.	台湾					X	
41	AUDEN TECHNO CORP.	台湾					X	
42	AUDIX CORPORATION	台湾					X	
43	AUSTCO HEALTHCARE LIMITED	澳大利亚					X	
44	AVCON INFORMATION TECHNOLOGY CO.,LTD.	中国				X		
45	AVERTRONICS INC.	台湾					X	

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46	BANGYAN TECHNOLOGY CO.,LTD.	中国					X	
47	BAOTOU ZHANHAO ELECTRIC CO., LTD	中国					X	
48	BEIJING BEIDA JADE BIRD UNIVERSAL SCI-TECH COMPANY LIMITED	中国					X	
49	BEIJING CENTURY EAST ZHIHUI TECHNOLOGY CO., LTD	中国					X	
50	BEIJING DIGITAL TELECOM COMPANY LIMITED	中国				X		
51	BEIJING ELECTRONIC ZONE HIGH-TECH GROUP CO., LTD.	中国					X	
52	BEIJING FUJIDANENG ELECTRONICS PRODUCTS CO.,LTD	中国					X	
53	BEIJING HENGYE CENTURY TECHNOLOGY CO.,LTD.	中国					X	
54	BEIJING HUAHUAN ELECTRONICS CO.,LTD.	中国	X					
55	BEIJING JOINTBEST SYSTEM TECHNOLOGY CO.LTD	中国	X					
56	BEIJING JRC SCIENCE AND TECHNOLOGY CO.,LTD.	中国					X	
57	BEIJING MING YI DA TECHNOLOGY CO., LTD.	中国					X	
58	BEIJING SILION TECHNOLOGY CORP.,LTD.	中国					X	
59	BEIJING TRANSFAR ELECTRONICS GROUP CO., LTD.	中国					X	
60	BEIJING TSTD OPTOELECTRONICS TECHNOLOGY CO., LTD	中国					X	
61	BEIJING ZHONGXUN SIFANG SCIENCE AND TECHOLOGY COMPANY LIMITED	中国					X	

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62	BENSV VALVE STOCK CO.,LTD.	中国					X	
63	BHARAT ELECTRONICS LIMITED	印度					X	
64	BIL ENERGY SYSTEMS LTD	印度		X				
65	BILLION ELECTRIC CO., LTD.	台湾					X	
66	BOZHON PRECISION INDUSTRY TECHNOLOGY CO.,LTD.	中国				X		
67	C-MEDIA ELECTRONICS INC.	台湾					X	
68	C-TECH UNITED CORPORATION	台湾					X	
69	CAP-XX LIMITED	澳大利亚					X	
70	CCCG REAL ESTATE CORPERATION LIMITED	中国					X	
71	CETC POTEVIO SCIENCE&TECHNOLOGY CO.,LTD.	中国				X		
72	CETC SHANGHAI MICROWAVE COMMUNICATION CO.,LTD	中国					X	
73	CHANGCHUN GREAT TELECOMMUNICATION EQUIPMENT CO., LTD	中国					X	
74	CHANGZHOU CHART INFORMATION TECHNOLOGY CO., LTD.	中国					X	
75	CHANGZHOU XIANGMING INTELLIGENT DRIVE SYSTEM CORPORATION	中国					X	
76	CHANGZHOU ZHONGXINGHUADA POLYTRON TECHNOLOGIES CO.,LTD	中国				X		

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77	CHANGZHOU ZHONGYING SCIENCE & TECHNOLOGY CO., LTD	中国					X	
78	CHEER TIME ENTERPRISE CO., LTD	台湾					X	
79	CHEMTRONICS CO.,LTD.	韩国					X	
80	CHENGDU 899 SCIENCE AND TECHNOLOGY CO., LTD.	中国					X	
81	CHENGDU GUOGUANG ELECTRIC CO., LTD.	中国				X		
82	CHINA BESTER GROUP TELECOM CO.,LTD.	中国				X		
83	CHINA ELECTRIC MFG. CORPORATION	台湾				X		
84	CHINA GLAZE CO.,LTD.	台湾					X	
85	CHINA HIGH SPEED RAILWAY TECHNOLOGY CO.,LTD.	中国				X		
86	CHINA SOUTHERN POWER GRID TECHNOLOGY CO.,LTD.	中国				X		
87	CHINA SPACESAT CO.,LTD.	中国					X	
88	CHINA ZHENHUA (GROUP) SCIENCE & TECHNOLOGY CO.,LTD.	中国				X		
89	CHIP HOPE CO., LTD	台湾					X	
90	CHOGNQING BIANBIHENG TECHNOLOGY CO.LTD	中国		X				
91	CHONGQING MAS SCI.& TECH. CO.,LTD.	中国					X	
92	CHUNG-HSIN ELECTRIC & MACHINERY MFG.CORP.	台湾					X	

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93	CICT MOBILE COMMUNICATION TECHNOLOGY CO., LTD.	中国					X	
94	CIG SHANGHAI CO.,LTD.	中国					X	
95	COASIA ELECTRONICS CORP.	台湾					X	
96	CODAN LIMITED	澳大利亚					X	
97	COMMAX CO.,LTD.	韩国					X	
98	COMTEC SYSTEMS CO.,LTD.	韩国					X	
99	CONG TY CO PHAN COKYVINA	越南				X		
100	COSCO SHIPPING TECHNOLOGY CO.,LTD.	中国					X	
101	COSNINE CO.,LTD.	韩国					X	
102	COWEAVER IND. CO.,LTD.	韩国					X	
103	CS CORPORATION	韩国				X		
104	CYBERTAN TECHNOLOGY INC.	台湾	X					
105	DAIHEN CORPORATION	日本					X	
106	DALIAN UNIONLINE INTELLIGENT SYSTEM CORPORATION LTD.	中国				X		
107	DATANG TELECOM TECHNOLOGY CO.,LTD.	中国					X	
108	DBG TECHNOLOGY CO., LTD.	中国					X	

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109	DELTA ELECTRONICS INC	台湾					X	
110	DKK CO.,LTD.	日本					X	
111	DONGGUAN AOHAI TECHNOLOGY CO. , LTD.	中国					X	
112	DONGGUAN DONGYU NEW MATERIALS CO,. LTD	中国					X	
113	DRAYTEK CORPORATION	台湾	X					
114	EASTCOMPEACE TECHNOLOGY CO.,LTD	中国				X		
115	EASTERN COMMUNICATIONS CO.,LTD.	中国					X	
116	EASTONE CENTURY TECHNOLOGY CO.,LTD.	中国					X	
117	EB TECH CO.,LTD.	韩国					X	
118	ECLOUDVALLEY DIGITAL TECHNOLOGY CO., LTD.	台湾				X		
119	ECS BOTANICS HOLDINGS LTD	澳大利亚					X	
120	EDIFIER TECHNOLOGY CO., LTD.	中国					X	
121	EDIMAX TECHNOLOGY CO., LTD	台湾	X					
122	EGALAX_EMPIA TECHNOLOGY INC.	台湾					X	
123	EIWA CORPORATION	日本					X	
124	ELCOM TECHNOLOGY COMMUNICATIONS CORPORATION	越南				X		

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125	ELENTEC CO.,LTD.	韩国					X	
126	EM-TECH CO.,LTD.	韩国				X		
127	EMPOWER TECHNOLOGY CORPORATION.	台湾					X	
128	ENE TECHNOLOGY INC	台湾					X	
129	ENERGY TECHNOLOGIES LIMITED	澳大利亚					X	
130	EOPTOLINK TECHNOLOGY INC LIMITED	中国					X	
131	ESPRESSIF SYSTEMS (SHANGHAI) CO.,LTD.	中国					X	
132	ETRON TECHNOLOGY, INC.	台湾					X	
133	EVE ENERGY CO., LTD.	中国					X	
134	EVERSPRING INDUSTRY CO.,LTD.	台湾					X	
135	EWELL CHIP TECHNOLOGY CO., LTD.	中国					X	
136	FARADAY TECHNOLOGY CORPORATION	台湾				X		
137	FERROTEC (AN HUI) TECHNOLOGY DEVELOPMENT CO., LTD.	中国					X	
138	FERROTEC HOLDINGS CORPORATION	日本					X	
139	FIBOCOM WIRELESS INC.	中国					X	
140	FINE DIGITAL INC.	韩国					X	

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141	FITIPOWER INTEGRATED TECHNOLOGY INC	台湾				X		
142	FORWARD ELECTRONICS CO., LTD.	台湾					X	
143	FORYOU CORPORATION	中国					X	
144	FOSHAN CITY XIN YUAN ELECTRONIC CO.,LTD.	中国					X	
145	FUJIAN LONGKING CO., LTD.	中国					X	
146	FUJIAN MAIWEI COMMUNICATION TECHNOLOGY CO., LTD.	中国					X	
147	FUJIAN STAR-NET COMMUNICATION CO., LTD.	中国					X	
148	FURUNO ELECTRIC CO LTD	日本					X	
149	GEM TERMINAL INDUSTRY CO.,LTD.	台湾					X	
150	GEMTEK TECHNOLOGY CO.,LTD	台湾	X					
151	GENBYTE TECHNOLOGY INC.	中国				X		
152	GENEW TECHNOLOGIES CO.,LTD.	中国				X		
153	GHT CO.,LTD	中国					X	
154	GKG PRECISION MACHINE CO., LTD.	中国					X	
155	GLOBALSAT WORLDCOM CORPORATION	台湾					X	
156	GOERTEK INC.	中国					X	

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157	GOSUNCN TECHNOLOGY GROUP COMPANY LIMITED	中国					X	
158	GREEN PACKET BERHAD	马来西亚					X	
159	GUANGDONG ANJUBAO DIGITAL TECHNOLOGY CO.,LTD.	中国					X	
160	GUANGDONG CHENGDE ELECTRONIC TECHNOLOGY CO.,LTD	中国					X	
161	GUANGDONG EDA TECHNOLOGY CO., LTD	中国					X	
162	GUANGDONG FUXIN TECHNOLOGY CO., LTD.	中国				X		
163	GUANGDONG GLOBAL TECHNOLOGY CO.,LTD.	中国					X	
164	GUANGDONG HAOBOTE TECHNOLOGY CO., LTD	中国					X	
165	GUANGDONG KANGRONG HIGHTECH NEW MATERIAL CO.,LTD	中国					X	
166	GUANGDONG LEETAC ELECTRONICS TECHNOLOG CO.,LTD.	中国					X	
167	GUANGZHOU FENGLEI TRANSPORTATION TECHNOLOGY CO., LTD.	中国				X		
168	GUANGZHOU STRONG TECHNOLOGY COMPANY LIMITED	中国				X		
169	GUANGZHOU VIDEO-STAR INTELLIGENT CO., LTD.	中国				X		
170	GUANGZHOUSENBAO ELECTRICAL APPLIANCES CO., LTD	中国					X	
171	GUIZHOU CHANGZHENG TIANCHENG HOLDING CO.,LTD.	中国					X	
172	GUIZHOU SPACE APPLIANCE CO.,LTD.	中国				X		

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173	GUIZHOUFLIDAM TECHNOLOGY CO.,LTD.	中国					X	
174	GUODIAN NANJING AUTOMATION COMPANY LIMITED	中国					X	
175	GUOGUANG ELECTRIC COMPANY LIMITED	中国					X	
176	GW VITEK CO.,LTD.	韩国				X		
177	H&B DESIGN CO.,LTD.	韩国					X	
178	HANCHANG CORPORATION	韩国				X		
179	HANDAN MOCAR INFORMATION TECHNOLOGY CO.,LTD.	中国					X	
180	HANGZHOU HUAXING CHUANGYE COMMUNICATION TECHNOLOGY CO.,LTD.	中国					X	
181	HANGZHOU KEFENG ELECTRONIC CO.,LTD.	中国					X	
182	HANGZHOU OWEIKE INFORMATION TECHNOLOGY CO.,LTD	中国				X		
183	HANGZHOU XUXIAN TECHNOLOGY CO., LTD.	中国					X	
184	HEBEI FORYON INTELLIGENT CONTROL CO.,LTD	中国					X	
185	HEBEI SANMING COMMUNICATION CO.,LTD.	中国	X					
186	HEFEI ANGELON ELECTRONICS CO.,LTD.	中国					X	
187	HEFEI I-TEK OPTOELECTRONICS CO., LTD.	中国					X	
188	HENAN SPLENDOR SCIENCE & TECHNOLOGY CO., LTD.	中国				X		

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189	HENAN THINKER AUTOMATIC EQUIPMENT CO.,LTD.	中国					X	
190	HERONAV(ANHUI)TECHNOLOGY DEVELOPMENT COMPANY LIMITED	中国				X		
191	HFCL LIMITED	印度	X					
192	HI SHARP ELECTRONICS CO., LTD.	台湾					X	
193	HIGHER WAY ELECTRONIC CO., LTD.	台湾				X		
194	HIROSEELECTRICCO.,LTD.	日本					X	
195	HITACHI LTD	日本					X	
196	HOLTEK SEMICONDUCTOR INC.	台湾				X		
197	HOTLAND ELECTRONICS(SHENZHEN) CO., LTD.	中国					X	
198	HU BEI XUN HUA GENG TAI TELECOMMUNICATION CO.,LTD	中国				X		
199	HU LANE ASSOCIATE INC.	台湾					X	
200	HUANGSHAN OPTORAY COMMUNICATION CORP., LTD.	中国				X		
201	HUIZHOU CHINA EAGLE ELECTRONIC TECHNOLOGY INC.	中国					X	
202	HUIZHOU SPEED WIRELESS TECHNOLOGY CO.,LTD.	中国					X	
203	HUNEED TECHNOLOGIES CO.,LTD.	韩国					X	
204	HYTERA COMMUNICATIONS CORPORATION LIMITED	中国					X	

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205	HYUNION HOLDING CO.,LTD	中国					X	
206	I-CHIUN PRECISION INDUSTRY COMPANY LIMITED	台湾				X		
207	ICOM INCORPORATED	日本					X	
208	ILJIN DISPLAY CO.,LTD.	韩国					X	
209	INARI AMERTRON BERHAD	马来西亚					X	
210	IOKCOMPANY CO., LTD.	韩国				X		
211	IVE GROUP LIMITED	澳大利亚					X	
212	JADARD TECHNOLOGY INC.	中国					X	
213	JAYMART GROUP HOLDINGS PUBLIC COMPANY LTD	泰国				X		
214	JENTECH PRECISION INDUSTRIAL COMPANY LIMITED	台湾					X	
215	JIANGMEN KANHOO INDUSTRY CO.,LTD	中国					X	
216	JIANGSU BOQIAN NEW MATERIALS STOCK CO.,LTD.	中国				X		
217	JIANGSU CAI QIN TECHNOLOGY CO.,LTD.	中国					X	
218	JIANGSU FAVORED NANOTECHNOLOGY CO.,LTD.	中国					X	
219	JIANGSU HASEN ELECTRIC CO.,LTD.	中国					X	
220	JIANGSU HUASHENG TIANLONG PHOTOELETRIC CO.,LTD.	中国					X	

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221	JIANGSU SO-FINE COMMUNICATION CO.,LTD	中国					X	
222	JIANGSU TONGXINGBAO INTELLIGENT TRANSPORTATION TECHNOLOGY CO.,LTD.	中国					X	
223	JIANGSU YUNYONG ELECTRONICS AND TECHNOLOGY CO.,LTD.	中国					X	
224	JIANGSU ZHONGKE KINGDA IOT CO.,LTD.	中国					X	
225	JIANGXI JINHUI LITHIUMBATTERY ELECTROLYTE CO.,LTD.	中国					X	
226	JINHONG HOLDING GROUP CO., LTD.	中国					X	
227	JOINSOON ELECTRONICS MFG. CO., LTD.	台湾					X	
228	JSW PACIFIC CORPORATION	台湾					X	
229	JVC KENWOOD CORPORATION	日本				X		
230	KALPATARU PROJECTS INTERNATIONAL LIMITED	印度					X	
231	KAON GROUP CO., LTD.	韩国					X	
232	KAVVERI TELECOM PRODUCTS LIMITED	印度					X	
233	KENBOTONG TECHNOLOGY CO. LTD.	中国					x	
234	KESPION CO., LTD.	韩国				X		
235	KEY ASIC BERHAD	马来西亚					X	
236	KING YUAN ELECTRONICS COMPANY LIMITED	台湾					X	

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237	KINGCLEAN ELECTRIC CO.,LTD	中国					X	
238	KINGLAND PROPERTY CORPORATION LTD.	台湾					X	
239	KIWI TECHNOLOGY INC.	台湾					X	
240	KOCOM CO.,LTD.	韩国				X		
241	KONKA GROUP CO.,LTD	中国					X	
242	KOREA ELECTRIC TERMINAL CO.,LTD.	韩国					X	
243	KUNG LONG BATTERIES INDUSTRIAL CO.,LTD	台湾					X	
244	KWAN'S INTERNATIONAL CO.,LTD.	台湾					X	
245	KYLAND TECHNOLOGY CO., LTD.	中国					X	
246	KYOCERA CORPORATION	日本					X	
247	LEADTEK RESEARCH INC	台湾					X	
248	LENS TECHNOLOGY CO., LTD.	中国					X	
249	LG CORP.	韩国					X	
250	LIAONING SHUN BANG COMMUNICATION TECHNOLOGY CO.,LTD	中国					X	
251	LIGHTRON INC.	韩国				x		
252	LIGHTSTAR (BEIJING) ELECTRONIC CORPORATION	中国					X	

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253	LINKCOM MANUFACTURING CO.,LTD.	台湾					X	
254	LINKTEL TECHNOLOGIES CO., LTD.	中国					X	
255	LOOP TELECOMMUNICATION INTERNATIONAL INC	台湾					X	
256	LUNG HWA ELECTRONICS COMPANY LIMITED	台湾					X	
257	LUSTER LIGHTTECH CO., LTD.	中国					X	
258	LUXSHARE PRECISION INDUSTRY CO., LTD.	中国					X	
259	MARS SEMICONDUCTOR CORP.	台湾				X		
260	MAX ECHO TECHNOLOGY CORP.	台湾					X	
261	MAXIC TECHNOLOGY, INC.	中国					X	
262	MEDIA LINKS CO.,LTD.	日本					X	
263	MEDIATEK INC.	台湾				X		
264	MEDIERA CORPORATION	台湾					X	
265	MEIDENSHA CORPORATION	日本					X	
266	MERRY ELECTRONICS CO.,LTD.	台湾					X	
267	MICROELECTRONICS TECHNOLOGY INC.	台湾				X		
268	MICROTIPS TECHNOLOGY INC.	台湾					X	

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269	MIN AIK TECHNOLOGY COMPANY LIMITED	台湾					X	
270	MINAMI ACOUSTICS LIMITED	中国					X	
271	MIRAE ING CO.,LTD.	韩国					X	
272	MIRAI INDUSTRY CO LTD	日本					X	
273	MITSUBISHI ELECTRIC CORPORATION	日本					X	
274	MODERN MALLEABLES LTD	印度				X		
275	MURATA MANUFACTURING CO., LTD.	日本				X		
276	MYSON CENTURY INC.	台湾					X	
277	NAKAYO INC	日本					X	
278	NAMSUNG CORPORATION	韩国					X	
279	NANJING BIDUN ENVIRONMENTAL PROTECTION TECHNOLOGY CO.,LTD.	中国					X	
280	NANJING PANDA ELECTRONICS COMPANY LIMITED	中国				X		
281	NANJING PUTIAN TELECOMMUNICATIONS CO., LTD.	中国					X	
282	NANJING SHINING ELECTRIC AUTOMATION CO,LTD.	中国					X	
283	NANJING TICOM TECH COMPANY LIMITED	中国					X	
284	NANJING XINLIAN ELECTRONICS CO.,LTD.	中国					X	

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285	NATIONS TECHNOLOGIES INC.	中国					X	
286	NEW ERA ELECTRONICS CO., LTD.	台湾					X	
287	NEW GUOMAI DIGITAL CULTURE CO., LTD	中国					X	
288	NEW SEA UNION TECHNOLOGY GROUP O.,LTD.	中国					X	
289	NINGBO BIRD CO.,LTD.	中国					X	
290	NINGBO KINGDUN ELECTRONIC INDUSTRY CO.,LTD.	中国					X	
291	NINGBO SHINING OPTOELECTRONICS CO.,LTD	中国					X	
292	NINGBO VICHNET TECHNOLOGY CO., LTD.	中国					X	
293	NINGBO YUNSHENG CO.,LTD.	中国					X	
294	NTEGRATOR HOLDINGS LIMITED	新加坡					X	
295	OE SOLUTIONS CO.,LTD.	韩国					X	
296	OI ELECTRIC CO LTD	日本	X					
297	OK BIOTECH CO., LTD.	台湾				X		
298	OKI ELECTRIC INDUSTRY COMPANY, LIMITED	日本					X	
299	OPEC ELECTRONICS CORP.	中国					X	
300	OPTEX GROUP COMPANY LIMITED	日本					X	

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				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
301	OPTICIS CO.,LTD.	韩国					X	
302	ORANGE ELECTRONIC CO ., LTD	台湾					X	
303	ORIENTAL SYSTEM TECHNOLOGY INC.	台湾					X	
304	P-DUKE TECHNOLOGY CO.,LTD.	台湾					X	
305	PARTRON CO.,LTD.	韩国					X	
306	PHIHONG TECHNOLOGY CO., LTD.	台湾					X	
307	PIXART IMAGING INC	台湾				X		
308	PLANET COMMUNICATIONS ASIA PCL	泰国				X		
309	POWERTECH INDUSTRIAL CO., LTD.	台湾					X	
310	PPI INC.	韩国					X	
311	PRIMATRONIX NANHO TECHNOLOGY LTD	中国					X	
312	PRIME ELECTRONICS & SATELLITICS INC	台湾					X	
313	PROGATE GROUP CORPORATION	台湾					X	
314	QINGDAO TOPSCOMM COMMUNICATION INC.	中国					X	
315	QUECLINK WIRELESS SOLUTIONS CO., LTD.	中国					X	
316	QUESTE COMMUNICATIONS LIMITED	澳大利亚		X				

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
317	RAFAEL MICROELECTRONICS, INC	台湾					X	
318	RAONSECURE CO.,LTD.	韩国				X		
319	RDC SEMICONDUCTOR CO.,LTD	台湾					X	
320	REALLOPP ELECTRIC(BEIJING) CO.,LTD	中国					X	
321	REALTEK SEMICONDUCTOR CORPORATION	台湾				X		
322	RFHIC CORPORATION	韩国				X		
323	RFTECH CO.,LTD.	韩国					X	
324	RICHWAVE TECHNOLOGY CORPORATION	台湾				X		
325	RONGANPROPERTYCO.,LTD.	中国					X	
326	RUBY TECH CORPORATION	台湾				X		
327	RVH INC	日本					X	
328	S-ENERGY CO.,LTD.	韩国					X	
329	SALZER ELECTRONICS LIMITED	印度					X	
330	SAMART CORPORATION PCL	泰国				X		
331	SAMBO MOTORS CO.,LTD	韩国					X	
332	SANGJI CAELUM, INC.	韩国					X	

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				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
333	SANGSIN ENERGY DISPLAY PRECISION CO.,LTD.	韩国					X	
334	SANSHA ELECTRIC MANUFACTURING CO.,LTD.	日本					X	
335	SATPRO M&C TECH CO.,LTD.	中国				X		
336	SAXA HOLDINGS INC	日本				X		
337	SEC CARBON LIMITED	日本					X	
338	SEIRYO ELECTRIC CORPORATION	日本				X		
339	SEVEN UTILITIES AND POWER PUBLIC COMPANY LIMITED	泰国					X	
340	SHANDONG BITTEL INTELLIGENT TECHNOLOGY CO.,LTD	中国					X	
341	SHANDONG KAER ELECTRIC.CO.,LTD	中国					X	
342	SHANDONG LCARBO ENERGY TECHNOLOGY CO., LTD.	中国					X	
343	SHANDONG SHEENRUN OPTICS ELECTRONICS CO.,LTD	中国					X	
344	SHANGHAI ALLIED INDUSTRIAL CORP.,LTD.	中国					X	
345	SHANGHAI BROADBAND TECHNOLOGY CO.,LTD.	中国					X	
346	SHANGHAI COOLTECH POWER CO.,LTD.	中国					X	
347	SHANGHAI HONGHUI OPTICS COMMUNICATION TECH. CO., LTD	中国					X	
348	SHANGHAI LETEL COMMUNICATION EQUIPMENT(GROUP)CO., LTD	中国					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
349	SHANGHAI OPTECH SCIENCE AND TECHNOLOGY CO.,LTD.	中国					X	
350	SHANGHAI REVZONE INDUSTRY CORP	中国					X	
351	SHANGHAI RGBLE ELECTRONICS	中国				X		
352	SHANGHAI SHANNOVER ENVIRONMENT TECHNOLOGY CO., LTD.	中国					X	
353	SHANGHAI SHINLINK INTELLECTUAL TECHNOLOGY CO., LTD.	中国					X	
354	SHANGHAI TIANCHENG COMMUNICATION TECHNOLOGY CORPORATION	中国					X	
355	SHANGHAI WEIMAO ELECTRONIC CO.,LTD	中国					X	
356	SHANGHAI ZHONGCHEN ELECTRONIC TECHNOLOGY CO.,LTD.	中国					X	
357	SHANXI CHANGCHENG MICROLIGHT EQUIPMENT COMPANY LIMITED	中国					X	
358	SHENG YI DEVELOPMENT CO.,LTD	台湾					X	
359	SHENGTAK NEW MATERIAL CO.,LTD.	中国					X	
360	SHENGYE ELECTRIC CO., LTD.	中国					X	
361	SHENGYI ELECTRONICS CO., LTD.	中国					X	
362	SHENZHEN BLUETRUM TECHNOLOGY CO., LTD.	中国					X	
363	SHENZHEN BO WIN HIGH-TECH CO.,LTD	中国					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
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364	SHENZHEN BOFOOK AUTO SALES SERVICE CENTE	中国					X	
365	SHENZHEN CHAORAN TECHNOLOGY CO., LTD	中国					X	
366	SHENZHEN CONSYS SCIENCE&TECHNOLOGY CO.,LTD.	中国					X	
367	SHENZHEN COSHIP ELECTRONICS CO.,LTD	中国					X	
368	SHENZHEN DINSTAR CO.,LTD	中国					X	
369	SHENZHEN E-JETON TECHNOLOGY CO., LTD	中国					X	
370	SHENZHEN EAST SPACE LIGHT TECHNOLOGY CO.,LTD.	中国					X	
371	SHENZHEN FAR TECHNOLOGIES CO., LTD.	中国					X	
372	SHENZHEN FORETELL INTELLIGENT EQUIPMENT INC.	中国					X	
373	SHENZHEN FUJIKAM INTELLIGENCE CO., LTD.	中国					X	
374	SHENZHEN GENVICT TECHNOLOGIES CO., LTD.	中国					X	
375	SHENZHEN GLORY INFORMATION TECHNOLOGY CO., LTD	中国					X	
376	SHENZHEN INNOVIEW TECHNOLOGY CO., LTD	中国					X	
377	SHENZHEN INOVANCE TECHNOLOGY CO.,LTD	中国				X		
378	SHENZHEN INTELLIGENT PRECISION INSTRUMENT CO., LTD.	中国					X	
379	SHENZHEN JASON DIGITAL TECHNOLOGY CO., LTD.	中国					X	

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				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
380	SHENZHEN JUZHAO TECHNOLOGY CO., LTD.	中国				X		
381	SHENZHEN KEEN EYE TECHNOLOGY CO., LTD.	中国					X	
382	SHENZHEN KEXIN COMMUNICATION TECHNOLOGIES CO.,LTD	中国					X	
383	SHENZHEN LONGTECH SMART CONTROL CO., LTD.	中国				X		
384	SHENZHEN MICNO ELECTRIC CO., LTD.	中国					X	
385	SHENZHEN PHOENIX TELECOM TECHNOLOGY CO.,LTD.	中国					X	
386	SHENZHEN SDG INFORMATION CO., LTD	中国				X		
387	SHENZHEN SED INDUSTRY CO.,LTD.	中国				X		
388	SHENZHEN SOSEN ELECTRONICS CO.,LTD.	中国				X		
389	SHENZHEN SUNMOON MICROELECTRONICS CO.,LTD	中国				X		
390	SHENZHEN SUNWAY COMMUNICATION CO., LTD	中国				X		
391	SHENZHEN TEREN CONTROL TECHNOLOGY CO., LTD.	中国					X	
392	SHENZHEN U-IOT SMART TECHNOLOGY CO.,LTD	中国					X	
393	SHENZHEN YIZOOM TECHNOLOGY CORP.,LTD.	中国					X	
394	SHENZHEN YONGCHENGTECHNOLOGY CORP., LTD.	中国					X	
395	SHENZHEN ZESUM TECHNOLOGY CO., LTD.	中国					X	

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				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
396	SHENZHEN ZHAOHUA INTELLIGENT INC.,LTD.	中国					X	
397	SHENZHEN ZISTONE TECHNOLOGY CO.,LTD.	中国				X		
398	SHENZHEN ZOWEE TECHNOLOGY CO., LTD.	中国					X	
399	SHIN HEUNG ENERGY & ELECTRONICS CO., LTD.	韩国					X	
400	SHINEWAY TECHNOLOGIES,INC.	中国					X	
401	SICHUAN AILIAN TECHNOLOGY CO., LTD.	中国					X	
402	SICHUAN SDRISING INFORMATION TECHNOLOGY CO.,LTD	中国				X		
403	SICHUAN TIA NYI COMHEART TELECOM CO. , LTD.	中国					X	
404	SIGURD MICROELECTRONICS CORP.	台湾					X	
405	SILICON INTEGRATED SYSTEMS CORP.	台湾					X	
406	SILICON TOUCH TECHNOLOGY INC	台湾					X	
407	SINY OPTIC-COM CO., LTD	中国					X	
408	SITRONIX TECHNOLOGY CORP.	台湾				X		
409	SKARDIN INDUSTRIAL CORPORATION	台湾				X		
410	SKS TECHNOLOGIES GROUP LIMITED	澳大利亚					X	
411	SMARTER MICROELECTRONICS(GUANGZHOU)CO.,LTD.	中国					X	

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412	SOLAX POWER NETWORK TECHNOLOGY(ZHEJIANG) CO., LTD.	中国					X	
413	SOLID, INC.	韩国					X	
414	SOLOMON TECHNOLOGY CORP.	台湾				X		
415	SOLUM CO.,LTD.	韩国					X	
416	SONG SHANG ELECTRONICS CO.,LTD.	台湾					X	
417	SONIX TECHNOLOGY CO.,LTD.	台湾					X	
418	STATE GRID YINGDA CO.,LTD.	中国					X	
419	SUMAVISION TECHNOLOGIES CO.,LTD.	中国					X	
420	SUMIDA CORPORATION	日本					X	
421	SUN CREATE ELECTRONICS CO.,LTD.	中国					X	
422	SUNAM CO.,LTD.	韩国					X	
423	SUNPLUS TECHNOLOGY CO.,LTD.	台湾					X	
424	SUNWAVE COMMUNICATIONS CO.LTD	中国					X	
425	SUZHOU BECKLOS ELECTRONIC TECHNOLOGY CO,.LTD .	中国					X	
426	SUZHOU KEDA TECHNOLOGY CO.,LTD	中国					X	
427	SUZHOU TROPHY ADVANCE-TECH CORP.,LTD.	中国					X	

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428	SUZHOU ZHUOZHAO DISPENSING TECHNOLOGY CO., LTD.	中国					X	
429	SYNCLAYER INC.	日本				X		
430	SYNTEK SEMICONDUCTOR CO.,LTD.	台湾					X	
431	SYSGRATION LTD.	台湾					X	
432	TA WIN HOLDINGS BERHAD	马来西亚					X	
433	TAI-SAW TECHNOLOGY CO.,LTD.	台湾				X		
434	TAI-TECH ADVANCED ELECTRONICS CO.,LTD.	台湾					X	
435	TAILYN TECHNOLOGIES, INC.	台湾					X	
436	TAINET COMMUNICATION SYSTEM CORP.	台湾					X	
437	TAITIEN ELECTRONICS CO., LTD.	台湾					X	
438	TAIWAN IC PACKAGING CORPORATION	台湾					X	
439	TAIWAN MOBILE CO., LTD.	台湾				X		
440	TAIWAN SANYO ELECTRIC CO.,LTD.	台湾					X	
441	TAIWAN SEMICONDUCTOR MANUFACTURING CO., LTD.	台湾					X	
442	TAIWAN SURFACE MOUNTING TECHNOLOGY CORPORATION	台湾					X	
443	TAMAGAWA HOLDINGS CO.,LTD.	日本				X		

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				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
444	TAMURA CORPORATION	日本					X	
445	TDG HOLDING CO.,LTD.	中国					X	
446	TELCOWARE CO.,LTD.	韩国					X	
447	TELECHIPS INC.	韩国					X	
448	TELEFIELD INC.	韩国					X	
449	TELINK SEMICONDUCTOR (SHANGHAI)CO.,LTD.	中国					X	
450	TERASAKI ELECTRIC CO LTD	日本					X	
451	THINKING ELECTRONIC INDUSTRIAL CO., LTD	台湾					X	
452	TIANJIN 712 COMMUNICATION & BROADCASTING CO.,LTD	中国					X	
453	TIANJIN JINYUN NEW MEDIA GROUP CO., LTD.	中国				X		
454	TIANJIN MEITENG TECHNOLOGY CO., LTD.	中国					X	
455	TOA CORPORATION	日本					X	
456	TONG HSING ELECTRONIC INDUSTRIES ,LTD.	台湾					X	
457	TONGPU INFORMATION TECHNOLOGY CO.,LTD.	中国					X	
458	TOP UNION ELECTRONICS CORP.	台湾					X	
459	TOPVIEW OPTRONICS CORPORATION	台湾					X	

序号	公司名称	国家/地区	被选公司	被筛除原因				
				财务资料不完备	连续亏损	功能具有显著差异	产品具有显著差异	重大关联方交易
460	TOYO ELECTRIC CORPORATION	日本					X	
461	TRANSCEND COMMUNICATION BEIJING CO., LTD.	中国					X	
462	TRANSCOM, INC.	台湾					X	
463	TRIDUCTOR TECHNOLOGY(SUZHOU)INC.	中国					X	
464	TWOWAY COMMUNICATIONS, INC.	台湾						X
465	TWZ CORPORATION PCL	泰国				X		
466	TYNTEK CORPORATION	台湾					X	
467	U-MEDIA COMMUNICATIONS,INC.	台湾	X					
468	UNITECH PRINTED CIRCUIT BOARD CORP.	台湾					X	
469	UNITED CREATION TECHNOLOGY CORP., LTD	中国					X	
470	UNITED FIBER OPTIC COMMUNICATION INC	台湾					X	
471	UNIVERSAL MICROWAVE TECHNOLOGY,INC.	台湾					X	
472	UNIZYX HOLDING CORPORATION	台湾					X	
473	VERISILICON MICROELECTRONICS (SHANGHAI) CO., LTD.	中国					X	
474	VIA TECHNOLOGIES, INC.	台湾					X	
475	VINYL GROUP LTD	澳大利亚		X				

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476	VISUAL PHOTONICS EPITAXY CO., LTD.	台湾					X	
477	W-SCOPE CORPORATION	日本					X	
478	WANMA TECHNOLOGY CO., LTD.	中国					X	
479	WEIHAI CARINE ELECTRIC CO.,LTD.	中国					X	
480	WETOWN ELECTRIC GROUP CO.,LTD.	中国				X		
481	WHA YU INDUSTRIAL CO.,LTD.	台湾					X	
482	WIESON TECHNOLOGIES CO., LTD.	台湾					X	
483	WILLINGS CO.,LTD.	韩国					X	
484	WIN SEMICONDUCTORS CORP.	台湾					X	
485	WINBOND ELECTRONICS CORPORATION	台湾					X	
486	WISTRON NEWEB CORPORATION	台湾						X
487	WUHAN AU3TECH INTELLIGENT TECHNOLOGIES CO.,LTD	中国					X	
488	WUHAN MAIWE COMMUNICATION CO.,LTD.	中国					X	
489	WUHAN XIWEN TECHNOLOGY CO.,LTD.	中国					X	
490	WUHAN YANGTZE COMMUNICATION INDUSTRY GROUPCO.,LTD	中国					X	
491	WUTONG HOLDING GROUP CO.,LTD	中国					X	

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492	WUXI DENVEL INTELLIGENT ELECTRONICS INC.	中国					X	
493	WUXI TACLINK OPTOELECTRONICS TECHNOLOGY CO., LTD.	中国					X	
494	XDC INDUSTRIES (SHENZHEN) LIMITED	中国					X	
495	XI'AN ACTIONPOWER ELECTRIC CO., LTD.	中国					X	
496	XI'AN HAITIAN ANTENNA TECHNOLOGIES CO., LTD.	中国					X	
497	XI'AN SHIDA ENERGYCO., LTD.	中国					X	
498	XI'AN XIDE ELECTRONIC TECHNOLOGY CO.,LTD	中国					X	
499	XI'AN XUTONG ELECTRONIC TECHNOLOGY CO.,LTD.	中国					X	
500	XIAMEN BOLION TECH.CO.,LTD	中国					X	
501	XIAMEN HUALIAN ELECTRONICS CORP., LTD.	中国					X	
502	XJ ELECTRIC CO.LTD	中国					X	
503	YA HORNG ELECTRONIC CO.,LTD	台湾					X	
504	YAGEO CORPORATION	台湾					X	
505	YANGTZE OPTICAL ELECTRONIC CO., LTD.	中国					X	
506	YD ELECTRONIC TECHNOLOGY CO.,LTD.	中国					X	
507	YOKOWO CO LTD	日本					X	

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508	YUNENG TECHNOLOGY CO.,LTD.	中国					X	
509	YW COMPANY LIMITED	韩国					X	
510	Z-COM,INC	台湾					X	
511	ZHEJIANG SKUO DIGITAL TECHNOLOGY CO.,LTD	中国					X	
512	ZHEJIANG TRIBRER COMMUNICATION LIMITED	中国				X		
513	ZHEJIANG XIAXING ELECTRONIC TECHNOLOGY CO.,LTD	中国					X	
514	ZHEJIANG YONGCHANG ELECTRIC CORPORATION	中国					X	
515	ZHEJIANG YOUPON INTEGRATED CEILING CO.,LTD.	中国					X	
516	ZHEJIANGJUNLANG ELECTRIC AUTOMATION CO.,LTD	中国					X	
517	ZHENGRONG COMMUNICATION NETWORKS LTD.	中国					X	
518	ZHENGZHOU HUAHANG TECHNOLOGY CO.,LTD	中国					X	
519	ZHENGZHOU NEW CENTURY DIGITAL TECHNOLOGY CO., LTD	中国					X	
520	ZHENJIANG SAIERNICO AUTOMATION CO., LTD.	中国					X	
521	ZHONGJI INNOLIGHT CO., LTD.	中国					X	
522	ZHONGSHAN PIPE AND INFORMATION TECHNOLOGY CO., LTD.	中国					X	
523	ZHONGSHAN PUBLIC UTILITIES GROUP COMPANY LIMITED	中国					X	

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524	ZHUHAI BENTSAI PRINTING TECHNOLOGY CO., LTD.	中国					X	
525	ZHUHAI BOJAY ELECTRONICS CO.,LTD.	中国				X		
526	ZHUHAI COMLEADER INFORMATION SCIENCE & TECHNOLOGY CO., LTD.	中国					X	
527	ZHUHAI GOTECH INTELLIGENT TECHNOLOGY CO., LTD.	中国					X	
528	ZHUHAI HIGRAND TECHNOLOGY CO. LTD	中国					X	
529	ZHUHAI TAICHUAN CLOUD TECHNOLOGY CO.,LTD.	中国					X	
530	ZINWELL CORPORATION	台湾					X	
531	ZTE CORPORATION	中国					X	
532	TONGYU COMMUNICATION INC	中国	X					
	总计	**532**	**13**	**4**	**0**	**93**	**420**	**2**

附件 2.可比公司财务数据

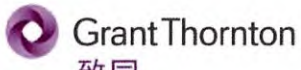
序号	公司名称	国家/地区	货币单位	2020			
				销售收入	息税前利润	总成本	完全成本加成率
1	ACON HOLDING INC.	台湾	千美元	271,459	1,129	270,331	0.42%
2	ANHUI TATFOOK TECHNOLOGY CO., LTD	中国	千美元	323,640	-9,477	368,503	-2.84%
3	BEIJING HUAHUAN ELECTRONICS CO.,LTD.	中国	千美元	32,757	-1,566	39,201	-4.56%
4	BEIJING JOINTBEST SYSTEM TECHNOLOGY CO.LTD	中国	千美元	7,872	1,926	7,041	32.39%
5	CYBERTAN TECHNOLOGY INC.	台湾	千美元	169,572	-864	170,436	-0.51%
6	DRAYTEK CORPORATION	台湾	千美元	29,509	5,124	24,386	21.01%
7	EDIMAX TECHNOLOGY CO., LTD	台湾	千美元	221,460	13,752	207,708	6.62%
8	GEMTEK TECHNOLOGY CO.,LTD	台湾	千美元	699,080	16,414	682,666	2.40%
9	HEBEI SANMING COMMUNICATION CO.,LTD.	中国	千美元	3,948	129	4,042	3.38%
10	HFCL LIMITED	印度	千美元	600,975	65,102	535,874	12.15%
11	OI ELECTRIC CO LTD	日本	千美元	265,676	2,741	262,936	1.04%
12	U-MEDIA COMMUNICATIONS,INC.	台湾	千美元	77,068	8,585	68,483	12.54%
13	TONGYU COMMUNICATION INC	中国	千美元	227,057	8,757	235,920	4.01%
		下四分位数					**0.42%**
		中位数					**3.38%**
		上四分位数					**12.15%**
		样本量					**13**

序号	公司名称	国家/地区	货币单位	2021			
				销售收入	息税前利润	总成本	完全成本加成率
1	ACON HOLDING INC.	台湾	千美元	264,497	-10,452	274,949	-3.80%
2	ANHUI TATFOOK TECHNOLOGY CO., LTD	中国	千美元	356,839	-54,033	447,535	-13.15%
3	BEIJING HUAHUAN ELECTRONICS CO.,LTD.	中国	千美元	37,347	-38	42,487	-0.10%
4	BEIJING JOINTBEST SYSTEM TECHNOLOGY CO.LTD	中国	千美元	5,687	655	6,234	13.02%
5	CYBERTAN TECHNOLOGY INC.	台湾	千美元	142,535	-10,183	152,718	-6.67%
6	DRAYTEK CORPORATION	台湾	千美元	33,623	6,899	26,724	25.82%
7	EDIMAX TECHNOLOGY CO., LTD	台湾	千美元	189,509	-1,049	190,558	-0.55%
8	GEMTEK TECHNOLOGY CO.,LTD	台湾	千美元	827,472	12,858	814,614	1.58%
9	HEBEI SANMING COMMUNICATION CO.,LTD.	中国	千美元	1,220	-695	2,197	-36.29%
10	HFCL LIMITED	印度	千美元	622,367	75,554	546,813	13.82%
11	OI ELECTRIC CO LTD	日本	千美元	202,088	-6,967	209,055	-3.33%
12	U-MEDIA COMMUNICATIONS,INC.	台湾	千美元	62,273	4,955	57,319	8.64%
13	TONGYU COMMUNICATION INC	中国	千美元	213,895	3,161	226,976	1.50%
		下四分位数					**-3.80%**
		中位数					**-0.10%**
		上四分位数					**8.64%**
		样本量					**13**

序号	公司名称	国家/地区	货币单位	2022			
				销售收入	息税前利润	总成本	完全成本加成率
1	ACON HOLDING INC.	台湾	千美元	208,439	-5,075	213,513	-2.38%
2	ANHUI TATFOOK TECHNOLOGY CO., LTD	中国	千美元	359,311	-5,244	400,188	-1.44%
3	BEIJING HUAHUAN ELECTRONICS CO.,LTD.	中国	千美元	37,690	-1,235	44,117	-3.17%
4	BEIJING JOINTBEST SYSTEM TECHNOLOGY CO.LTD	中国	千美元	3,629	-156	4,435	-4.12%
5	CYBERTAN TECHNOLOGY INC.	台湾	千美元	187,356	-6,534	193,890	-3.37%
6	DRAYTEK CORPORATION	台湾	千美元	29,285	4,373	24,912	17.55%
7	EDIMAX TECHNOLOGY CO., LTD	台湾	千美元	194,189	5,330	188,859	2.82%
8	GEMTEK TECHNOLOGY CO.,LTD	台湾	千美元	908,558	23,954	884,603	2.71%
9	HEBEI SANMING COMMUNICATION CO.,LTD.	中国	千美元	357	-959	1,581	-72.87%
10	HFCL LIMITED	印度	千美元	575,889	64,650	511,238	12.65%
11	OI ELECTRIC CO LTD	日本	千美元	171,761	-3,496	175,257	-1.99%
12	U-MEDIA COMMUNICATIONS,INC.	台湾	千美元	83,946	6,454	77,492	8.33%
13	TONGYU COMMUNICATION INC	中国	千美元	197,096	-2,234	215,955	-1.12%
		下四分位数					**-3.17%**
		中位数					**-1.44%**
		上四分位数					**2.82%**
		样本量					**13**

序号	公司名称	国家/地区	货币单位	3 年加权平均值			
				销售收入	息税前利润	总成本	完全成本加成率
1	ACON HOLDING INC.	台湾	千美元	248,132	-4,799	252,931	-1.90%
2	ANHUI TATFOOK TECHNOLOGY CO., LTD	中国	千美元	346,597	-22,918	405,409	-6.20%
3	BEIJING HUAHUAN ELECTRONICS CO.,LTD.	中国	千美元	35,931	-946	41,935	-2.57%
4	BEIJING JOINTBEST SYSTEM TECHNOLOGY CO.LTD	中国	千美元	5,729	808	5,903	16.43%
5	CYBERTAN TECHNOLOGY INC.	台湾	千美元	166,488	-5,860	172,348	-3.40%
6	DRAYTEK CORPORATION	台湾	千美元	30,806	5,465	25,341	21.57%
7	EDIMAX TECHNOLOGY CO., LTD	台湾	千美元	201,719	6,011	195,708	3.07%
8	GEMTEK TECHNOLOGY CO.,LTD	台湾	千美元	811,703	17,742	793,961	2.23%
9	HEBEI SANMING COMMUNICATION CO.,LTD.	中国	千美元	1,842	-508	2,607	-21.63%
10	HFCL LIMITED	印度	千美元	599,744	68,435	531,308	12.88%
11	OI ELECTRIC CO LTD	日本	千美元	213,175	-2,574	215,749	-1.19%
12	U-MEDIA COMMUNICATIONS,INC.	台湾	千美元	74,429	6,665	67,765	9.84%
13	TONGYU COMMUNICATION INC	中国	千美元	212,683	3,228	226,284	1.54%
		下四分位数					**-2.57%**
		中位数					**1.54%**
		上四分位数					**9.84%**
		样本量					**13**

注：所有财务数据均出自 2024 年 1 月版的 TP Catalyst 数据库。



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转让定价同期资料本地文档

上海剑桥通讯设备有限公司

截止至 2024 年 12 月 31 日的会计年度

上海剑桥通讯设备有限公司声明

根据《国家税务总局关于完善关联申报和同期资料管理有关事项的公告》("42 号公告")的相关规定，符合条件的企业应根据要求，按纳税年度准备、保存、并按税务机关要求提供转让定价同期资料本地文档。本公司按照以上规定准备 2024 年度转让定价同期资料本地文档（"本报告"）。

本报告旨在从中国转让定价的角度，分析本公司 2024 年度关联交易的转让定价政策是否符合独立交易原则。为此，本公司按以下程序准备本报告：

1. 针对本公司与关联方之间的关联交易，收集、整理与本公司 2024 年度生产经营情况和关联交易情况相关的资料；

2. 分析本公司与关联方在关联交易中各自执行的功能、承担的风险，以及拥有的资产，以判断本公司与关联方在关联交易中的性质；

3. 针对关联交易的类型和特点，选择适当的转让定价方法，用以分析和验证关联交易定价的合理性；

4. 针对本公司关联交易的特征和性质以及上述的功能和风险分析，搜索并选取适当的可比公司，并运用选定的转让定价方法进行可比性分析，以确定在符合独立交易原则的条件下，本公司与关联方之间关联交易定价的合理范围；

5. 综合以上程序和分析结果，准备本报告。

本公司在此确认，本报告所包含的财务和背景事实真实反映了本公司与集团内部的各关联方在 2024 年度发生的关联交易情况。

地址：

邮编：

电话：

电子信箱：

法定代表人（签字）：　　单位（盖章）：

日期：　　年　　月　　日

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专业名词一览表

42号公告	国家税务总局公告2016 年第42 号 - 《国家税务总局关于完善关联申报和同期资料管理有关事项的公告》
6号公告	国家税务总局公告2017年第6号 - 《国家税务总局关于特别纳税调查及相互协商程序管理办法的公告》
SIC代码	标准行业分类代码
OECD	经济合作发展组织（Organization for Economic Co-operation and Development）
BEPS	税基侵蚀和利润转移（Base Erosion and Profit Shifting）

企业简称一览表

CIG或CIG集团	Cambridge Industries Group及其全球子公司
上海剑桥科技	上海剑桥科技股份有限公司
剑桥香港	Cambridge Industries Group Telecommunication Limited
剑桥相模原公司	CIG Photonics Japan Limited
剑桥美国	Cambridge Industries USA Inc.
剑桥德国	CIG Photonics Europe GmbH
浙江剑桥	浙江剑桥通信设备有限公司

前言

致同（北京）税务师事务所有限责任公司上海分所（“我们”）受上海剑桥通讯设备有限公司（“上海剑桥通讯”或“贵公司”）的委托，为上海剑桥通讯准备 2024 年度（“报告期”）转让定价同期资料本地文档。

我们按照《国家税务总局关于完善关联申报和同期资料管理有关事项的公告》（“42 号公告”）的要求准备该本地文档（“本报告”），作为法定关联交易记录的一部分，并分析相应的转让定价政策是否符合《中华人民共和国企业所得税法》及 42 号公告提及的独立交易原则。按照 42 号公告的要求，本报告主要涵盖下列信息：

1. 企业概况
2. 关联关系
3. 关联交易
4. 转让定价方法的选择和使用
5. 可比性分析

服务声明

我们通过与上海剑桥通讯管理层的访谈，了解了公司及其集团关联公司的运营情况，并从管理层获取了上海剑桥通讯及其他集团公司的财务信息。上海剑桥通讯代表其本身及其关联企业声明所提供的信息真实、正确及完整，本报告系依据截至报告完成日之事实、假设及陈述所编制。

本报告内容引用行业分析数据及可比公司财务数据均来自相关公开信息及第三方数据库,我们系依经验评估上述信息之合理性及适用性,并未验证其正确性。

本报告系依中国转让定价法律、法规、规章和规范性文件的规定进行验证和分析，并非提供中国以外之国家或地区之转让定价查核使用，亦非提供纳税人用以避免本报告范围

以外之重大税务争议的可能。本报告只针对因关联交易的转让定价而引起的中国企业所得税问题，其他任何税种均不在本报告的分析范围之内。

I.企业概况

A. 组织结构

Cambridge Industries Group（"CIG"或"CIG 集团"）总部位于中国上海，专注于有线和无线宽带接入终端领域，经过多年的发展，已成为集杰出研发能力、大规模生产制造和良好品牌形象于一体的高端通信设备厂商。

CIG 的研发及生产领域包括基于 FTTH/FTTB 技术的无源光纤接入终端设备（EPON/GPON）产品、基于无线接入技术的产品如（Wi-Fi）产品和 Small Cell、DSL 技术如 VDSL，G.fast 和 FTTdp、小基站、工业物联网产品、智能家庭和存储产品、高速光组件与光模块等产品以及完整的 JDM（协同设计制造）平台和流程。其产品应用于世界主流通信运营商的网络，包括中国三大运营商，以及美国、英国、法国、澳大利亚、新西兰、俄罗斯、巴西、墨西哥、土耳其、阿联酋等国家通信网络。

上海剑桥通讯设备有限公司（"上海剑桥通讯"）是上海剑桥科技股份有限公司（"上海剑桥科技"）于 2013 年 8 月 9 日在上海成立的有限责任公司。上海剑桥通讯在 CIG 集团的整个产业链中，主要从事通讯产品原材料及部件的分销。

2024 年度，上海剑桥通讯主要从事通讯设备原材料及部件的分销。

上海剑桥通讯在 2024 年年底员工人数为 1 人，分布于管理平台部门。具体如下表所示：

企业组织架构和职责表[1]

部门	职责	人数
管理平台	根据公司经营目标，制定计划，组织管理各部门按照计划执行各项工作安排	1
	合计	**1**

B. 管理架构

从公司运营架构来看，上海剑桥通讯的管理平台负责人向集团董事会进行汇报。上海剑桥通讯具体的管理架构以及汇报对象如下图所示：

企业管理架构和汇报情况表[2]

部门	本公司汇报	海外汇报对象及所在国家及地区
管理平台	集团董事会	/

C. 业务描述和行业概况

1. 业务描述

上海剑桥通讯成立于 2013 年 8 月 9 日，为上海剑桥科技股份有限公司 100%持股的子公司。下表总结了上海剑桥通讯的基本信息。

上海剑桥通讯基本信息表 [3]

公司全称	上海剑桥通讯设备有限公司
公司地址	上海市闵行区陈行公路 2388 号 8 幢 502 室
公司类型	有限责任公司(自然人投资或控股的法人独资)
投资方及持股比例	上海剑桥科技股份有限公司（100%）
注册资本	20,500.00 万人民币
成立时间	2013 年 8 月 9 日
经营期限	无固定期限

[1] 来源：上海剑桥通讯管理层
[2] 来源：上海剑桥通讯管理层
[3] 来源：上海剑桥通讯管理层



从事计算机、通信技术、通讯技术领域内的技术开发、技术服务、技术转让、技术咨询，通讯设备、通信设备、计算机、软件及辅助设备（除计算机信息系统安全专用产品）的批发、从事货物及技术的进出口业务，并提供相关配套服务，商务信息咨询，企业管理咨询，市场营销策划。【依法须经批准的项目，经相关部门批准后方可开展经营活动】

如前文所述，2024 年度，上海剑桥通讯主要从事通讯设备原材料及部件的分销。上海剑桥通讯在集团的整个产业链中，是一家分销公司。上海剑桥通讯详细的交易模型请参见 III.关联交易章节中 B.功能风险分析部分。

2. 所处行业概况

上海剑桥通讯所在行业为通信设备制造行业。因此本节主要介绍该行业。

a) 行业发展概况

CIG 集团的产品主要用于通信领域，包括电信宽带终端、无线网络设备、智能家庭网关、数据交换机、工业物联网基础硬件、高速光组件（核心自主品牌）、高速光模块（大客户定制）、4G/5G 无线网络的小基站和前传光模块及组件等九大品类。公司产品已广泛应用到世界各国主流通信运营商的网络。通信设备行业的发展对 CIG 集团有着深远的影响。[4]

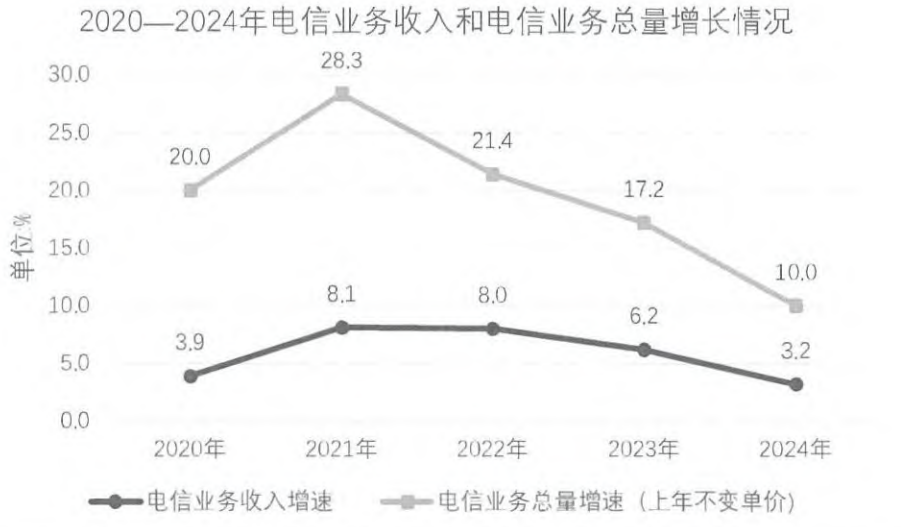
通信设备制造业包括通信系统设备制造业和通信终端设备制造业，通信设备制造业是通信业的重要基础，对通信业的发展起着至关重要的影响。在人工智能、物联网、云计算等技术的带动下，该行业正经历着快速的技术变革，向着智能化、高端化的方向发展。从现有技术行业周期的角度来看，逐步完善的 5G 网络建设和日渐成熟的高速光模块等技术使得市场趋于饱和，行业发展速度因此放缓。

2023 年，全国移动通信基站总数达 1,265 万个，其中 5G 基站为 711.2 万个。基站总数

[4] 来源：上海剑桥官方网站 - 公司简介
https://www.cigtech.com/%e5%85%ac%e5%8f%b8%e7%ae%80%e4%bb%8b/

净增 81.8 万个，增幅较去年有所加速。数据中心、云计算、物联网等新兴技术的营业收入达 4,348 亿元，收入增速从 2023 年的 19%降至 2024 年的 10.6%增长率较去年大幅减小。[5]从数据上可以看出，现有技术下的行业周期已发展至较为成熟的阶段，行业增速有所放缓，通信设备制造业的企业正着眼于新一代产品的研发、生产环节的改良与销售推广，如 800G 高速光模块、WIFI7 等产品的兴起打破了原有的市场格局。新产品在为该行业带来了机遇的同时，也在一定程度上给企业的经营施加了压力。

下图显示了 2020—2024 年电信业务收入和电信业务总量增长情况（注：自 2020 年起电信业务总量开始采用上年不变价计算方法）[6]



随着供给侧结构性改革的深入推进、各项政策的落地实施、新一代信息技术加强渗透，日益增长的智能化、高端化、品质化的消费升级需求将不断释放。然而，通往高端产品的道路在带来机遇的同时往往也伴随着挑战，如上文所述，WIFI7 等新技术的出现或将影响原有的市场格局，人工智能的兴起对高速光模块的技术规格提出了更高的要求加之不稳定的上游成本和各类无法预测的场外因素，身处该行业的企业面临着来自多方面的竞争压力。

[5] 来源：工业和信息化部
https://www.miit.gov.cn/jgsj/yxj/xxfb/art/2025/art_1ba37f13e02149d4b1cdffc41c78cc68.html
[6] 来源：工业和信息化部
https://www.miit.gov.cn/jgsj/yxj/xxfb/art/2025/art_1ba37f13e02149d4b1cdffc41c78cc68.html

b) 行业限制及产业政策

近年来，国家各部门发布了一系列文件，旨在推广通信技术的应用，提高国家通信行业制造水平与可靠性，并积极寻求技术突破。这些政策推动了行业的发展，但同时也不可避免地加剧了行业竞争。

2020 年 3 月 24 日，我国工业和信息化部发布了《工业和信息化部关于推动 5G 加快发展的通知》（工信部通信〔2020〕49 号），以致力于全力推进 5G 网络建设、应用推广、技术发展和安全保障，充分发挥 5G 新型基础设施的规模效应和带动作用，支撑经济高质量发展。[7]

2020 年 5 月 7 日，我国工业和信息化部办公厅发布了《工业和信息化部办公厅关于深入推进移动物联网全面发展的通知》（工信厅通信〔2020〕25 号），以致力于加快 5G、物联网等新型基础设施建设和应用的决策部署，加速传统产业数字化转型，有力支撑制造强国和网络强国建设。[8]

2021 年 3 月，工信部印发了《"双千兆"网络协同发展行动计划（2021-2023 年）》，提出加强核心技术研发，鼓励龙头企业、科研机构等在超高速光纤传输、5G 技术、毫米波通信、高速无线局域网等技术方面加大研发投入，实现技术创新。加快产业短板突破，鼓励光线光缆、网络设备等企业针对 5G 芯片、高速 PON 芯片、高速无线局域网芯片、高速光模块、等薄弱环节，加强技术攻关，提示制造能力和工艺水平。[9]

2021 年 11 月，国家工业和信息化部门发布了《"十四五"信息通信行业发展规划》，《规划》进一步凸显了信息通信行业的功能和定位，也进一步强化了坚持新发展理念、坚持系统观念方面的有关要求。首次明确提出了加强跨地域跨行业统筹协调的重点任务，并通过增加工程数量进一步明确了任务落地实施的重点和抓手。[10]

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[7] 来源：工业和信息化部
https://www.miit.gov.cn/zwgk/zcwj/wjfb/txy/art/2020/art_ffd918abf3e848efbb2a6225dbe266db.html
[8] 来源：工业和信息化部
https://www.miit.gov.cn/jgsj/txs/wjfb/art/2020/art_f0ea6a0156a441e99bf52ae98cd12729.html
[9] 来源：工业与信息化部
https://www.miit.gov.cn/zwgk/zcwj/wjfb/txy/art/2021/art_f3884870dc8140919a1eb2924749183a.html
[10] 来源：工业与信息化部
https://www.miit.gov.cn/zwgk/zcwj/wjfb/tz/art/2021/art_3a0b0c726bd94b7d9b5092770d581c73.html

2021 年 12 月，国务院印发了《"十四五"数字经济发展规划》，提出建设高速泛在、天地一体、云网融合、智能敏捷、绿色低碳、安全可控的智能化综合性数字信息基础设施。在推进千兆光纤网络和 5G 基础设施建设的同时，提前布局 6G 网络的技术储备与研发，并提升数据中心跨网络、跨地区的数据交互能力。[11]

2022 年 1 月，工信部、发改委发布《关于促进云网融合加快中小城市信息基础设施建设的通知》，指出需要持续完善城区光缆网络，加快建设新型 IP 城域网、光传送网络(OTN)5G 承载网、云专网等；重点聚焦政务服务、社会管理、工业制造、交通、教育、医疗、文化旅游等传统基础设施领域，开展千兆虚拟专网建设试点，协同部署工业无源光网络(PON)、工业 OTN、5G 基站、边缘计算、行业终端等设施，推广应用网络切片、A1、物联网等新技术，建设适应数字化发展的融合基础设施体系。[12]

2023 年 6 月，工业和信息化部、教育部、科学技术部、财政部、国家市场监督管理总局发布《制造业可靠性提升实施意见》，提出重点提升精密光学元器件、光通信器件、等电子元器件的可靠性水平。[13]

2023 年 12 月，国家发展改革委、国家数据局、中央网信办、工业和信息化部、国家能源局发布《关于深入实施"东数西算"工程加快构建全国一体化算力网的实施意见》，要求充分发掘重点行业算力需求，优化跨区域算力的调动与使用成本，以此提高计算资源的利用率，与此同时，加速推进算力基础设施的建设。[14]

2024 年 7 月，工信部发布《关于创新信息通信行业管理 优化营商环境的意见》，旨在通过优化准入环境、规范市场竞争、创新监管方式、提升服务效能等举措，推动信息通信行业高质量发展，并更好地发挥其对实体经济的赋能作用。[15]

另外，在贸易保护主义之下，美国对华为等中国通信设备制造商的限制政策频出，复杂

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[11] 来源：中国政府网 https://www.gov.cn/gongbao/content/2022/content_5671108.htm?eqid=8776104300000c76000000066456
[12] 来源：工业和信息化部 https://www.gov.cn/zhengce/2022-01/28/content_5670934.htm
[13] 来源：工业和信息化部 https://www.miit.gov.cn/zwgk/zcwj/wjfb/tz/art/2023/art_5cb0990349f149668490f50742da22f2.html
[14] 来源：中国政府网 https://www.gov.cn/zhengce/zhengceku/202401/content_6924596.htm
[15] 来源：新华网 https://www.news.cn/tech/20240814/bf361e922a79441f957fdbfed3f2c41a/c.html

多变的内、外部环境和国际贸易形势仍将对我国通信设备制造行业的发展增长和利润空间造成一定程度的影响。

c) 上海剑桥通讯的主要竞争者及其发展前景

在 ICT 终端设备行业，CIG 集团的主要竞争者是中磊电子、明泰科技、智易科技和共进股份。在 5G 网络设备行业，CIG 集团的主要竞争者是京信通信、佰才邦和启基科技。在高速光组件和光模块行业，CIG 集团的主要竞争者是中际旭创、新易盛、索尔思光电、光迅科技。

CIG 集团凭借先进的管理体系、完整而雄厚的研发能力和平台、优异的产品质量和服务，使其产品广泛运用于全球范围的主流通信运营商。

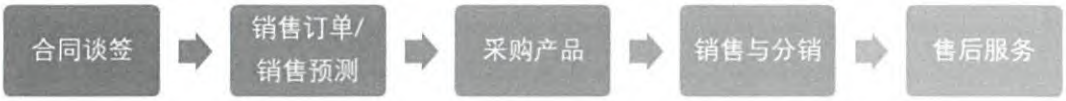
CIG 集团建立了一整套端到端的研发项目管理平台，从客户需求的确认，软硬件的开发完成，到生产工艺的管控，其雄厚的研发实力在业内备受瞩目。目前，CIG 集团已拥有多项全球专利。CIG 集团的 PON、Wi-Fi、SmallCell、智能家居等技术，广泛应用于通讯网络行业，并在行业内建立起坚实的客户基础。

近年来，通信设备企业的机遇与挑战并存。一方面，通信设备制造行业面临着市场品牌低价竞争、劳动力成本日益攀升等严峻挑战；另一方面，全球尤其是中国在通讯技术方面不断更新发展，通讯设备市场的前景值得关注，此类产品在未来也将有不小的成长和利润空间。不过如前所述，复杂多变的外部环境和国际贸易形势仍将对我国通信设备制造行业的发展增长和利润水平造成一定程度的影响。如何在机遇与挑战面前实现良性发展，将会是 CIG 集团未来发展经营首先需要面临的问题。

D. 经营策略

如前文所述，2024 年度，上海剑桥通讯主要从事通讯设备原材料及部件的分销。上海剑桥通讯在集团的整个产业链中，是一家分销公司，其主要的业务流程如下图所示。

上海剑桥通讯主要业务流程图



从业务流程来看，CIG 集团总部及其关联方负责市场营销的执行，包括协助新客户的开发、现有客户的管理和维护事宜，以及协助更新销售预测。当客户确定订单后，上海剑桥通讯会协助 CIG 集团总部负责跟进合同的谈签。上海剑桥通讯会根据销售订单和销售预测，相应上报并制定采购计划，而后进行产品采购，其产品皆向境内关联供方采购，并将大部分产品销售至境外关联方，少部分销售至境外第三方客户。

详细的业务流程及运营模式请参见第 III.关联交易中的 B. 功能风险分析章节部分的进一步描述。

E. 财务数据

下表列示了上海剑桥通讯 2024 年度的整体财务状况。

上海剑桥通讯利润表 [16]

单位：人民币元

项目	公式	2024 年度
营业收入	1	848,569,685.11
营业成本及税金和附加	2	840,664,196.94
毛利	3=1-2	7,905,488.17
营业费用	4	4,577,254.52
管理费用	5	458,640.24
财务费用	6	-129,675.55
其中：汇兑损益	7	57,802.50
息税前利润	8=3-4-5-7	2,811,790.91
利润水平指标		
毛利率	9=3/1	0.93%
贝利比率	10=3/(4+5)	1.57

如上表所示，2024 年度上海剑桥通讯的息税前利润为人民币 2,811,790.91 元，贝里比率

[16] 来源：上海剑桥通讯 2024 年度审计报告。其中，运输费用本质与营业费用相关，为了更好地体现公司的费用结构，已将其重分类至营业费用项下。

为 1.57。上海剑桥通讯为集中分销公司，其收入规模与利润之间并不存在直接线性关系。对于主营业务成本占完全成本（即总成本费用）占比较高的企业而言，采用贝里比率（即单位管销费用所带来的收益）更具有适用性。在此情况下，使用贝里比率能够有效剔除企业规模因素对利润水平评估的干扰。

如前文所述，上海剑桥通讯从境内关联方采购产品，并将产品销售至境外关联方及境外第三方客户（2024 年，关联方销售收入占总销售收入比例近 96%）。就业务类型来看，公司除此类销售业务类型外，并无其他业务类型。就产品类型来看，公司所销售的产品同属一类产品。因此，由于业务及产品的单一性，本报告无需将财务数据按照业务、产品类型作进一步拆分。其整体财务数据反映了其在关联业务下的利润水平，因此本报告将通过对整体财务数据的分析来验证上海剑桥通讯的关联交易是否符合独立交易原则。

F. 企业重组/无形资产转让情况

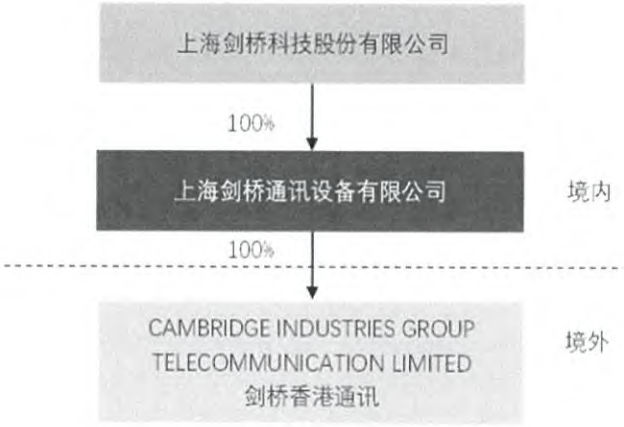
上海剑桥通讯在 2024 年度未发生企业重组或无形资产转让的情况。

II.关联关系

A. 与上海剑桥通讯相关的集团股权架构图

上海剑桥通讯相关的集团股权架构图如下:

集团相关股权架构图[17]



B. 与上海剑桥通讯相关的关联方信息

在 2024 年期间，上海剑桥通讯与集团内其他子公司构成关联关系。与上海剑桥通讯相关的关联方信息如下所示:

2024 年度关联方信息简表[18]

关联公司名称	国家/地区	关联关系	法定所得税率	是否享有税收优惠	关联关系变化情况
上海剑桥科技	中国	直接控股公司(100%)，有交易	15.00%	有，高新技术企业	—

[17] 来源：上海剑桥通讯管理层
[18] 来源：上海剑桥通讯管理层

关联公司名称	国家/地区	关联关系	法定所得税率	是否享有税收优惠	关联关系变化情况
剑桥香港	香港	全资子公司，有交易	16.50%	无	—
剑桥相模原公司	日本	非控股，有交易	34.37%	无	—
剑桥美国	美国	非控股，有交易	21.00%	无	—
剑桥德国	德国	非控股，有交易	15.00%	无	新增
浙江剑桥	中国	非控股，有交易	15.00%	无	新增

上述列表中企业的其他信息，包括关联企业的法定代表人及实际经营地址等信息如下所示：

2024 年度关联企业详细背景

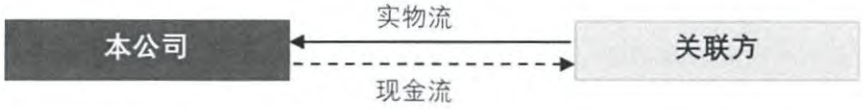
关联公司名称	国家/地区	地址	法定代表人
上海剑桥科技	中国	上海市闵行区陈行公路 2388 号 8 幢 501 室	GERALD G WONG
剑桥香港	香港	Unit 501-502 5/F Hanford Commercial Centre 221B-E Nathan Road Jordan Kl	GERALD G WONG
剑桥相模原公司	日本	神奈川県相模原市中央区小山四丁目 1 番 55 号	江良佳和
剑桥美国	美国	2445 Augustine Drive, 6th Floor Santa Clara,CA 95054	IRIS WONG
剑桥德国	德国	Siemensallee 1, 17489 Greifswald, Mecklenburg-Vorpommern, Germany	Anne Marie Gorman
浙江剑桥	中国	浙江省嘉兴市嘉善县魏塘街道魏中路 1 号 8 栋 3 层 306 室第一间	GERALD G WONG

III.关联交易

A. 关联交易概况

本节披露了 2024 年度中，上海剑桥通讯所涉及关联交易的类型、参与方、货币金额、物流和资金流等信息。除另有说明，以下数据金额均为人民币元列支。

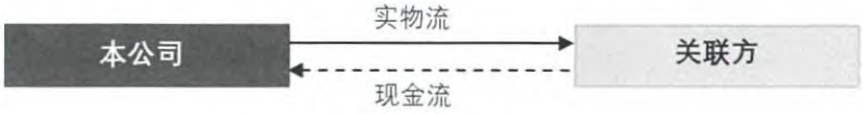
1. 有形资产所有权受让



2024 年，上海剑桥通讯向境内关联方采购原材料，年度采购金额如下：

关联方	金额
上海剑桥科技	804,095,325.86
浙江剑桥	43,959,724.99
合计	**848,055,050.85**

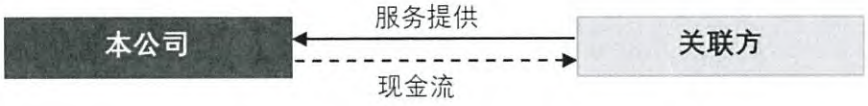
2. 有形资产所有权出让



2024 年，上海剑桥通讯向境外关联方销售产品，年度销售金额如下：

关联方	金额
剑桥香港	746,432,151.14
剑桥美国	71,127,915.68
剑桥相模原公司	312,813.43
剑桥德国	38,853.34
合计	**817,911,733.59**

3. 接受劳务支出



2024 年度，上海剑桥通讯接受关联方提供财会服务、人力资源等方面的支持服务，并相应支付服务费。金额如下：

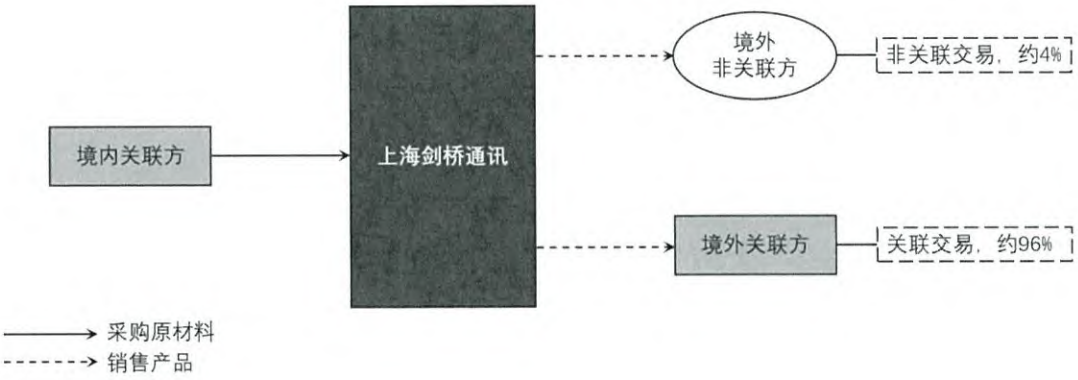
关联方	金额
上海剑桥科技	412,583.15
合计	**412,583.15**

B. 功能风险资产分析

上海剑桥通讯的主要交易模型

上海剑桥通讯在集团的整个产业链中，是一家分销公司。2024 年度，上海剑桥通讯所有产品皆向境内关联方采购，并将大部分产品销售至境外关联方，少部分销售至境外第三方客户。另外，上海剑桥通讯还接受关联方提供的支持服务，具体如下图所示：

上海剑桥通讯交易流程图



下文将描述和分析上海剑桥通讯在上述交易模型下与其关联方在关联交易中执行的功能、承担的风险以及使用的资产情况。

功能风险分析

1. 研究与开发

功能

上海剑桥通讯为一家分销型企业，不承担产品相关的研发功能。CIG 集团总部开展相关研发活动，如核心技术研发、生产和工艺设计、产品标签等，且由 CIG 集团总部承担相关成本和费用。

风险

研发风险是因研发项目失败而造成损失的风险。它是指企业为开发新产品产生大量支出，但相关产品未能达到预期效果的风险。

如上所述，CIG 集团总部负责核心技术的研发以及产品的设计功能，承担相关成本和费用，并承担主要的核心技术研发/产品设计风险。因此，上海剑桥通讯不承担任何的研发风险。

2. 生产

功能

作为分销企业，上海剑桥通讯不具有生产职能。第三方工厂负责相关原材料及部件的生产，经由上海剑桥科技再销售至上海剑桥通讯。

风险

上海剑桥通讯不承担任何与生产直接相关的风险。

3. 市场营销

功能

市场营销主要包括通过市场调研来发掘市场需求；建议开发特性和质量与需求匹配的产品；产品定价及促销；以及向客户销售和递送产品。

在关联销售中，营销活动主要由 CIG 集团总部进行，上海剑桥通讯辅助其执行，主要包括与客户沟通、新项目跟进等方式，CIG 集团总部也会提供其境外关联方相应的营销指导与支持。在非关联销售中，CIG 集团总部承担主要的市场营销活动，包括市场研究、制定总体营销策略、参与行业展会、参与国际标准化活动、刊登国外主流期刊、开发新客户、价格磋商和客户维护等，并承担所有相关费用。

因此，上海剑桥通讯承担较为有限的市场营销功能。

风险

市场风险是指由于市场需求变化、市场价格波动等造成企业盈利状况的不可预知性，如由于市场需求萎缩而造成的产品滞销、产品价格变化造成的利润下降、市场推广策略失误造成的损失等。

在非关联销售中，上海剑桥通讯承担有限的市场风险。

在关联销售中，上海剑桥通讯不直接承担市场风险，而是会间接受到终端市场情况的影响。2024 年，由于国际地缘政治冲突导致市场环境剧烈变化，致使市场需求以及市场价格波动较大，上海剑桥通讯在 2024 年度也受到了一定的终端市场变化带来的影响。

4. 销售与分销

功能

a) 供应商开发与管理

供应商开发和管理功能主要指为加工生产之目的，围绕设备、原材料、半成品采购，开展供应商的寻找、审核、维护，以及采购价格和其他条款的协商等。

上海剑桥通讯主要负责从境内关联方处采购产品（即下游通讯产品生产商所需原材料及部件），以出口销售至海外市场，客户包括境外关联方和境外非关联方。对于上游生产环节的原材料供应商的开发和管理，由 CIG 集团总部统一负责安排工厂生产或寻找和维护第三方供应商，同时 CIG 集团总部负责统筹订单、协商和确认价格以及书立合同等事宜，并将产品销售至上海剑桥通讯。

b) 采购

采购活动主要包括下发采购订单、收货、执行进料质量控制等。

上海剑桥通讯承担产品采购功能。就其向境外市场分销的产品，上海剑桥通讯根据客户的订单，负责向境内关联方下采购订单。同时，针对向境外市场分销的产品，产品会直接从境内关联方的仓库发送至各个客户。

c) 质量控制

质量控制功能包括确定质量控制的标准，并且对原料、半成品和成品进行质量检查和测试。

CIG 集团总部负责制定质量控制标准。上海剑桥通讯的关联供应商负责原材料、半成品和产成品的质量控制。因此，上海剑桥通讯无需再次执行产品的质量控制流程。

d) 存货管理

存货管理是指企业管理产成品、半成品、以及原材料库存的过程。存货管理是一个连续的过程，当一个企业向供应商采购原材料、半成品以及产成品或任何其他产品时，该企业就开始执行存货管理功能。

上海剑桥通讯拥有其采购的产品的所有权，因此需根据订单情况进行存货管理。实操中，存货周转较快，且由境内关联方直接出厂发送至境外关联方和境外第三方客户。因此，

上海剑桥通讯的存货管理功能较为有限。

e) 物流及仓储

物流方面，对于上海剑桥通讯从境内关联方采购来的产品，产品从境内关联方直接运送至境外关联和非关联客户处。仓储方面，如前文所述，由于存货周转较快，上海剑桥通讯的境内关联供应商会负责存货发出前的仓储。因此，上海剑桥通讯承担的物流及仓储功能较为有限。

f) 销售与分销

上海剑桥通讯采购的通讯产品大部分销售至境外关联方，少部分销售至境外第三方客户。

在非关联销售中，上海剑桥通讯协助 CIG 集团总部制定销售计划，具体包括处理客户询价；确定订单细节，如价格和交货期；跟踪客户的销售订单和预测；维护客户关系等；同时，上海剑桥通讯向境内关联方采购产品，产品直接从境内关联方仓库直接运往境外第三方客户。在此过程中，上海剑桥通讯协助 CIG 集团总部负责销售活动并各自承担相应的销售费用。

在关联销售中，上海剑桥通讯从境内关联方采购产品，产品从境内关联方仓库直接运往境外关联方。在此过程中，上海剑桥通讯协助 CIG 集团总部负责销售活动并各自承担相应的销售费用。

g) 售后服务及产品质量保证

售后服务是指购买产品或是接受服务后的客户支持服务，其中最重要的是产品质量保证（例如，在产品保修期内，产品修理、更换或由于产品质量瑕疵给客户的退款），接受及处理客户的疑问和投诉，确认客户提出的问题并寻找初步解决方案，以及将客户意见反馈给制造商。

上海剑桥通讯向境外关联方和境外第三方客户提供一定的质保期，并会对因生产出现质量问题的产品进行处理，并交由产品的关联供应商（主要为上海剑桥科技）进行维修和

调换，并由关联供应商最终承担相关费用。

风险

a) 产品质量保证及产品责任风险

产品质量保证风险是在产品保修期内，由于产品质量瑕疵，公司对产品进行维修、更换、退款而承担的财务责任。产品责任风险是产品生产商和经销商对于销售的产品对购买者，使用者甚至旁观者造成的财产损失和人身伤害而承担的法律责任。

在规定的保修期内产品如果存在缺陷，上海剑桥通讯承担的产品责任风险，并追溯至供应商（主要为上海剑桥科技）进行维修和调换。如产品缺陷由关联方供应商的生产环节造成，则由关联方供应商最终承担相关费用。

b) 存货风险

存货风险是指产品、原材料囤积过久导致报废或价值下降而给企业造成的损失。

上海剑桥通讯主要按照订单制定产品采购计划，并拥有所有采购产品的所有权。由于产品存货周转较快，上海剑桥通讯承担的存货风险较为有限。

c) 信用风险

信用风险是指公司就延迟支付和不支付其应收账款而承担的经济责任。

在境外关联方销售下，上海剑桥通讯不承担信用风险。在境外第三方客户销售下，上海剑桥通讯承担相应的信用风险。

d) 汇率波动风险

外汇风险指外汇汇率波动影响利润而引发的风险。当产品价格采用的货币不同于公司的功能货币时，即产生外汇风险。

上海剑桥通讯的企业账户中既有人民币，又有美元。上海剑桥通讯在出口销售中使用美

元结算，在境内交易中使用人民币结算。因此，上海剑桥通讯承担了相关的汇率波动风险。

无形资产

CIG 集团总部拥有技术型无形资产，如专利和专有技术等，以及营销型无形资产，如商标和品牌。上海剑桥通讯在销售业务中使用的无形资产属于 CIG 集团总部所拥有。

5. 管理与其他服务

功能

该职能主要包括日常行政管理、财务、人力资源，以及法律法规相关事宜等。

上海剑桥通讯负责了部分日常常规的行政管理工作。信息技术、财务、人力资源等工作也会由其关联方（如上海剑桥科技）提供支持。

总结

上海剑桥通讯承担有分销功能，根据实际订单或销售预测从境内关联方采购产品出口销售至海外市场。上海剑桥通讯主要负责采购、销售和分销、开票及货款回收、产品质量保证、售后服务和有限的市场营销功能。上海剑桥通讯主要承担信用风险、外汇风险、产品质量保证及产品责任风险和有限的市场风险。上海剑桥通讯不拥有非常规无形资产。

C. 交易定价的影响要素

1. 地域特殊因素

地域特殊因素包括成本节约和市场溢价。在下文中，我们将针对这两类因素分别进行分析。

a) 成本节约

成本节约是指跨国企业通过将集团内某一运营企业从高成本地区转移至低成本地区从

而获得的成本净节约。[19]中国企业若能够相较于原先在另一地区运营的企业以更低的成本进行运营，则需要针对成本节约因素对该中国企业相关的关联交易定价进行分析与调整。

成本节约是指跨国企业通过将集团内某一运营企业从高成本地区转移至低成本地区从而获得的成本净节约。中国企业若能够相较于原先在另一地区运营的企业以更低的成本进行运营，则需要针对成本节约因素对该中国企业相关的关联交易定价进行分析与调整。

上海剑桥通讯所处集团是一家总部设立于中国的"走出去"企业，并不涉及成本节约的情况。

b) 市场溢价

市场溢价是指跨国企业通过因其独特的品质影响到其服务及产品在某一地区的销售和需求，从而获得的超额利润。[20]站在中国的角度，当集团的服务及产品在中国市场的销售价格及需求量高于其他地区时，则需要针对市场溢价因素对该中国企业相关的关联交易定价进行分析与调整。

按照传统"供给 — 需求"模型，市场溢价可能与功能分析下的产品生产或销售地的市场特性有关，也可能与市场的整体购买力以及家庭对产品的偏好、市场处于扩张还是收缩状态、市场竞争程度、消费者预期、市场管制（政府对某种产业的激励因素）、市场准入、价格歧视、道德风险、信息不对称性及其他类似因素有关。因此，在多重因素作用影响之下，市场溢价现象终因中国市场供求关系的特殊性而形成。[21]

上海剑桥通讯作为集团在中国设立的一家销售企业，其销售的产品主要针对海外市场。因此，在中国市场，上海剑桥通讯并不存在市场溢价的情况。

综上，上海剑桥通讯并没有因成本节约或市场溢价而获得特殊的地域因素收益。

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[19] 来源：OECD, Location savings are the net cost savings that an MNE realizes as a result of relocation of operations from a high-cost jurisdiction to a low-cost jurisdiction.

[20] 来源：United Nations: Practical Manual on Transfer Pricing for Developing Countries, D.2.4.4.4. Market premium relates to the additional profit derived by an MNE by operating in a jurisdiction with unique qualities impacting on the sale and demand for a service or product.

[21] 《地域性特殊优势之"市场溢价"理论透视：由来、定位、实践与未来趋向》，《中央财经大学学报》2016 年第 3 期

2. 无形资产

集团的无形资产，主要包括技术型无形资产和营销型无形资产。

就技术型无形资产，CIG 集团总部拥有其自主研发的技术成果的专利权。CIG 集团拥有实力雄厚的研发技术团队，在许多核心技术方面都充满经验，其通信设备类产品所涉及的核心技术包括无源光纤接入技术、无线接入技术、DSL 技术、智能家庭和存储产品、高速光组件与光模块相关的技术以及生产制造相关技术（如自动化生产、工业 4.0 相关技术）。CIG 集团设立的产品研发平台负责前述技术的开发、维护、更新、升级等工作。这些关键技术在行业中处于领先地位，使得 CIG 集团的通信设备产品更具竞争力。凭借其在技术的专业性，获得了越来越多客户的认可。CIG 集团的研发职能对价值创造具有重要的贡献。

就营销型无形资产，CIG 集团总部拥有商标和品牌"CIG"，其负责对商标品牌的形象设计工作，提供企业品牌构建活动，提供相关的市场宣传册，维护和防御商标避免商标模仿和伪造等。

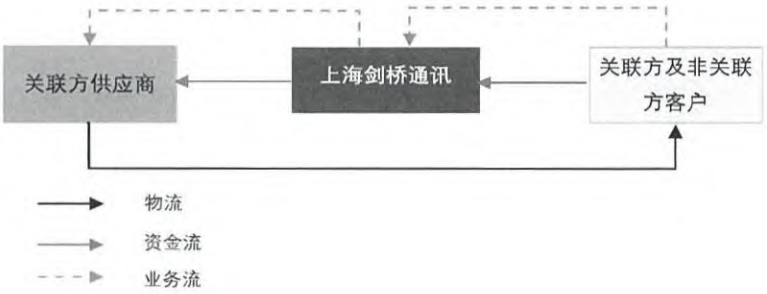
因此，作为技术型及营销型无形资产的法律所有者及经济所有者，上海剑桥通讯的关联方对上述无形资产，进行开发、价值提升、维护、保护、应用和推广，对整个供应链的价值创造起到了重要的贡献作用。上海剑桥通讯本身不拥有无形资产，前述无形资产皆由 CIG 集团总部拥有。

D. 价值链分析

1. 集团内相关业务流、物流、资金流的说明

上海剑桥通讯主要负责基于销售订单制定采购计划，从境内关联方采购通讯设备原材料及部件，并分销至境外关联方和境外第三方客户，产品直接从境内关联方仓库直接运往境外客户。上海剑桥通讯相关的业务流、物流、资金流等情况如下图所示：

上海剑桥通讯相关的业务流、物流、资金流情况



如上图所示，就业务流来看，上海剑桥通讯根据销售订单向其境内关联方采购产品，进行销售活动。就物流来看，上海剑桥通讯从境内关联方处采购来的产品，直接从境内关联方直接运送至境外客户处。

2. 集团内价值链分析

上海剑桥通讯参与的价值链分析图如下所示：

上海剑桥通讯相关的价值链分析图



如上图分析，对该价值链利润贡献最大的职能为核心研发，其次为生产制造、市场营销、销售与分销、服务支持职能，再次为采购与售后等职能。

上海剑桥通讯在价值链中承担了采购、销售与分销和售后服务等职能，相对于关联方承担的研发、生产制造、市场营销等职能较为简单，对价值链的贡献水平相对较少。值得注意的是，上海剑桥通讯在关联交易下将产品销售至境外关联方，再由境外关联方销售至境外第三方客户。在此情况下，上海剑桥通讯也会间接受到终端市场的影响产生利润波动，并间接承担相应的市场风险。

3. 地域特殊因素对企业创造价值贡献的计量及特性

如前文所述，不存在上海剑桥通讯留有因中国产生成本节约/市场溢价带来的利润。

4. 企业集团利润在全球价值链中的分配原则和分配结果

如上述供应链/价值链分析，集团公司基于各子公司的功能风险相对应的业务模块（如核心研发、生产、市场、销售等）以及行规与市场情况进行关联交易定价和利润分配。

根据经济合作发展组织（"OECD"）及 G20 的税基侵蚀和利润转移（"BEPS"）行动计划、以及 42 号公告的精神，跨国企业应当就其利润就经济活动发生地及价值创造地合理纳税，且其经济活动、价值创造、税负水平需相应匹配。对于上海剑桥通讯而言，在集团的供应链中是一家常规的分销公司，其对价值链的贡献水平较为有限，且非重要的贡献（如研发、生产、市场营销等所创造的价值）。对于上海剑桥通讯获得的利润水平分析，参见 V.可比性分析章节。

E. 价值链分析中参与方最近会计年度的财务报表

关联交易参与方的财务报表由集团管理层统一保管，可根据税局要求另行提供。

F. 对外投资

2024 年度，上海剑桥通讯未发生对外投资的情况。

G. 关联股权转让

2024 年度，上海剑桥通讯未发生关联股权转让的情况。

H. 关联劳务

从关联方接受服务

上海剑桥通讯 2024 年所发生的关联劳务为从境内关联方接受共享服务，具体包括财会服务、人力资源服务等支持性服务，并相应支付服务费。上海剑桥通讯接受关联方提供

的服务主要是由于自身部门人员还不足以支撑该功能的正常运作。服务提供方提供的服务符合了服务接受方的经营需要，交易均具有商业实质且为服务接受方创造实际的价值。因此，从商业角度和受益性原则考虑，关联方与上海剑桥通讯之间的关联交易安排是合理且必要的。

上述关联劳务交易的内容和金额均已在"III-A. 关联交易概况"披露。

I. 现有单边和双边/多边预约定价安排和其他税收裁定

集团内的任何成员未签署任何与上海剑桥通讯的关联交易直接相关的单边和双边/多边预约定价安排和其他税收裁定。

IV.转让定价方法的使用和选择

A. 可选用的转让定价方法

根据《国家税务总局关于特别纳税调查及相互协商程序管理办法的公告》("6 号公告")的规定，发生关联方的企业以及税务机关审核、评估关联交易均应遵循独立交易原则，选用合理的转让定价方法。其中所称的转让定价方法包括：

- 可比非受控价格法；
- 再销售价格法；
- 成本加成法；
- 交易净利润法；
- 利润分割法；
- 其他符合独立交易原则的方法包括成本法、市场法和收益法等资产评估方法，以及其他能够反映利润与经济活动发生地和价值创造地相匹配原则的方法。

选用合理的转让定价方法应进行可比性分析，主要包括以下五个方面：

1. 交易资产或劳务特性--有形资产的物理特性、质量、数量等；无形资产的类型、交易形式、保护程度、期限、预期收益等；劳务的性质和内容；金融资产的特性、内容、风险管理等；

2. 交易各方功能、承担的风险和使用的资产--功能主要包括研发、设计，采购，加工、装配、制造、维修、分销、营销、广告、存货管理、物流、仓储、融资、管理、财务、会计、法律及人力资源管理等。风险主要包括投资风险、研发风险、采购风险、生产风险、市场风险、管理风险及财务风险等。资产包括有形资产、无形资产、金融资产等；

3. 合同条款--包括交易标的、交易数量、交易价格、收付款方式和条件、交货条件、售后服务范围和条件、提供附加劳务的约定、变更或者修改合同内容的权利、合同有效期、终止或者续签合同的权利等。合同条款分析应当关注企业执行合同的能力与行为，

以及关联方之间签署合同条款的可信度等;

4. 经济环境--包括行业概况、地理区域、市场规模、市场层级、市场占有率、市场竞争程度、消费者购买力、商品或者劳务可替代性、生产要素价格、运输成本、政府管制，以及成本节约、市场溢价等地域特殊因素;

5. 经营策略--包括创新和开发、多元化经营、协同效应、风险规避及市场占有策略等。

本章就 6 号公告对各转让定价方法的解释以及上述可比性因素的规定，分析并选择适用于上海剑桥通讯和其关联方之间关联交易的转让定价方法。

B. 可比非受控价格法

可比非受控价格法以非关联方之间进行的与关联交易相同或类似业务活动所收取的价格作为关联交易的公平成交价格。可比非受控价格法可以适用于所有类型的关联交易。

可比非受控价格法的可比性分析，应当按照不同交易类型，特别考察关联交易与非关联交易中交易资产或者劳务的特性、合同条款、经济环境和经营策略上的差异。

关联交易与非关联交易在以上方面存在重大差异的，应当就该差异对价格的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

在本业务中，上海剑桥通讯从境内关联方采购产品，并将大部分产品销售给境外关联方，少部分销售至境外第三方客户，但在合同条款、经济环境和经营策略上存在一定的差异性。因此，上海剑桥通讯不能够找到内部可比非受控交易。此外，由于对可比性要求非常苛刻，通常很难找到相似（或相近）的第三方之间的交易作为外部可比非受交易。因此，在本业务中无法使用可比非受控价格法来评估上海剑桥通讯与其关联方间的关联业务是否符合独立交易原则。

C. 再销售价格法

再销售价格法以关联方购进商品再销售给非关联方的价格减去可比非关联交易毛利后的金额作为关联方购进商品的公平成交价格。再销售价格法一般适用于再销售者未对商

品进行改变外型、性能、结构或更换商标等实质性增值加工的简单加工或单纯购销业务。

再销售价格法的计算公式如下：

- 公平成交价格=再销售给非关联方的价格×（1-可比非关联交易毛利率）
- 可比非关联交易毛利率=可比非关联交易毛利/可比非关联交易收入净额 ×100%

针对再销售价格法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险、使用的资产和合同条款上的差异，以及影响毛利率的其他因素，具体包括营销、分销、产品保障及服务功能，存货风险，机器、设备的价值及使用年限，无形资产的使用及价值，有价值的营销型无形资产，批发或者零售环节，商业经验，会计处理及管理效率等。

关联交易与非关联交易在以上方面存在重大差异的，应当就该差异对毛利率的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

在本报告中，上海剑桥通讯与其关联方之间的关联交易并不存在内部可比非关联交易，即不存在上海剑桥通讯或其关联方与第三方独立进行的类似可比交易。同时，我们也无法获得外部可比非关联交易，即集团外的独立第三方之间进行的类似可比交易的信息。由于我们无法从公开信息中确认潜在的可比公司与上海剑桥通讯在相应交易中承担的功能风险差异以及会计准则差异，亦无法对相应差异作出调整。因而外部再销售价格法难以适用。因此在本业务中，我们无法使用再销售价格法，对上海剑桥通讯的关联交易进行评估。

D. 成本加成法

成本加成法以关联交易发生的合理成本加上可比非关联交易毛利后的金额作为关联交易的公平成交价格。成本加成法一般适用于有形资产使用权或者所有权的转让、资金融通、劳务提供等关联交易。

成本加成法的计算公式如下：

- 公平成交价格 = 关联交易发生的合理成本×（1+可比非关联交易成本加成率）；
- 可比非关联交易成本加成率=可比非关联交易毛利/可比非关联交易成本×100%

成本加成法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险、使用的资产和合同条款上的差异，以及影响成本加成率的其他因素，具体包括制造、加工、安装及测试功能，市场及汇兑风险，机器、设备的价值及使用年限，无形资产的使用及价值，商业经验，会计处理，生产及管理效率等。

关联交易与非关联交易在以上方面如存在重大差异的，应当就该差异对成本加成率的影响进行合理调整，无法合理调整的，应当选择其他合理的转让定价方法。

成本加成法通常适用于生产商或服务商。在本案中，上海剑桥通讯在其分销业务中不是生产商或服务商，因此无法使用成本加成法来分析其交易是否符合独立交易原则。

E. 交易净利润法

交易净利润法以可比非关联交易利润率指标确定关联交易净利润。非关联交易利润率指标通常为净利润性质，包括息税前利润率、完全成本加成率、资产收益率、贝里比率等。交易净利润法一般适用于不拥有重大价值无形资产企业的有形资产使用权或者所有权的转让和受让、无形资产使用权受让以及劳务交易等关联交易。

交易净利润法的可比性分析，应当特别考察关联交易与非关联交易中企业执行的功能、承担的风险和使用的资产，经济环境上的差异，以及影响利润的其他因素，具体包括行业和市场情况，经营规模，经济周期和产品生命周期，收入、成本、费用和资产在各交易间的分配，会计处理及经营管理效率等。

从原理上来讲，交易净利润法合并测试一组或多组受控交易（关联交易）的总体利润水平。相比再销售价格法和成本加成法中使用的毛利率指标，交易净利润法下使用的净利润水平指标受关联和非关联业务间因功能、风险、会计处理等差异而造成的影响最小。

因此，交易净利润法下的贝里比率作为利润水平指标，能够更合理地衡量关联交易的独立交易价格。在目前中国和国际转让定价实务中，交易净利润法也是最为频繁使用的方法。

由此，本案选择了交易净利润法作为适合的方法来评估相关关联交易是否符合独立交易原则。

F. 利润分割法

利润分割法根据企业与其关联方对关联交易合并利润（实际或者预计）的贡献计算各自应该分配的利润额。利润分割法主要包括一般利润分割法和剩余利润分割法。

一般利润分割法通常根据关联交易各方所执行的功能、承担的风险和使用的资产，采用符合独立交易原则的利润分割方式，确定各方应当取得的合理利润；当难以获取可比交易信息但能合理确定合并利润时，可以结合实际情况考虑与价值贡献相关的收入、成本、费用、资产、雇员人数等因素，分析关联交易各方对价值做出的贡献，将利润在各方之间进行分配。

剩余利润分割法将关联交易各方的合并利润减去分配给各方的常规利润后的余额作为剩余利润，再根据各方对剩余利润的贡献程度进行分配。

利润分割法一般适用于企业及其关联方均对利润创造具有独特贡献，业务高度整合且难以单独评估各方交易结果的关联交易。利润分割法的适用应当体现利润应在经济活动发生地和价值创造地征税的基本原则。

利润分割法的可比性分析，应当特别考察关联交易各方执行的功能、承担的风险和使用的资产，收入、成本、费用和资产在各方之间的分配，成本节约、市场溢价等地域特殊因素，以及其他价值贡献因素，确定各方对剩余利润贡献所使用的信息和假设条件的可靠性等。

考虑到上海剑桥通讯与关联方之间的交易并不复杂，也不存在双方行为高度整合的情况，并且上海剑桥通讯不拥有重要的无形资产，利润分割法也不是用来分析验证交易是否符合独立交易原则的最佳方法。

G. 其他转让定价方法

其他符合独立交易原则的方法包括成本法、市场法和收益法等资产评估方法，以及其他能够反映利润与经济活动发生地和价值创造地相匹配原则的方法。

成本法是以替代或者重置原则为基础，通过在当前市场价格下创造一项相似资产所发生的支出确定评估标的价值的评估方法。成本法适用于能够被替代的资产价值评估。

市场法是利用市场上相同或者相似资产的近期交易价格，经过直接比较或者类比分析以确定评估标的价值的评估方法。市场法适用于在市场上能找到与评估标的相同或者相似的非关联可比交易信息时的资产价值评估。

收益法是通过评估标的未来预期收益现值来确定其价值的评估方法。收益法适用于企业整体资产和可预期未来收益的单项资产评估。

考虑到上海剑桥通讯为贸易型企业，上述方法并不适用于分析验证上海剑桥通讯的关联交易是否符合独立交易原则。

H. 交易净利润法下的被测试方选择

本案将交易净利润法选为最适合的转让定价方法。在该方法下，必须在关联交易双方中选出被测试方，并通过测试该方的净利润水平来评估相关的关联交易是否符合独立交易原则。

一般来讲，被测试方通常是在关联双方中，承担功能较简单，风险较小，并且不拥有足以使其有别于其他潜在可比非受控企业的重要无形资产的那方。根据本报告 III.关联交易章节中 B.功能风险分析部分结果，从可行性角度出发，我们选择了为本案的被测试方。

I. 交易净利润法下的利润水平指标选择

利润水平指标用于衡量利润与销售收入、实际成本或资源投入之间的关系。利润指标的选取应当反映交易各方执行的功能、承担的风险和使用的资产。

鉴于受测方为一名有限风险分销商，在集团价值链中主要承担采购、销售、售后服务、质量保证及有限市场职能，虽承担一定信用风险、外汇风险及产品责任风险，但整体职能仍属于常规分销活动，且不拥有核心研发、生产、品牌等高价值无形资产，其业务回报主要源自日常运营支出所体现的价值贡献。

上海剑桥通讯为集中分销公司，其收入规模与利润之间并不存在直接线性关系。在此情况下，使用贝里比率能够有效剔除企业规模因素对利润水平评估的干扰。因此，为了更好地衡量利润和适当基数（如收入、成本、费用）之间的关系，我们选择贝里比率作为利润水平指标（即单位管销费用所带来的收益）。

综合考虑其职能定位、风险承担、资产使用情况及关联方在研发与制造环节的主导地位，采用贝里比率作为交易净利润法下的利润水平指标更为合理。其计算公式如下：

贝里比率=毛利/（营业费用+管理费用）
其中，毛利=营业收入-营业成本（包括税金及附加）

J. 可比公司数据统计

在交易净利润法下选定被测试方和利润水平指标后，应当通过基准定位分析（可比性分析）来搜索可比公司，并通过计算可比公司的利润水平来评估被测试方在关联交易中是否符合独立交易原则。对可比公司进行数据统计时，一般采用多年数据和四分位区间。

1. 多年数据的使用

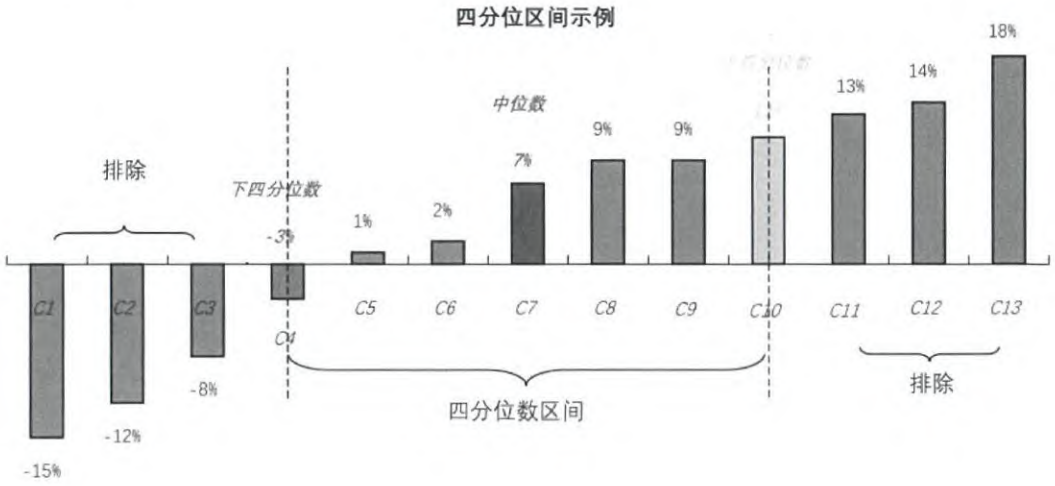
由于一系列非转让定价因素的影响，可比公司的财务数据在短期内可能有波动。为了避免因此造成的影响，我们在稍后的基准定位分析章节中对可比企业进行了三年的数据分析（2021 到 2023），并计算它们利润指标的加权平均值。

2. 四分位区间

搜索得出多家可比公司后，中国和国际转让定价实务中的通行做法是在此基础上建立合理利润区间。为了建立这一区间，通常剔除最低和最高区域内各 25%的数值，从而得到

统计学上的"四分位数区间"。该区间内的最小端值被称为"下四分位数"，最大端值被称为"上四分位数"，中位值即中位数。

举例来说，下图列出了对 13 个可比对象的四分位数的计算方法。去掉最好和最差的各25%的公司后，四分位数区间涵盖的便是从第 4 家到第 10 家的公司，其中第 7 家公司代表的是中位数值。



如果被测试企业的利润水平处于可比公司四分位数区间之内，一般便可认为其关联交易遵循了独立交易原则。

V.可比性分析

可比性分析（基准定位分析）的目的是通过数据库搜寻与上海剑桥通讯功能与产品可比的亚太地区公司，并通过计算可比公司的财务和利润水平来确定上海剑桥通讯在关联业务中所应该获取的合理利润水平。本章节详述了我们的分析标准，分析过程以及最后的结果。

A. 可比公司筛选标准

在本次测试的关联业务中，我们的搜索旨在找到符合以下条件的亚太地区上市公司作为的可比公司：

- 主营业务为分销；
- 主要产品为通讯产品；
- 在 2021-2023 财政年度间，不存在连续亏损状况；
- 在 2021-2023 财政年度间，三年加权平均研发费用占销售收入不超过 1%；
- 在 2021-2023 财政年度间，三年加权平均销售管理费用占销售收入不超过 10%；
- 不受关联方重大控制，无大额关联方交易；
- 不承担明显不可比的功能，如生产、服务及投资控股等，或不分销明显不可比的产品。

为达到有效搜索的目的，采用了一系列的量化和质化指标来评估和筛选潜在的可比公司。具体详见下文。

B. 可比公司搜索过程

1. 选用的数据库

我们选用的数据库为世界领先的商业和公司信息电子出版商 Bureau van Dijk Electronic

Publishing ("BVD")所提供的 TP Catalyst 数据库。

TP Catalyst 数据库提供全世界 155 个以上国家中上市公司的财务，所有权，经济新闻，评级，股票数据等信息。库中共含总共约 121,089 多家上市企业近 30 年来的标准格式和报告格式财务数据。

中国国家税务总局（"国税总局"）也已在其税收征管和反避税工作中使用 TP Catalyst 数据库。2005 年 3 月 25 日，国税总局发布了国税函[2005]239 号文，要求各级税务部门使用 BVD 公司的数据库作为反避税调查和纳税调整的依据。

我们在搜索可比公司时采用了 2025 年 1 月版的 TP Catalyst 数据库。

2. 基本搜索流程

搜索流程包含三大步骤：

- 电子识别 – 找到美国标准行业代码（"SIC"代码）系统中代表被测试方业务的代码，并找出该代码下的企业名单；
- 量化筛选 – 用量化指标对上一步中得出的全体公司进行初步筛选；
- 质化筛选 – 通过研读公司业务介绍来做进一步筛选，并得到最终可比公司组。

3. 电子识别

a) SIC 代码

本分析找到了以下符合上海剑桥通讯业务的 SIC 代码：

可比性分析所选 SIC 代码表

SIC代码	描述
5045	计算机和计算机外设配备及软件批发业
5046	其它商业设备批发业
5049	其它专业设备用品批发业
506	电子物品批发业
5099	其它耐久物品批发业
5072	五金器具批发业
5084	工业机械设备批发业
5085	工业用品批发业

这些代码将有效覆盖上海剑桥通讯的潜在可比公司。

b) 地域范围

我们将企业的搜索范围选定在亚太地区的以下主要经济实体:

可比性分析所选地域表

中国大陆	中国香港	印度	印尼	日本
韩国	中国澳门	马来西亚	尼泊尔	新西兰
巴基斯坦	菲律宾	新加坡	斯里兰卡	中国台湾
澳大利亚	泰国	越南		

c) 独立性

该步骤用于删除那些在交易上（由此也可能影响财务上）受大股东控制的公司。我们引入了 TP Catalyst 数据库所提供的独立性指标进行筛选，只保留那些被 TP Catalyst 数据库标注了如下独立性指标的公司:

- A+, A 或 A-: 表明该公司没有任何股东控制该公司的股份超过 25%(含 25%);
- U: 持股情况不详。(由于很多亚太区的公司不对外公开其股东持股情况，所以我们暂时接受独立性指标"U"的公司，通过检视其业务描述和公司历史概况加以判断独立性。)

为扩大中国大陆公司的样本量，我们未对中国大陆公司使用独立性这一标准，而是在质

化筛选阶段通过查看公司年度审计报告中关于关联方交易的披露来判定。

经过上述步骤初步得到：

√ 780 家公司

接着使用量化和质化指标对这些企业进行进一步筛选。

4. 量化筛选

我们选用的量化指标包括：

a) 持续亏损

我们也删除了那些在 2021-2023 财政年度间持续亏损的企业。因为持续亏损的企业在会计意义上可能不能满足持续经营假设，因此其财务数据可能并不能有效反应行业常态。

b) 研发费用比例

我们删除了三年加权平均研发费用占销售收入超过 1%的公司，因为较高的研发费用表明该公司具有较多的研发功能，与本分析的被测试方不符。

c) 销售管理费用比例

我们删除了销售管理费用占销售收入超过 10%的公司，因为较高的销售管理支出表明该公司具有较多的销售和营销功能，与本分析的被测试方不符。

经过上述量化筛选后，剩余：

√ 88 家公司

我们接着进行质化筛选以得到最终可比公司组。

5. 质化筛选

我们审阅了剩余公司的 TP Catalyst 业务描述，从而剔除与上海剑桥通讯功能不符，或产品不符的公司。对于初步剩余的公司，我们还查阅了它们的网站和年度报告，以做进一步的分析和确认。最终的结果为：

√ 8 家公司

6. 可比公司搜索及筛选过程综述

下图总结了我们使用 TP Catalyst 数据库搜索可比公司的过程。

可比公司搜索及筛选过程表

步骤	搜索及筛选过程	剩余可比公司
步骤一	电子识别	780家
步骤二	量化筛选： • 数据充分性 • 持续亏损 • 研发费用/销售收入比例	88家
步骤三	质化筛选： • 功能和/或产品不可比 • 重大关联方交易	8家
选择的可比公司数量		**8家**

C. 可比性分析结果

1. 可比公司概况

下表列示了 8 家可比公司的营业概况。可比公司筛选过程见附件。

可比公司营业概况

序号	公司名称	国家/地区	主营业务
1	EDOM TECHNOLOGY CO., LTD.	台湾	该公司从事集成电路（IC）的分销，产品包括 IC、分立元件、线性 IC、存储器、CPU、软件和电子元件。
2	HAGIWARA ELECTRIC HOLDINGS CO., LTD.	日本	该公司从事电子元件的分销与销售。
3	KUEN CHAANG UPPERTECH CORPORATION	台湾	该公司从事一系列电子元器件的批发和零售分销，包括功率集成电路（IC）、光电子、硅光电探测器、光学传感器等。
4	MARUBUN CORPORATION	日本	该公司主要从事尖端电子产品的分销，包括半导体、电子设备、模块、IC 等。
5	SATORI ELECTRIC CO., LTD.	日本	该公司专门经销电子元件和设备。它提供各种电子零件，包括存储器、专用集成电路（ASIC）、指示元件、半导体元件等。此外，公司还提供开关等电子元件的支持和销售，并提供信息和技术服务。
6	SHINKO SHOJI CO., LTD.	日本	该公司主要从事电子元件和设备的分销，产品包括电子零件，包括存储器、微型计算机、专用集成电路（ASIC）、指示元件、半导体元件、电气设备材料、开关以及通讯设备等。
7	WEIKENG INDUSTRIAL COMPANY LIMITED	台湾	本公司从事电子元器件及相关产品的分销和销售，产品包括芯片、无线通信元件等。
8	WPG HOLDINGS LIMITED	台湾	该公司主要从事半导体元件的销售。

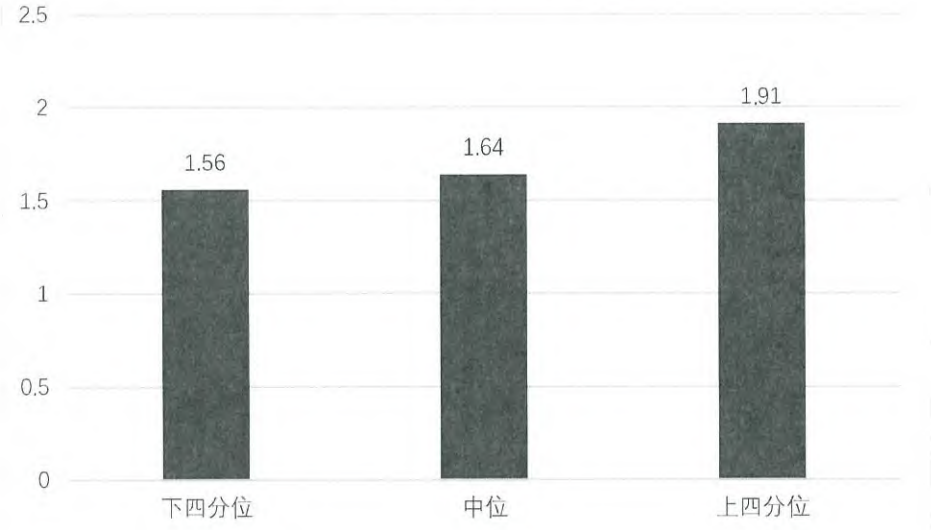
2. 利润水平

由于选用了贝里比率作为本次分析的利润水平指标，在分析中计算了 8 家可比公司 2021－2023 年度贝里比率的加权平均值，并由此得出可比公司贝里比率的四分位区间。详见下表：

可比公司利润率水平

序号	公司名称	贝里比率 (3 年加权平均)
1	EDOM TECHNOLOGY CO., LTD.	1.90
2	HAGIWARA ELECTRIC HOLDINGS CO., LTD.	1.59
3	KUEN CHAANG UPPERTECH CORPORATION	0.65
4	MARUBUN CORPORATION	1.67
5	SATORI ELECTRIC CO., LTD.	1.46
6	SHINKO SHOJI CO., LTD.	1.60
7	WEIKENG INDUSTRIAL COMPANY LIMITED	1.96
8	WPG HOLDINGS LIMITED	1.94
	四分位区间	
	下四分位	**1.56**
	中位	**1.64**
	上四分位	**1.91**

可比公司贝里比率的四分位区间



最终可比公司组的贝里比率四分位区间为 1.56-1.91，中位数为 1.64。可比公司的财务数据详见附件。

D. 可比数据的差异调整及理由

本报告未对可比公司的财务数据进行调整。

VI.结论

上海剑桥通讯作为集团在华设立的一家独资企业，主要从事通讯设备原材料及部件的分销。上海剑桥通讯从境内关联方采购通讯设备原材料及部件，并销售至境外关联方和境外第三方客户。

在集团相关业务的完整价值链中主要有核心研发、采购原材料、生产、采购、销售和质量保证等一系列职能与活动。上海剑桥通讯作为一家分销商，负责采购、销售和分销、开票及货款回收、产品质量保证、售后服务和有限的市场营销功能，并承担信用风险、外汇风险、产品质量保证及产品责任风险和有限的市场风险。此外，重大的无形资产（例如研发设计、核心生产技术、商标与品牌）由 CIG 集团总部所拥有。

上海剑桥通讯在上述职能、风险与资产状况下，对集团的整体价值链起到一定的贡献作用；其关联方承担更重要的核心职能（如研发、生产制造、市场营销等），因此对集团价值链带来更为重要的贡献。此外，基于对地域特殊因素的分析，上海剑桥通讯及其所 CIG 集团不在中国产生相关成本节约/市场溢价因素。

基于如上分析，我们依照中国转让定价法规——42 号公告和 6 号公告的指导意见，选择了交易净利润法作为合理的转让定价方法。在该方法下，被选为本案的被测试方。针对分销型企业，我们选用贝里比率作为主要利润指标来分析评估上海剑桥通讯的利润状况和合理利润区间。可比性分析显示：符合独立交易原则的贝里比率区间为 1.56 - 1.91，中位数 1.64。2024 年，上海剑桥通讯所获取的贝里比率为 1.57，利润水平位于可比公司的四分位区间内。上海剑桥通讯在 2024 年度的关联交易符合独立交易原则。

附件 1.可比公司筛选详表

序号	公司名称	国家/地区	被选公司	被筛除原因						
				财务资料不完备	连续亏损	研发费用/收入>1%	管销费用/收入>10%	功能具有显著差异	产品具有显著差异	重大关联方交易
1.	ACMA LIMITED	新加坡			X					
2.	ACSIP TECHNOLOGY CORP.	台湾			X					
3.	ACTER GROUP CORPORATION LIMITED	台湾				X				
4.	ADVANCED SENSOR (WUXI) CO.,LTD.	中国				X				
5.	ADVENTUS HOLDINGS LIMITED	新加坡		X						
6.	AFASTOR CORPORATION	台湾							X	
7.	AJ ADVANCE TECHNOLOGY PCL	泰国			X					
8.	ALTECH CO LTD	日本					X			
9.	ANHUI FIRSTT SMARTTECH CO.,LTD	中国		X						
10.	ANHUI KING-AUTO ELECTRONIC TECHNOLOGY CO.LTD.	中国				X				
11.	ANHUI LTECH INFORMATION TECHNOLOGY CO.,LTD.	中国			X					
12.	ANHUI SUNCN PAP INFORMATION TECHNOLOGY CO.,LTD.	中国				X				

序号	公司名称	国家/地区	被选公司	被筛除原因						
				财务资料不完备	连续亏损	研发费用/收入>1%	管销费用/收入>10%	功能具有显著差异	产品具有显著差异	重大关联方交易
13.	ANKER INNOVATIONS TECHNOLOGY CO., LTD.	中国				X				
14.	APAQ TECHNOLOGY CO.,LTD.	台湾				X				
15.	APEX SCIENCE & ENGINEERING CORP.	台湾							X	
16.	APLEX TECHNOLOGY INC	台湾				X				
17.	APPRO PHOTOELECTRON INC.	台湾				X				
18.	ARC FINANCE LTD	印度		X						
19.	ARCHERMIND TECHNOLOGY (NANJING) COMPANY LIMITED	中国				X				
20.	ARHAM TECHNOLOGIES LIMITED	印度						X		
21.	AS ONE CORPORATION	日本					X			
22.	ASIA ELECTRONIC MATERIAL CO., LTD.	台湾				X				
23.	ASIATIC GROUP (HOLDINGS) LTD	新加坡					X			
24.	ASTRO CORPORATION	台湾			X					
25.	AVANCE TECHNOLOGIES LIMITED	印度						X		
26.	AVIC FORSTAR ST CO., LTD.	中国				X				
27.	B2B SOFTWARE TECHNOLOGIES LTD	印度					X			
28.	BANGKOK SHEET METAL PCL	泰国					X			

序号	公司名称	国家/地区	被选公司	被筛除原因						
				财务资料不完备	连续亏损	研发费用/收入>1%	管销费用/收入>10%	功能具有显著差异	产品具有显著差异	重大关联方交易
29.	BASANT INDIA LTD.	印度		X						
30.	BEIJING AEROSPACE CHANG XING TECHNOLOGY DEVELOPMENT CO.,LTD	中国				X				
31.	BEIJING BLUESKY TECHNOLOGIES CO., LTD.	中国				X				
32.	BEIJING BYGA TECHNOLOGY CORPORATION	中国				X				
33.	BEIJING CAN BROTHER TECHNOLOGIES CO.,LTD	中国			X					
34.	BEIJING CERTIFICATE AUTHORITY CO.,LTD	中国				X				
35.	BEIJING CHIEFTAIN CONTROL TECHNOLOGY GROUP CO. LTD.	中国				X				
36.	BEIJING CHINA SPORTS NETWORK TECHNOLOGY COMPANY LIMITED	中国				X				
37.	BEIJING DAOHENG SOFTWARE COMPANY LIMITED	中国				X				
38.	BEIJING DEEPCOOL SCI-TECH CO.,LTD	中国				X				
39.	BEIJING EA-MACHINERY EQUIPMENT CO.,LTD	中国				X				
40.	BEIJING EAST E-ENERGY TECHNOLOGY CO.,LTD.	中国				X				
41.	BEIJING GROUNDSUN TECHNOLOGY CO., LTD.	中国				X				
42.	BEIJING GTI IOT TECHNOLONGY CO.,LTD.	中国			X					
43.	BEIJING HANBANG TECHNOLOGY CORP.	中国			X					

序号	公司名称	国家/地区	被选公司	被筛除原因						
				财务资料不完备	连续亏损	研发费用/收入>1%	管销费用/收入>10%	功能具有显著差异	产品具有显著差异	重大关联方交易
44.	BEIJING HAOTIAN RENJIE BIOTECHNOLOGY CO., LTD	中国		X						
45.	BEIJING HEHAIYI REFRIGERATION TECHNOLOGY CO.,LTD.	中国				X				
46.	BEIJING HENGXINQIHUA INFORMATION TECHNOLOGY CO., LTD.	中国				X				
47.	BEIJING HENGYUWEIYE TECHNOLOGY DEVELOPMENT CO.,LTD.	中国		X						
48.	BEIJING HONGJING CENTURY SOFTWARE CO.,LTD.	中国				X				
49.	BEIJING HUACHUANG NETWORK SECURITY LIMITED LIABILITY COMPANY	中国				X				
50.	BEIJING HUAFENG TEST AND CONTROL TECHNOLOGY CO., LTD.	中国				X				
51.	BEIJING HUAHONG TECHNOLOGY CORP.	中国		X						
52.	BEIJING IACTIVE NETWORK CO.,LTD.	中国				X				
53.	BEIJING INNOTELE TECHNOLOGYCO.,LTD.	中国				X				
54.	BEIJING INTERACT TECHNOLOGY CO., LTD.	中国				X				
55.	BEIJING JCZ TECHNOLOGY CO., LTD.	中国				X				
56.	BEIJING JINGPIN TEZHUANG SCIENCE & TECHNOLOGY CO., LTD	中国				X				
57.	BEIJING JOYWAY TECHNOLOGY INC.,LTD	中国				X				
58.	BEIJING JURASSIC SOFTWARE CO., LTD.	中国				X				

序号	公司名称	国家/地区	被选公司	被筛除原因						
				财务资料不完备	连续亏损	研发费用/收入>1%	管销费用/收入>10%	功能具有显著差异	产品具有显著差异	重大关联方交易
59.	BEIJING KUNDATIANYUAN TECHNOLOGY CO.,LTD.	中国			X					
60.	BEIJING LIANG'AN TECHNOLOGY CO., LTD	中国				X				
61.	BEIJING LOGIS COMPANY LIMITED	中国			X					
62.	BEIJING LONGJOY TECHNOLOGY CO., LTD	中国			X					
63.	BEIJING MACROSKY TECHNOLOGY CO.,LTD	中国				X				
64.	BEIJING MOREGET CREATIVE TECHNOLOGY CO.,LTD	中国				X				
65.	BEIJING NOVSKY INFORMATION TECHNOLOGY CO.,LTD	中国				X				
66.	BEIJING ORIENTAL TIMES TECHNOLOGY CO.,LTD.	中国				X				
67.	BEIJING QINGCHANG POWER TECHNOLOGY CO.,LTD	中国				X				
68.	BEIJING REDROCK TECHNOLOGY CO.,LTD	中国				X				
69.	BEIJING SBR INFORMATION TECHNOLOGY CO.,LTD	中国				X				
70.	BEIJING SINODYNETEST SCIENCE TECHNOLOGY CO,.LTD	中国				X				
71.	BEIJING SNSOFT TECHNOLOGY CO.,LTD.	中国				X				
72.	BEIJING STAR CUBE TECHNOLOGY DEVELOPMENT CO.,LTD.	中国				X				
73.	BEIJING SUNWAY TECHNOLOGY CO.,LTD.	中国				X				
74.	BEIJING SYSJOY INFORMATION TECHNOLOGYCO.,LTD	中国				X				

序号	公司名称	国家/地区	被选公司	被筛除原因						
				财务资料不完备	连续亏损	研发费用/收入>1%	管销费用/收入>10%	功能具有显著差异	产品具有显著差异	重大关联方交易
75.	BEIJING TECHORSE TECHNOLOGY CO.,LTD.	中国				X				
76.	BEIJING TONGTECH CO., LTD.	中国				X				
77.	BEIJINGDADAOXINTONG TECHNOLOGY CO.,LTD.	中国				X				
78.	BEKEN CORPORATION	中国				X				
79.	BERGSUN TEC.	中国							X	
80.	BESCIENT TECHNOLOGIES CO., LTD.	中国				X				
81.	BGRIMM TECHNOLOGY CO., LTD.	中国				X				
82.	BLUEMEME INC.	日本				X				
83.	BOYUTEC CO.,LTD.	中国			X					
84.	BRIGHT SHELAND INTERNATIONAL CO., LTD.	台湾				X				
85.	BRIGHTCOM GROUP LIMITED	印度					X			
86.	BRINNO INCORPORATED	台湾				X				
87.	BROADCHIP TECHNOLOGY GROUP CO.,LTD.	中国				X				
88.	BRYTON INC	台湾				X				
89.	BULL WILL CO., LTD.	台湾					X			
90.	BYBON GROUP COMPANY LIMITED	中国			X					

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91.	CAMBRICON TECHNOLOGIES CORPORATION LIMITED	中国			X					
92.	CAS CORPORATION	韩国				X				
93.	CECEP ENVIRONMENTAL PROTECTION CO.,LTD.	中国				X				
94.	CENTRAN TECHNOLOGY CO., LTD.	中国				X				
95.	CETC DIGITAL TECHNOLOGY CO.,LTD.	中国				X				
96.	CHAMUNDA ELECTRICAL LIMITED	印度		X						
97.	CHANDER ELECTRONICS CORPORATION	台湾			X					
98.	CHANGCHUN LIMING SCIENCE AND TECHNOLOGY DEVELOPMENT CO.,LTD	中国				X				
99.	CHANGYUAN TECHNOLOGY GROUP LTD.	中国				X				
100.	CHANGZHOU AITE TECHNOLOGY CO.,LTD	中国			X					
101.	CHANGZHOU SHINE SCIENCE AND TECHNOLOGY CO.,LTD	中国				X				
102.	CHAOZHOU THREE-CIRCLE (GROUP) CO.,LTD.	中国				X				
103.	CHENGDU BOOST INFORMATION TECHNOLOGIES INC.	中国			X					
104.	CHENGDU KINGBRI FREQUENCY TECHNOLOGY CO.,LTD.	中国				X				
105.	CHENGDU NETON INC.	中国				X				

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106.	CHENGDU RAINBOW APPLIANCE(GROUP) SHARES CO.,LTD.	中国				X				
107.	CHENGDU SIHAN THCHNOLOGY STOCK CO.,LTD.	中国				X				
108.	CHIA CHANG CO., LTD	台湾				X				
109.	CHINA DRAGON (BEIJING) INTERNE OF THINGS TECHNOLOGY SHARES DEVELOPMENT CO.LTD	中国			X					
110.	CHINA NATIONAL ELECTRIC APPARATUS RESEARCH INSTITUTE CO., LTD.	中国				X				
111.	CHINA NORTH COMMUNICATION TECHNOLOGY CO.,LTD	中国				X				
112.	CHINA VISION LAUGH FRUIT TECHNOLOGY (BEIJING) CO., LTD.	中国				X				
113.	CHINANET TECHNOLOGY (SUZHOU) CO.,LTD.	中国			X					
114.	CHIPBOND TECHNOLOGY CORPORATION	台湾				X				
115.	CHONGQING DUOBANG TECHNOLOGY CO,LTD	中国				X				
116.	CHONGQING HEHANG SIENCE AND TECHNOLOGY CO.,LTD	中国				X				
117.	CHONGQING HUAXI CIVIL AIR DEFENSE ENGINEERING EQUIPMENT CORP.,LTD	中国					X			
118.	CHONGQING JINGHONGYI TECHNOLOGY CO., LTD.	中国				X				
119.	CHONGQING KAIGE ELECTRONICS CO., LTD	中国			X					

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120.	CHONGQING MEGALIGHT TECHNOLOGY CO.,LTD.	中国				X				
121.	CHONGQING MICRO IDENTIFICATION TECHNOLOGY CO., LTD.	中国			X					
122.	CHUANDONG MAGNETIC ELECTRONICS CO., LTD.	中国				X				
123.	CHUANGO AIOT TECHNOLOGY CORP.	中国			X					
124.	CLEARTV CO.,LTD.	中国				X				
125.	COMANCHE INTERNATIONAL PUBLIC COMPANY LIMITED	泰国			X					
126.	COMINIX CO LTD	日本					X			
127.	COMMUNICATION AND SYSTEM SOLUTION PCL	泰国					X			
128.	COMPUAGE INFOCOM LIMITED	印度							X	
129.	CONG TY CO PHAN BIG INVEST GROUP	越南							X	
130.	CONG TY CO PHAN G-AUTOMOBILE	越南							X	
131.	CONG TY CO PHAN SARA VIET NAM	越南							X	
132.	CONG TY CO PHAN TAP DOAN 911	越南							X	
133.	CONG TY CO PHAN TAP DOAN GELEX	越南							X	
134.	CONG TY CO PHAN THUONG MAI DICH VU TRANG THI	越南			X					
135.	CONG TY CO PHAN THUONG MAI GIA LAI	越南							X	

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136.	CONITECH (BEIJING) MANAGEMENT SOFTWARE CO.,LTD	中国							X	
137.	CONNECTION TECHNOLOGY SYSTEMS INC.	台湾				X				
138.	CPT DRIVES AND POWER PUBLIC CO LTD	泰国					X			
139.	CREATE SOFTWARE GROUP CO., LTD	中国				X				
140.	CREST GROUP BERHAD	马来西亚					X			
141.	CSCI INTERNET TECHNOLOGY CO., LTD	中国								X
142.	CYSTECH ELECTRONICS CORP.	台湾				X				
143.	DAITRON CO., LTD.	日本					X			
144.	DALIAN ALLRUN ELECTRONICS CO,LTD	中国				X				
145.	DALIAN CHENGSI TECHNOLOGY CO., LTD	中国				X				
146.	DALIAN ROILAND TECHNOLOGY CO.,LTD	中国			X					
147.	DAQING DIRECTION SOFTWARE TECHNOLOGY CO., LTD	中国				X				
148.	DARBOND TECHNOLOGY CO.,LTD.	中国				X				
149.	DAS TECHNOLOGY CO., LTD.	台湾				X				
150.	DAWNING INFORMATION INDUSTRY CO., LTD	中国				X				
151.	DENKYO GROUP HOLDINGS CO.LTD.	日本					X			

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152.	DI XIN TECHNOLOGY CO., LTD.	中国				X				
153.	DIGITAL CHINA GROUP CO.,LTD.	中国							X	
154.	DIMENSION COMPUTER TECHNOLOGY CO., LTD.	台湾							X	
155.	DIMERCO DATA SYSTEM CORPORATION	台湾				X				
156.	DIOO MICROCIRCUITS CO., LTD.JIANGSU	中国				X				
157.	DIXON TECHNOLOGIES (INDIA) LIMITED	印度						X		
158.	DONGGUAN GOLDCONN PRECISION ELECTRONIC CO.,LTD.	中国				X				
159.	DONGGUAN YUQIU ELECTRONIC CO.,LTD	中国			X					
160.	DONGSYS INNOVATION (BEIJING) TECHNOLOGY DEVELOPMENT CO.,LTD.	中国				X				
161.	E-ELEMENTS TECHNOLOGY CO. LTD.	台湾				X				
162.	E-LIFE CORPORATION	台湾					X			
163.	EDOM TECHNOLOGY CO., LTD.	台湾	X							
164.	EKING TECHNOLOGY COMPANY LIMITED	中国				X				
165.	EPACK DURABLE LIMITED	印度							X	
166.	ESTUN AUTOMATION CO.,LTD.	中国				X				

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167.	EVER OHMS TECHNOLOGY CO.,LTD.	台湾				X				
168.	EXSELI CO,LTD.	日本					X			
169.	EZCONN CORPORATION	台湾				X				
170.	FCS SOFTWARE SOLUTIONS LIMITED	印度					X			
171.	FEEI CHERNG DEVELOP TECHNOLOGY CO., LTD.	台湾			X					
172.	FEILIFU TECHNOLOGY CO.,LTD.	中国				X				
173.	FEITIAN TECHNOLOGIES CO.,LTD.	中国			X					
174.	FINE MADE MICROELECTRONICS GROUP CO. , LTD.	中国				X				
175.	FINEMAT APPLIED MATERIALS COMPANY LIMITED	台湾				X				
176.	FITTECH CO.,LTD	台湾				X				
177.	FLAG FLYING TELECOMMUNICATION SCIENCE AND TECHNOLOGY CO.,LTD	中国			X					
178.	FOLANGSI CO. LTD	中国				X				
179.	FONEBOX RETAIL LIMITED	印度								X
180.	FORBES PRECISION TOOLS AND MACHINE PARTS LIMITED	印度		X						
181.	FOREST SENLIN ELECTRICAL APPLIANCE TRADING (SHANGHAI) CO.,LTD	中国							X	

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182.	FOSITEK CORP.	台湾				X				
183.	FOTRIC INC.	中国				X				
184.	FRSKY ELECTRONIC CO., LTD	中国			X					
185.	FU JIAN GLLO INTELLIGENT KITCHEN &SANITARY WARE CO.,LTD.	中国				X				
186.	FUJIAN APEX SOFTWARE CO.,LTD	中国				X				
187.	FUJIAN BROTHERS OFFICE EQUIPMENT ENTERPRISE SERVICE CO., LTD	中国					X			
188.	FUJIAN ELITE POWER TECH CO.,LTD.	中国				X				
189.	FUJIAN GOLDTECH INFORMATION TECHNOLOGY CORPORATION LIMITED	中国				X				
190.	FUJIAN RIDGE TECHNOLOGY CO.,LTD.	中国			X					
191.	FUJIAN RUIVEN INFORMATION TECHNOLOGY CO.,LTD.	中国			X					
192.	FUJIAN SYSTEM TECHNOLOGY CO.,LTD	中国			X					
193.	FUJIAN TAIER GROUP CO., LTD.	中国			X					
194.	FUJIAN WALLACE FOOD CO., LTD.	中国						X		
195.	FUJIAN WEIMING INFORMATION TECHNOLOGY CORP.	中国		X						
196.	FUJII SANGYO CORPORATION	日本					X			

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197.	FULLERTON TECHNOLOGY CO., LTD.	台湾			X					
198.	FUSION THE VISION GOLDEN COMPANY LIMITED	中国			X					
199.	FUSO DENTSU CO., LTD.	日本					X			
200.	G-ABLE PCL	泰国					X			
201.	GALAXY SOFTWARE SERVICES CORPORATION	台湾				X				
202.	GAMECARD-JOYCO HOLDINGS,INC.	日本				X				
203.	GEM TERMINAL INDUSTRY CO.,LTD.	台湾					X			
204.	GENIE NETWORKS LIMITED	台湾				X				
205.	GENPHARMASEC LIMITED	印度					X			
206.	GLOBAL DIGITAL CYBERSECURITY AUTHORITY CO.LTD.	中国				X				
207.	GLOBAL INFOTECH COMPANY LIMITED	中国				X				
208.	GOLDENCONN ELECTRONICS TECHNOLOGY COMPANY LIMITED	中国				X				
209.	GOMAX ELECTRONICS , INC.	台湾				X				
210.	GONEO GROUP CO.,LTD.	中国				X				
211.	GOSPELL DIGITAL TECHNOLOGY CO.,LTD.	中国			X					
212.	GOYOO NETWORKS CO.,LTD	中国			X					

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213.	GRAND-TEK TECHNOLOGY CO., LTD.	台湾				X				
214.	GRANDTECH C.G. SYSTEMS INC	台湾							X	
215.	GREEN INTELLIGENT TECHNOLOGY CO.,LTD.	中国				X				
216.	GSEVEN CO., LTD.	台湾					X			
217.	GSS INFOTECH LIMITED	印度					X			
218.	GUANG ZHOU XING CHEN INTERNET TECHNOLOGY CO.,LTD.	中国				X				
219.	GUANGDONG AP TENON SCI.&TECH. CO., LTD .	中国				X				
220.	GUANGDONG BAIHUA SCIENCE AND TECHNOLOGY CO.,LTD.	中国					X			
221.	GUANGDONG CENTNET TELECOMMUNICATION EQUIPMENTS CO.,LTD.	中国			X					
222.	GUANGDONG CHANBO INFORMATION TECHNOLOGY CO.,LTD	中国			X					
223.	GUANGDONG DILANG TECHNOLOGY CO.,LTD.	中国				X				
224.	GUANGDONG FLYRISE INTERNET TECHNOLOGY CO., LTD	中国				X				
225.	GUANGDONG HALLSMART INTELLIGENCE TECHNOLOGY CORP. LTD.	中国				X				
226.	GUANGDONG HONGQIAN TECHNOLOGY CO.,LTD	中国				X				
227.	GUANGDONG KAMIS TECHNOLOGY CO.,LTD	中国			X					

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228.	GUANGDONG LIWANG HIGH-TECH CO.,LTD.	中国				X				
229.	GUANGDONG MINGZHU GROUP CO.,LTD	中国							X	
230.	GUANGDONG REAL-DESIGN INTELLIGENCE TECHNOLOGY CO.,LTD.	中国				X				
231.	GUANGDONG SACA PRECISION MANUFACTURING CO.,LTD.	中国			X					
232.	GUANGDONG SENEASY INTELLIGENT TECHNOLOGY CO.,LTD.	中国				X				
233.	GUANGDONG SIMPACT TECHNOLOGY CORP.	中国				X				
234.	GUANGDONG SOUTH CHINA SEA ELECTRONIC MEASURING TECHNOLOGY CO., LTD.	中国				X				
235.	GUANGDONG SUNRISE ELECTRONICS TECHNOLOGY CO.,LTD.	中国		X						
236.	GUANGDONG XUANYUAN NETWORK TECHNOLOGY CO.,LTD.	中国			X					
237.	GUANGXI YINGLUN INFORMATION TECHNOLOGY CO.,LTD.	中国			X					
238.	GUANGZHOU EVERYGOLD COMPUTER TECHNOLOGY CO.,LTD	中国				X				
239.	GUANGZHOU GRAND DIGITAL SUPPLY CHAIN GROUP CO.,LTD.	中国							X	
240.	GUANGZHOU INFOHAND TECHNOLOGY CO.,LTD.	中国			X					
241.	GUANGZHOU PIXEL SOLUTIONS CO., LTD.	中国				X				
242.	GUANGZHOU PROTECTWELL ELECTRONIC TECHNOLOGY CO.,LTD	中国				X				

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243.	GUANGZHOU RUOYUCHEN TECHNOLOGY CO.,LTD.	中国				X				
244.	GUANGZHOU TRUSTMO INFORMATION SYSTEM CO., LTD.	中国				X				
245.	GUANGZHOU VANVOV INFORMATION TECHNOLOGY CO.,LTD.	中国			X					
246.	GUANGZHOU ZYE ELECTRONIC TECHNOLOGY CO., LTD.	中国				X				
247.	GUILIN CENTURY WIND TECHNOLOGY DEVELOPMENT COMPANY LIMITED	中国			X					
248.	GUIZHOU CHAINS INFORMATION CORP,.LTD.	中国			X					
249.	GUIZHOU DOOR TO TIME SCIENCE & TECHNOLOGY CO.,LTD.	中国				X				
250.	GUIZHOU HAIYU SCIENCE AND TECHNOLOGY CO.,LTD	中国			X					
251.	HAGIWARA ELECTRIC HOLDINGS CO., LTD.	日本	X							
252.	HAINAN IFDOO INTELLIGENCE AND TECHNOLOGY CO., LTD.	中国			X					
253.	HAKUTO CO.,LTD.	日本						X		
254.	HANCHANG CORPORATION	韩国				X				
255.	HANGZHOU CHUXIU NETWORK TECHNOLOGY CO.,LTD.	中国				X				
256.	HANGZHOU ENFO SOFTWARE CO.,LTD.	中国				X				
257.	HANGZHOU GOLDEN SOFTWARE SYSTEM INC.	中国			X					

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258.	HANGZHOU HANGKE OPTOELECTRONICS CO.,LTD.	中国				X				
259.	HANGZHOU JINGJIE COMMUNICATIO CO.,LTD	中国					X			
260.	HANGZHOU KINGO INFO TECHNOLOGY CO.,LTD.	中国				X				
261.	HANGZHOU LOONXI NETWORK TECHNOLOGY CO ., LTD	中国				X				
262.	HANGZHOU ZENO TECHNOLOGY CO.,LTD	中国			X					
263.	HANGZHOU ZHANGTING INTERACTIVE TECHNOLOGY CO.,LT	中国			X					
264.	HANGZHOU ZHIAN TECHNOLOGY CO.,LTD.	中国				X				
265.	HANGZHOU ZIGUANG COMMUNICATION TECHNOLOGY CO., LTD.	中国				X				
266.	HANGZHOUTOTYU TECHNOLOGY CORPORATION	中国			X					
267.	HANSUN (SHANGHAI) MARINE TECHNOLOGY CO., LTD.	中国				X				
268.	HANUMANT ISPAT LIMITED	印度		X						
269.	HAOERSAI TECHNOLOGY GROUP CORP.,LTD.	中国				X				
270.	HARBIN ONTOP DRAINAGE EQUIPMENT MANUFACTURING CO.,LTD.	中国				X				
271.	HARBIN PATEERN SCIENCE AND TECHNOLOGY COMPANY LIMITED	中国			X					
272.	HARN ENGINEERING SOLUTIONS PUBLIC CO LTD	泰国					X			

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273.	HEBEI HUAFA EDUCATION TECHNOLOGY CORP., LTD.	中国				X				
274.	HEBEI REALPOWER TELECOM TECHNOLOGY CO.,LTD	中国			X					
275.	HEBEI RUIXING GAS EQUIPMENT CO.,LTD.	中国				X				
276.	HEBEI THINK TECHNOLOGY CO., LTD	中国				X				
277.	HEBEI ZHONGYANG TECHNOLOGY CO.,LTD	中国			X					
278.	HEFEI KINGNOW DIGITAL TECHNOLOGY CO.,LTD	中国				X				
279.	HEFEI METALFORMING INTELLIGENT MANUFACTURING CO.,LTD.	中国				X				
280.	HENAN GOLDROC INFORMATION TECHNOLOGY CO.,LTD	中国			X					
281.	HENAN GUORONG ELECTRONIC TECHNOLOGY CO., LTD.	中国				X				
282.	HENAN HANHONG INTELLIGENT TECHNOLOGY CO., LTD.	中国			X					
283.	HENAN PINGYUAN INTELLIGENT EQUIPMENT COMPANY LTD.	中国				X				
284.	HENAN SHIJIA PHOTONS TECHNOLOGY CO.,LTD.	中国				X				
285.	HENAN TIANCHENG ENVIRONMENTAL TECHNOLOGY CO.,LTD	中国			X					
286.	HENAN YUANFENG SCIENCE AND TECHNOLOGY NETWORK CO.LTD.	中国				X				
287.	HENAN ZHUOJIN PHOTOELECTRIC TECHNOLOGY CO.,LTD.	中国			X					

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288.	HENGLI INDUSTRIAL DEVELOPMENT GROUP CO., LTD.	中国			X					
289.	HI-THINK TECHNOLOGY, CORP.	中国				X				
290.	HNA TECHNOLOGY CO.,LTD.	中国							X	
291.	HONEY HOPE HONESTY ENTERPRISE COMPANY LIMITED	台湾							X	
292.	HONG RI DA TECHNOLOGY COMPANY LIMITED	中国				X				
293.	HONYI INTERNATIONAL COMPANY LIMITED	台湾			X					
294.	HOPE INFORMATION SYSTEMS CO.,LTD.	中国			X					
295.	HOWTEH TECHNOLOGY CO., LTD.	台湾							X	
296.	HPT VIETNAM CORPORATION	越南					X			
297.	HSENID BUSINESS SOLUTIONS PLC	斯里兰卡					X			
298.	HUAINAN RUNCHENG SCIENCE&TECHNOLOGY CO.,LTD.	中国				X				
299.	HUATENG EDUCATIONAL TECHNOLOGY CO.,LTD	中国			X					
300.	HUBEI JIUZHIYANG INFRARED SYSTEM CO., LTD	中国				X				
301.	HUFU TECHNOLOGIES CO., LTD.	中国			X					
302.	HUNAN CHANGXIN CHANGZHONG TECHNOLOGY SHARES CO.,LTD	中国			X					

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303.	HUNAN CHENGCONG SOFTWARE CO.,LTD	中国				X				
304.	HUNAN DA SHANGBANG TECHNOLOGY CO.,LTD.	中国				X				
305.	HUNAN GOKE MICROELECTRONICS CO.,LTD.	中国				X				
306.	HUNAN HKT TECHNOLOGY CO.LTD.	中国				X				
307.	HUNAN JIANYAN INFORMATION TECHNOLOGY CO.,LTD.	中国				X				
308.	HUNAN JUMPER TECHNOLOGY CO.,LTD	中国				X				
309.	HUNAN YUJING MACHINERY CO.,LTD.	中国				X				
310.	HUNAN-TECH NEW MEDICAL SYSTEMS CO.,LTD	中国			X					
311.	HYE TECHNOLOGY CO.,LTD	台湾				X				
312.	HYPER INC	日本					X			
313.	IAG GROUP LIMITED	中国				X				
314.	ILA JOINT STOCK COMPANY	越南						X		
315.	INABA DENKISANGYO CO LTD	日本					X			
316.	INESA INTELLIGENT TECH INC	中国				X				
317.	INFRONICS SYSTEMS LIMITED	印度					X			
318.	INMYSHOW DIGITAL TECHNOLOGY (GROUP) CO., LTD.	中国				X				

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319.	INNOPRO TECHNOLOGY CO., LTD.	中国				X				
320.	INNOTECH CORPORATION	日本				X				
321.	INNOVATIVE TECHNOLOGY DEVELOPMENT CORPORATION	越南					X			
322.	INNOVISION FLEXTECH CORPORATION	台湾				X				
323.	INTEGRATED SERVICE TECHNOLOGY INC	台湾				X				
324.	INTERNATIONAL DATA MANAGEMENT LIMITED	印度		X						
325.	IPD GROUP LTD	澳大利亚					X			
326.	ISTART-TEK INC.	台湾			X					
327.	ITOCHU CORPORATION	日本						X		
328.	ITTHIRIT NICE CORPORATION PCL	泰国					X			
329.	JETWELL COMPUTER CO.,LTD.	台湾							X	
330.	JIANCE TECH CO.,LTD.	中国				X				
331.	JIANGSU AMICC OPTO-ELECTRONICS TECHNOLOGY CO.,LTD.	中国				X				
332.	JIANGSU BLUE SKY ENVIRONMENTAL PROTECTION GROUP CO.,LTD	中国		X						
333.	JIANGSU BOXIN INVESTING&HOLDINGS CO.,LTD.	中国							X	

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334.	JIANGSU CHUANGYUAN DIGITAL CO.,LTD.	中国							X	
335.	JIANGSU GIAN TECHNOLOGY CO., LTD.	中国				X				
336.	JIANGSU GM-WINLEAD INTELLIGENT TECHNOLOGY CO., LTD.	中国				X				
337.	JIANGSU HANWIN TECHNOLOGY CO.,LTD.	中国				X				
338.	JIANGSU HUACAN TELECOMMUNICATIONS GROUP CO.,LTD	中国			X					
339.	JIANGSU HUILE HEALTH AND WELLNESS CO. , LTD.	中国					X			
340.	JIANGSU JIANLI ELECTRONIC TECHNOLOGYCO.,LTD.	中国		X						
341.	JIANGSU JINGCHUANG ELECTRIC CO., LTD	中国				X				
342.	JIANGSU LEZONE TECHNOLOGY CORPORATION LTD	中国			X					
343.	JIANGSU NAVSTON TECHNOLOGY CO.,LTD.	中国		X						
344.	JIANGSU ROAD DAMPING TECHNOLOGY CO., LTD.	中国				X				
345.	JIANGSU RUIHONG NETWORK TECHNOLOGY CO., LTD.	中国				X				
346.	JIANGSU SINOJIT WIND ENERGY TECHNOLOGY CO., LTD.	中国				X				
347.	JIANGSU SUSHENG AUTOMATION EQUIPMENT CO., LTD.	中国			X					
348.	JIANGSU XINGYUE SURVEYING MAPPING TECHNOLOGY CO.,LTD	中国				X				
349.	JIANGSU YOUNGERKINGDOM ELECTRONIC TECHNOLOGY	中国				X				

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	CO.,LTD.									
350.	JIANGSU ZHENQIANG MECHANICAL TECHNOLOGY CO.,LTD.	中国				X				
351.	JIANGXI HDJ INFORMATION TECHNOLOGY CO., LTD.	中国			X					
352.	JIANGXI JIAXINJIE ELECTRONICS CO., LTD.	中国			X					
353.	JIANGXI JIJUN TECHNOLOGY CO.,LTD.	中国		X						
354.	JIANGXI PANGTAI ENVIRONMENT PROTECTION INDUSTRY CO.,LTD.	中国				X				
355.	JIANGXI SOCIAL TOK TECHNOLOGY CO.,LTD.	中国							X	
356.	JIH LIN TECHNOLOGY CO., LTD.	台湾				X				
357.	JILIN OLED MATERIAL TECH CO.,LTD	中国				X				
358.	JILIN TRIPGLOBAL NETWORK TECHNOLOGY CO, LTD.	中国				X				
359.	JINAN NEW GIGANANO LONG DISTANCE MEASURING CONTROL CO., LTD.	中国				X				
360.	JINLONG MACHINERY & ELECTRONIC CO.,LTD.	中国				X				
361.	JLMAG RARE-EARTH CO., LTD.	中国				X				
362.	JUSTECH CO.,LTD	中国			X					
363.	K.S. TERMINALS INC.	台湾				X				

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364.	KANADEN CORPORATION	日本					X			
365.	KANEMATSU CORPORATION	日本							X	
366.	KENNEDE ELECTRONICS MFG.CO.,LTD	中国				X				
367.	KEYSTONE MICROTECH CORPORATION	台湾				X				
368.	KINGRAY TECHNOLOGY CO., LTD.	台湾			X					
369.	KINGTECH SMART (SHENZHEN) CO.,LTD	中国			X					
370.	KINGWAYTEK TECHNOLOGY CO., LTD.	台湾				X				
371.	KITAZAWA SANGYO CO.,LTD.	日本					X			
372.	KOAL SOFTWARE CO., LTD	中国				X				
373.	KORYO ELECTRONICS CO., LTD.	台湾				X				
374.	KUEN CHAANG UPPERTECH CORPORATION	台湾	X							
375.	KYOEI SANGYO CO LTD	日本					X			
376.	KYOKUTO BOEKI KAISHA, LTD.	日本					X			
377.	LABEL & MARK INDUSTRIES COMPANY	中国				X				
378.	LAIWA & FERID(BEIJING)BIOTECHNOLOGY INC.	中国			X					
379.	LEE & NEE SOFTWARES EXPORTS LTD	印度			X					

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380.	LIANLIAN DIGITECH CO. LTD	中国			X					
381.	LIAONING JINGWEI SURVEYINGMAPPING PROGRAMMING CONSTRUCTION CO.,LTD	中国				X				
382.	LIAONING WISH INFORMATION TECHNOLOGY CO.,LTD	中国				X				
383.	LIERDA SCIENCE AND TECHNOLOGY GROUP CO.,LTD	中国				X				
384.	LINKSILICON INNOVATION CO.LTD	中国				X				
385.	LIONHEAD TECHNOLOGY DEVELOPMENT CO.,LTD.	中国					X			
386.	LUMAX INTERNATIONAL CORP. LTD.	台湾				X				
387.	LUOYANG AKFH INFORMATION TECHNOLOGY CO., LTD.	中国			X					
388.	LUOYANG BAJIA ELECTRIC TECHNOLOGY CO.,LTD	中国				X				
389.	LUOYANG ZHONGZHI SOFTWARE TECHNOLOGY CO.,LTD.	中国				X				
390.	M3 TECHNOLOGY INC	台湾				X				
391.	MACNICA HOLDINGS INC.	日本							X	
392.	MACPIE BERHAD	马来西亚			X					
393.	MAJOR POWER TECHNOLOGY COMPANY LIMITED	台湾				X				
394.	MAKUS INC.	韩国						X		

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395.	MARCO HOLDINGS BERHAD	马来西亚					X			
396.	MARUBUN CORPORATION	日本	X							
397.	MARUKA FURUSATO CORPORATION	日本					X			
398.	MAXSCEND MICROELECTRONICS COMPANY LIMITED	中国				X				
399.	MEIG SMART TECHNOLOGY CO.,LTD.	中国				X				
400.	MEIJI ELECTRIC INDUSTRIES CO LTD	日本					X			
401.	MELSTAR INFORMATION TECHNOLOGIES LIMITED	印度		X						
402.	METRO SYSTEMS CORPORATION PCL	泰国					X			
403.	MICROPRO SOFTWARE SOLUTIONS LIMITED	印度					X			
404.	MIDA ASSETS PCL	泰国					X			
405.	MIKOLANA (SHANGHAI) INDUSTRIAL INTELLIGENT TECHNOLOGY CO., LTD	中国				X				
406.	MISUMI GROUP INC.	日本					X			
407.	MITAC HOLDINGS CORPORATION	台湾				X				
408.	MODISON LIMITED	印度					X			
409.	MODULAR INDUSTRIAL AUTOMATION CO., LTD.	中国				X				

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410.	MUSASHI CO.,LTD.	日本					X			
411.	MUTUAL-TEK INDUSTRIES CO. LTD	台湾				X				
412.	MYSTIC ELECTRONICS LIMITED	印度		X						
413.	NAIGAI TEC CORPORATION	日本								X
414.	NANJING DONGFU INTELLIGENT CO.,LTD.	中国				X				
415.	NANJING HUAMAI TECHNOLOGY CO., LTD.	中国			X					
416.	NANJING INFOL SCI-TECH CO.,LTD.	中国			X					
417.	NANJING LES INFORMATION TECHNOLOGY CO., LTD	中国				X				
418.	NANJING LIANDI INFORMATION SYSTEMS CO.,LTD.	中国				X				
419.	NANJING SIGNWAY TECHNOLOGY CO., LTD.	中国				X				
420.	NANJING SUNLORD ELECTRONICS CORPORATION LTD.	中国								X
421.	NANJING YXLINK INFORMATION TECHNOLOGY CO.,LTD.	中国				X				
422.	NEOUSYS TECHNOLOGY INC.	台湾				X				
423.	NEW ADVANCED ELECTRONICS TECHNOLOGIES CO.,LTD	台湾				X				
424.	NEW ENERGY TECHNOLOGY CO., LTD	中国				X				
425.	NEW SUNRISE CO.,LTD.	中国				X				

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426.	NEWCABLE (BEIJING) TECHNOLOGY CO., LTD.	中国			X					
427.	NEXWISE INTELLIGENCE CHINA LIMITED	中国				X				
428.	NFORCE SECURE PUBLIC COMPANY LIMITED	泰国							X	
429.	NICHIDEN CORPORATION	日本							X	
430.	NICHIDENBO CORPORATION	台湾						X		
431.	NICHING INDUSTRIAL CORP.	台湾				X				
432.	NIHON DENKEI CO.,LTD.	日本							X	
433.	NINGBO BORINE ELECTRIC APPLIANCE CO., LTD.	中国				X				
434.	NINGBO DEYE TECHNOLOGY CO., LTD.	中国				X				
435.	NINGBO RONGLI NETWORK TECHNOLOGY SERVICE CO., LTD	中国			X					
436.	NINGBO SHIYOU INFORMATION TECHNOLOGY CO.,LTD	中国				X				
437.	NINGXIA ZONGHENGBAOYING SOFTWARE SERVICES COMPANY LIMITED	中国		X						
438.	NIPPO LTD	日本					X			
439.	NIVI TRADING LTD	印度		X						
440.	NST TECHNOLOGY CO.,LTD.	中国				X				

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441.	NYQUEST TECHNOLOGY CO., LTD.	台湾				X				
442.	OMEGA INTERACTIVE TECHNOLOGIES LIMITED	印度					X			
443.	ONANO INDUSTRIAL CORPORATION	台湾				X				
444.	OPT MACHINE VISION TECH CO., LTD.	中国				X				
445.	OS-EASY GROUP HOLDING LTD.	中国				X				
446.	PADAUK TECHNOLOGY CO., LTD.	台湾				X				
447.	PADMANABH INDUSTRIES LIMITED	印度			X					
448.	PANABYTE TECHNOLOGIES LIMITED	印度					X			
449.	PCASE ELECTRONIC(SHENZHEN)CO,.LTD.	中国			X					
450.	PENPOWER TECHNOLOGY LTD.	台湾			X					
451.	PHOL DHANYA PCL	泰国					X			
452.	PIXEL COMPANYZ INC.	日本			X					
453.	POCO HOLDING CO., LTD.	中国				X				
454.	PODAK CO., LTD	台湾							X	
455.	POINTERRA LIMITED	澳大利亚			X					
456.	POSITIVE ELECTRONICS LTD	印度		X						

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457.	POWERCHIP SEMICONDUCTOR MANUFACTURING CORP.	台湾				X				
458.	POWERTIP IMAGE CORP.	台湾				X				
459.	PROFESSIONAL COMPUTER TECHNOLOGY LIMITED	台湾						X		
460.	PROMATE ELECTRONIC CO., LTD.	台湾						X		
461.	QILU YUNSHANG DIGITAL TECHNOLOGY COMPANY LIMITED	中国				X				
462.	QINGDAO GAOXIAO INFORMATION INDUSTRY CORP.,LTD.	中国			X					
463.	QINGDAO KC BLUE NEW ENERGY CO.,LTD	中国			X					
464.	QINGDAO WINTEC SYSTEM CO.,LTD.	中国				X				
465.	QINGDAO YEECARE SCIENCE AND TECHNOLOGY CO., LTD.	中国				X				
466.	REDINGTON LIMITED	印度							X	
467.	RELSON INDIA LIMITED	印度		X						
468.	RETURNSTAR INTERACTIVE TECHNOLOGY GROUP CO.,LTD	中国				X				
469.	RIKEI CORPORATION	日本					X			
470.	SABLE ELECTRONICS (KUNSHAN) CO.,LTD.	中国						X		
471.	SAFA SYSTEMS AND TECHNOLOGIES LIMITED	印度								X
472.	SAHAMIT MACHINERY PCL	泰国					X			

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473.	SAKAE ELECTRONICS CORPORATION	日本							X	
474.	SAMEBEST CO., LTD.	台湾				X				
475.	SANGFOR TECHNOLOGIES INC	中国			X					
476.	SANSEC TECHNOLOGY CO., LTD.	中国				X				
477.	SANSHIN ELECTRONICS CO LTD	日本								X
478.	SATORI ELECTRIC CO., LTD.	日本	X							
479.	SDN COMPANY LTD.	韩国					X			
480.	SEIKA CORPORATION	日本					X			
481.	SENSHU ELECTRIC CO LTD	日本							X	
482.	SENTRONIC INTERNATIONAL CORP.	台湾				X				
483.	SG MICRO CORPORATION	中国				X				
484.	SHAANXI HUAXING TECHNOLOGY CO.,LED	中国				X				
485.	SHAANXI REACTOR MICROELECTRONICS CO., LTD.	中国				X				
486.	SHAANXI TIRAIN SCIENCE TECHNOLOGY CO.,LTD.	中国				X				
487.	SHAN DONG JB SOFTINFO TECHNOLOGY CO.,LTD.	中国				X				
488.	SHAN DONG ZHONGAN TECHNOLOGY CO.,LTD	中国				X				

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489.	SHANDONG DONGMAI ZHINENG CO.,LTD.	中国				X				
490.	SHANDONG HONOR ENERGY TECHNOLOGY CO., LTD.	中国				X				
491.	SHANDONG JIANBANG NEW MATERIAL CO., LTD.	中国				X				
492.	SHANDONG MASSCLOUDS CO.,LTD.	中国				X				
493.	SHANDONG TAIXIN ELECTRONICS CO., LTD.	中国			X					
494.	SHANDONG XINGKE INTELLIGENT TECHNOLOGY CO., LTD.	中国				X				
495.	SHANDONG YUANDA-LLONGWILL EDUCATIONAL SCIENCE AND TECHNOLOGY LTD.	中国				X				
496.	SHANG HAI HILL MANAGEMENT CONSULTING CO.,LTD.	中国				X				
497.	SHANGHAI 3H COMPUTER CO.,LTD	中国				X				
498.	SHANGHAI AMARSOFT INFORMATION & TECHNOLOGY CO.,LTD	中国				X				
499.	SHANGHAI BAISON SOFTWARE CO.,LTD.	中国			X					
500.	SHANGHAI BETASOFT STOCK CO.,LTD.	中国				X				
501.	SHANGHAI BLOOM TECHNOLOGY INC.	中国				X				
502.	SHANGHAI BWAVE TECHNOLOGY CO., LTD.	中国			X					
503.	SHANGHAI CONTRON INFORMATION TECHNOLOGY CO.LTD	中国		X						

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504.	SHANGHAI DRAGONNET TECHNOLOGY CO.,LTD.	中国			X					
505.	SHANGHAI ETONG TECHNOLOGY CO.,LTD.	中国		X						
506.	SHANGHAI FORTUNE TECHGROUP CO.,LTD.	中国				X				
507.	SHANGHAI FULLHAN MICROELECTRONICS CO.,LTD.	中国				X				
508.	SHANGHAI GENTEK CORPORATION LTD	中国				X				
509.	SHANGHAI HOLLYWAVE ELECTRONIC SYSTEM CO.,LTD.	中国				X				
510.	SHANGHAI HUAMING INTELLIGENT TERMINAL EQUIPMENT CO.,LTD.	中国				X				
511.	SHANGHAI HYDEE SOFTWARE CORP., LTD.	中国			X					
512.	SHANGHAI I2FINANCE TECHNOLOGY COMPANY LIMITED	中国				X				
513.	SHANGHAI ITEST TECHNOLOGY CO., LTD.	中国				X				
514.	SHANGHAI JULING INFO TECHNOLOGY CO.,LTD.	中国				X				
515.	SHANGHAI KETER NEW MATERIAL CO.,LTD	中国				X				
516.	SHANGHAI LIANGSHI INTELROBOT TECHNOLOGY CORPORATION	中国				X				
517.	SHANGHAI LIANGXIN ELECTRICAL CO.,LTD.	中国				X				
518.	SHANGHAI LONG-JOIN INTELLIGENT TECHNOLOGY INC	中国			X					

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519.	SHANGHAI POWER SCIENCE AND TECHNOLOGY CO.,LTD.	中国				X				
520.	SHANGHAI PRONETWAY INFORMATION TECHNOLOGY CO.,LTD	中国				X				
521.	SHANGHAI PUKINTE INFORMATION AND TECHNOLOGY SERVICE CO.,LTD	中国				X				
522.	SHANGHAI RAXTONE SOFTWARE CO.,LTD	中国				X				
523.	SHANGHAI REGLORY TECHNOLOGY CO.,LTD.	中国				X				
524.	SHANGHAI SARISOFT CO.,LTD	中国				X				
525.	SHANGHAI SHINNY INFORMATION TECHNOLOGY CO., LTD.	中国				X				
526.	SHANGHAI SUPERHIGH ENVIRONMENTAL TECHNOLOGY CO., LTD.	中国				X				
527.	SHANGHAI TANGDI INFORMATION TECHNOLOGY INC	中国				X				
528.	SHANGHAI TYPROTECH TECHNOLOGY CO., LTD	中国				X				
529.	SHANGHAI VISIONET INFORMATION TECHNOLOGY CORP.,LTD.	中国			X					
530.	SHANGHAI WAVENET SOFTWARE CO.,LTD	中国				X				
531.	SHANGHAI YCT ELECTRONICS GROUP CO.,LTD.	中国				X				
532.	SHANGHAI YINYIN INFORMATION SCIENCE TECHNOLOGY CO,LTD.	中国			X					
533.	SHANGHAI YIZHIJINGHE ENVIRONMENTAL TECHNOLOGY CO., LTD.	中国		X						

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534.	SHANGHAI YOGOO SOFTWARE TECHNOLOGY CO., LTD.	中国			X					
535.	SHANTOU HUAXING METALLURGICAL EQUIPMENT CO., LTD.	中国				X				
536.	SHANXI BETTEM S&T DEVELOPMENT CO. ,LTD	中国				X				
537.	SHANXI HEXINJIYE TECHNOLOGY CO.LTD.	中国				X				
538.	SHANXI HUACHUN NETWORK TECHNOLOGY SHARES CO.,LTD.	中国				X				
539.	SHANXI KEDA AUTOMATIC CONTROL CO.,LTD	中国				X				
540.	SHANXI TIZONES TECHNOLOGY CO.,LTD.	中国				X				
541.	SHD COMMUNICATION TECHNOLOGY (GUANGDONG) CO.,LTD	中国				X				
542.	SHENGCAI E-BOOK(BEIJING)CO.,LTD.	中国				X				
543.	SHENHEN SI SEMICONDUCTORS CO.,LTD	中国				X				
544.	SHENYANG GENERAL MAGNETIC CO.,LTD.	中国			X					
545.	SHENYANG LINLONG TECHNOLOGY CO.,LTD.	中国				X				
546.	SHENYANG POSCARD TECHNOLOGY CO.,LTD.	中国			X					
547.	SHENYANG YIZHONGXIANG SCIENCE TECHNOLOGY CO.,LTD.	中国			X					
548.	SHENZHEN ABSEN OPTOELECTRONIC COMPANY LIMITED	中国				X				
549.	SHENZHEN AISIDI CO.,LTD.	中国							X	

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550.	SHENZHEN AMPRON TECHNOLOGY CO., LTD.	中国				X				
551.	SHENZHEN AV-DISPLAY CO.,LTD.	中国				X				
552.	SHENZHEN B AND T TECHNOLOGY CO., LTD.	中国				X				
553.	SHENZHEN BIGTIDE TECHNOLOGY CO., LTD	中国				X				
554.	SHENZHEN BSC TECHNOLOGY CO.,LTD.	中国				X				
555.	SHENZHEN CDL PRECISION TECHNOLOGY CO., LTD.	中国				X				
556.	SHENZHEN CGX OPTOELECTRONIC TECHNOLOGY, INC.	中国				X				
557.	SHENZHEN CHANG EN INTELLIGENT CO., LTD.	中国				X				
558.	SHENZHEN CHIP OPTECH CO.,LTD.	中国				X				
559.	SHENZHEN CHK CO.,LTD.	中国				X				
560.	SHENZHEN CHUANGYITONG TECHNOLOGY COMPANY LIMITED	中国				X				
561.	SHENZHEN COMPTON TECHNOLOGY CO., LTD	中国			X					
562.	SHENZHEN DAS INTELLITECH CO., LTD.	中国				X				
563.	SHENZHEN DECARD SMARTCARD TECH CO.,LTD.	中国				X				
564.	SHENZHEN DOYD INFORMATION & TECHNOLOGY CO.,LTD.	中国				X				
565.	SHENZHEN EINOLDA FINANCIAL INFORMATION CO., LTD.	中国			X					

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566.	SHENZHEN ENJOY INFORMATION TECHNOLOGY CO., LTD	中国				X				
567.	SHENZHEN ETMADE AUTOMATIC EQUIPMENT CO.,LTD	中国				X				
568.	SHENZHEN FARBEN INFORMATION TECHNOLOGY CO.,LTD.	中国				X				
569.	SHENZHEN GONGJIN ELECTRONICS CO.,LTD	中国				X				
570.	SHENZHEN GROWTECH ELECTRONICS CO.,LTD.	中国				X				
571.	SHENZHEN HI-OPTEL TECHNOLOGY CO., LTD.	中国				X				
572.	SHENZHEN HOPEWIND ELECTRIC CO., LTD.	中国				X				
573.	SHENZHEN HORAE NEW MATERIAL INC.,LTD.	中国		X						
574.	SHENZHEN HYMSON LASER INTELLIGENT EQUIPMENTS CO., LTD.	中国				X				
575.	SHENZHEN INTELHOUSE TECHNOLOGY INC	中国			X					
576.	SHENZHEN ITSUWA TECHNOLOGY CO.,LTD.	中国				X				
577.	SHENZHEN JAME TECHNOLOGY CO., LTD	中国			X					
578.	SHENZHEN JINGYI SMART TECHNOLOGY CO.,LTD	中国				X				
579.	SHENZHEN KLCLEAR TECHNOLOGY CO.,LTD.	中国				X				
580.	SHENZHEN LONGLI TECHNOLOGY CO.,LTD	中国			X					
581.	SHENZHEN MICROTEST AUTOMATION CO.,LTD	中国				X				

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582.	SHENZHEN MINDE ELECTRONICS TECHNOLOGY LTD.	中国				X				
583.	SHENZHEN NUOAN TECHNOLOGY CO., LTD.	中国				X				
584.	SHENZHEN PINGFANG SCIENCE AND TECHNOLOGY CO., LTD	中国				X				
585.	SHENZHEN REFLYING ELECTRONIC CO., LTD	中国				X				
586.	SHENZHEN SANBUM OPTOELECTRONICS COMPANY LIMITED	中国				X				
587.	SHENZHEN SEICHI TECHNOLOGIES CO., LTD.	中国				X				
588.	SHENZHEN SHANREN NEWSUN TECHNOLOGY CO.,LTD.	中国			X					
589.	SHENZHEN SOLING INDUSTRIA L CO.,LTD	中国				X				
590.	SHENZHEN SUNVK INC.	中国							X	
591.	SHENZHEN TUOKUO TECHNOLOGY CO.,LTD	中国			X					
592.	SHENZHEN VISPRATCIE TECHNOLOGY CORPORATION	中国				X				
593.	SHENZHEN WANSHUI BIOTECHNOLOGY CO., LTD	中国			X					
594.	SHENZHEN XINGCHANGLONG NEW MATERIAL TECHNOLOGY CO.,LTD	中国				X				
595.	SHENZHEN XINYAHAO INTELLIGENT TECHNOLOGY CO.,LTD.	中国		X						
596.	SHENZHEN ZECHENG ELECTRONICS CO.,LTD.	中国				X				

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597.	SHENZHEN ZHUOSHUO ELECTRONIC CO.,LTD.	中国				X				
598.	SHIH HER TECHNOLOGIES INC.	台湾				X				
599.	SHINKO SHOJI CO., LTD.	日本	X							
600.	SHINWA CO., LTD.	日本							X	
601.	SICHUAN DISCOVERY DREAM SCIENCE & TECHNOLOGY CO.,LTD.	中国				X				
602.	SICHUAN GREATWALL SOFTWARE TECHNOLOGY CO.,LTD	中国			X					
603.	SICHUAN JIUZHOU ELECTRONIC CO.,LTD.	中国				X				
604.	SIIX CORP	日本						X		
605.	SIMAT TECHNOLOGIES PCL	泰国					X			
606.	SINO-TEL TECHNOLOGIES CO.,LTD.	中国				X				
607.	SINOTEST EQUIPMENT CO., LTD.	中国				X				
608.	SINOVINE(BEIJING)TECHNOLOGY CO.,LTD	中国				X				
609.	SKG HEALTH TECHNOLOGIES CO., LTD.	中国				X				
610.	SMARTGEN (ZHENGZHOU) TECHNOLOGY CO.,LTD.	中国				X				
611.	SMS ELECTRIC CO.,LTD.ZHENGZHOU	中国			X					
612.	SOJITZ CORPORATION	日本							X	

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613.	SONATA SOFTWARE LIMITED	印度					X			
614.	SOPHIA EXPORTS LIMITED	印度			X					
615.	SPARC ELECTREX LIMITED	印度						X		
616.	SPECTUR LIMITED	澳大利亚			X					
617.	SSK CORPORATION CO., LTD.	中国				X				
618.	STARK TECHNOLOGY INC.	台湾				X				
619.	STARS MICROELECTRONICS (THAILAND) PCL	泰国					X			
620.	STELLA CHEMIFA CORPORATION	日本				X				
621.	SUMITOMO CORPORATION	日本					X			
622.	SUN-WA TECHNOS CORPORATION	日本							X	
623.	SUNNIC TECHNOLOGY & MERCHANDISE INC	台湾								X
624.	SUPERSONIC ARTIFICIAL INTELLIGENCE TECHNOLOGY CO., LTD.	中国				X				
625.	SUPREME ELECTRONICS COMPANY LIMITED	台湾								X
626.	SURE INFORMATION CO.,LTD.	中国			X					
627.	SUZHOU GYZ ELECTRONIC TECHNOLOGY CO.,LTD.	中国				X				
628.	SUZHOU HUAYU INTELLIGENCE TECHNOLOGY CO.,LTD.	中国		X						

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629.	SUZHOU JINTONG MACHINERY MANUFACTURING CO.,LTD.	中国			X					
630.	SUZHOU KONIG ELECTRONIC TECHNOLOGY CO.,LTD.	中国				X				
631.	SUZHOU MAXNET NETWORK SECURITY TECHNOLOGY CO., LTD	中国				X				
632.	SUZHOU NOVOSENSE MICROLECTRONICS CO., LTD.	中国				X				
633.	SUZHOU VIDEASOFT CO.,LTD.	中国				X				
634.	SUZUDEN CORPORATION	日本							X	
635.	SWIFT NETWORKS GROUP LIMITED	澳大利亚			X					
636.	SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION	台湾								X
637.	SYNPOWER CO., LTD.	台湾				X				
638.	SYSTEX FINTECH CORPORATION	台湾					X			
639.	TAAZA INTERNATIONAL LIMITED	印度		X						
640.	TACHIBANA ELETECH CO., LTD.	日本							X	
641.	TAKACHIHO KOHEKI CO.,LTD.	日本					X			
642.	TAKEBISHI CORPORATION	日本					X			
643.	TANAKA CO LTD	日本					X			
644.	TANGSHAN QI'AO TECH LIMITED BY SHARE LTD	中国				X				

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645.	TECHNO ALPHA CO LTD	日本					X			
646.	TECHVISION INTELLIGENT TECHNOLOGY CO., LTD.	中国				X				
647.	TELEWAVE INFORMATION TECHNOLOGY CO.,LTD	中国				X				
648.	TERA SOFTWARE LIMITED	印度					X			
649.	TIANJIN DEVELOPMENT AREA ZHONGHUAN SYSTEM ELECTRONIC ENGINEERING CO.,LTD.	中国				X				
650.	TIANJIN HI-TECH DEVELOPMENT CO., LTD.	中国						X		
651.	TIANJIN RUNYA SCIENCE TECHNOLOGY DEVELOPMENT CO.,LTD	中国			X					
652.	TIANJIN TANGBANG SCIENCE TECHNOLOGIES CO.,LTD	中国			X					
653.	TIANJIN TIANBAO ENERGY CO., LTD.	中国							X	
654.	TIANJIN YINGXUNTONG TECHNOLOGY CO.,LTD	中国				X				
655.	TIANJIN ZANPU TECHNOLOGY CO.,LTD	中国			X					
656.	TIANZHU SCIENCEAND TECHNOLOGY CO.,LTD	中国				X				
657.	TOBA, INC.	日本							X	
658.	TOKAI ELECTRONICS CO LTD	日本						X		
659.	TOKYO SANGYO CO., LTD.	日本					X			

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660.	TOKYO THEATRES COMPANY INCORPORATED	日本					X			
661.	TOMITA CO LTD	日本					X			
662.	TONGXIN COMMUNICATION CO.,LTD	中国				X				
663.	TONGZHI SOFT CO.,LTD.	中国				X				
664.	TOONE TECHNOLOGY CO.,LTD.	中国				X				
665.	TORQ INC.	日本					X			
666.	TOYO CORPORATION	日本					X			
667.	TOYOTA TSUSHO CORPORATION	日本							X	
668.	TPISOFTWARE CORPORATION	台湾		X						
669.	TRUSCO NAKAYAMA CORPORATION	日本					X			
670.	TRUSVAL TECHNOLOGY CO., LTD.	台湾				X				
671.	TSUBAKIMOTO KOGYO CO LTD	日本					X			
672.	TSUZUKI DENKI CO., LTD.	日本					X			
673.	UNISPLENDOUR CORPORATION LIMITED	中国				X				
674.	UNITRONTECH CO.,LTD.	韩国						X		
675.	UNIVACCO TECHNOLOGY INC.	台湾				X				

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676.	UNIVISION TECHNOLOGY (SHANGHAI) CO.,LTD.	中国			X					
677.	UPSON INTERNATIONAL CORP.	菲律宾					X			
678.	USHITA TRADING & AGENCIES LTD	印度		X						
679.	V-TAC TECHNOLOGY CO.,LTD.	台湾				X				
680.	VAN LANG TECHNOLOGY DEVELOPMENT AND INVESTMENT JOINT STOCK COMPANY	越南					X			
681.	VEDAVAAG SYSTEMS LTD	印度					X			
682.	VIAAN INDUSTRIES LIMITED	印度		X						
683.	VICSON TECHNOLOGY LTD	中国				X				
684.	VIVANTA INDUSTRIES LIMITED	印度						X		
685.	VK GLOBAL INDUSTRIES LIMITED	印度		X						
686.	WAH LEE INDUSTRIAL CORPORATION	台湾							X	
687.	WANJIAAN INTERCONNECTED TECHNOLOGY CO.,LTD.	中国				X				
688.	WEIHAI ZHENGDA ENVIRONMENT EQUIPMENT CO., LTD	中国			X					
689.	WEIKENG INDUSTRIAL COMPANY LIMITED	台湾	X							
690.	WENDELL INDUSTRIAL CO., LTD.	台湾					X			

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691.	WNTIME (BEIJING) TECH. CO., LTD.	中国			X					
692.	WPG HOLDINGS LIMITED	台湾	X							
693.	WT MICROELECTRONICS CO., LTD.	台湾						X		
694.	WUHAN BLUESTAR TECHNOLOGY CO.,LTD	中国			X					
695.	WUHAN ID SCIENCE & TECHNOLOGY CO., LTD.	中国				X				
696.	WUHAN KEDU INFORMATION TECHNOLOGY CO.,LTD	中国				X				
697.	WUHAN LAND ELECTRONIC CO.,LTD	中国				X				
698.	WUHAN NEWFIBER OPTOELECTRONICS CO.,LTD.	中国				X				
699.	WUHAN OPTICS VALLEY INFORMATION TECHNOLOGIES CO.,LTD.	中国				X				
700.	WUHAN OPTICS VALLEY ZOYON SCIENCE AND TECHNOLOGY CO.,LTD	中国				X				
701.	WUHAN P&S INFORMATION TECHNOLOGY CO.,LTD.	中国								X
702.	WUHAN POWERISE OPTOELECTRONICS INC.	中国		X						
703.	WUHAN SECWAY NETWORK TECHNOLOGY CO.,LTD.	中国			X					
704.	WUHAN WONDER INTELLIGENCE INNOVATION TECHNOLOGY CO.,LTD.	中国				X				
705.	WUHAN YONGLI TECHNOLOGY CO.,LTD	中国				X				

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706.	WUHU YABOSION ELECTRONIC TECHNOLOGY CO.,LTD.	中国				X				
707.	WUXI ANBANG ELECTRIC CO., LTD.	中国				X				
708.	WUXI GREENSTONE AUTOMATION EQUIPMENT CO., LTD.	中国				X				
709.	WUXI HOLYVIEW MICROELECTRONICS CO.,LTD.	中国				X				
710.	WUXI LINGOOD MACHINERY TECHNOLOGY CO.,LTD.	中国				X				
711.	WUXI NCE POWER CO.,LTD.	中国				X				
712.	WUXI THUNDER MICROELECTRONICS CO.,LTD.	中国				X				
713.	XI'AN NOVASTAR TECH CO., LTD.	中国				X				
714.	XI'AN TIAN HE DEFENSE TECHNOLOGY COMPANY LIMITED	中国			X					
715.	XI'AN WEBBER SOFTWARE CO.,LTD.	中国				X				
716.	XIAMEN GSD TECHNOLOGY CO., LTD	中国				X				
717.	XIAMEN HENIVA INDUSTRYCO.,LTD.	中国			X					
718.	XIAMEN INNOV ELECTRONICSTECH CO.,LTD	中国				X				
719.	XIAMEN INTRETECH INC.	中国				X				
720.	XIAMEN ITG GROUP CORP.,LTD	中国							X	
721.	XIAMEN JIAYIN ONLINE CO.,LTD.	中国				X				

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722.	XIAMEN LEADYOUNG ENVIRONMENTAL TECHNOLOGY CO.,LTD.	中国				X				
723.	XIAMEN ROAD & BRIDGE INFORMATION CO.,LTD.	中国				X				
724.	XIAMEN SAN-U OPTRONICS CO., LTD.	中国				X				
725.	XIAN SAMING TECHNOLOGY CO.,LTD	中国			X					
726.	XIANG MEI LIDAMINE EQUIPMENT CO.,LTD.	中国			X					
727.	XIMO ELECTRIC INC. OF ZHUHAI	中国				X				
728.	XIN JIANG LIFENG INTELLIGENT TECHNOLOGY CO.,LTD	中国			X					
729.	XINCOMM COMMUNICATIONS CO., LTD.	中国			X					
730.	XINGYUANJURUN,INC	中国			X					
731.	XINLING ELECTRICAL CO.,LTD.	中国				X				
732.	XINXIANG LIFEIERTE FILTER CORP.,LTD	中国				X				
733.	XIYATU (SHANGHAI) NEW MATERIAL TECHNOLOGY CO., LTD.	中国			X					
734.	XUZHOU G-LINK RUIXING SOFTWARE TECHNOLOGY CO.,LTD.	中国				X				
735.	YAARI DIGITAL INTEGRATED SERVICES LIMITED	印度			X					
736.	YAHAM OPTOELECTRONICS CO., LTD.	中国				X				
737.	YAMAZEN CORPORATION	日本					X			

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738.	YANTAI HAIYI SOFTWARE CO.,LTD.	中国				X				
739.	YIDU HUAXUN INTELLIGENT CONVEYER CO., LTD.	中国				X				
740.	YIELD MICROELECTRONICS CORPORATION	台湾				X				
741.	YINCHUAN AOTOSO INFORMATION TECHNOLOGY CO., LTD.	中国			X					
742.	YKT CORPORATION	日本					X			
743.	YONZ TECHNOLOGY CO.,LTD.	中国				X				
744.	YOUNGY CO., LTD.	中国				X				
745.	YUASA TRADING CO.,LTD.	日本							X	
746.	YUNNAN ENERGY INVESTMENT WEITH TECHNOLOGY CO.,LTD.	中国			X					
747.	YUNNAN KUNGANG WEAR RESISTANT MATERIAL SCIENCE CO.,LTD.	中国				X				
748.	YW COMPANY LIMITED	韩国					X			
749.	ZEITEC SEMICONDUCTOR CO., LTD.	台湾		X						
750.	ZENITRON CORPORATION	台湾						X		
751.	ZERO ONE TECHNOLOGY CO.,LTD.	台湾							X	
752.	ZETT CORPORATION	日本					X			

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753.	ZHE JIANG STAR ELECTRIC EQUIPMENT CO.,LTD	中国					X			
754.	ZHEJIANG ALADDIN INFORMATION AND TECHNOLOGY CO,LTD	中国			X					
755.	ZHEJIANG BAOLONG INFORMATION TECHNOLOGY CO.,LTD.	中国		X						
756.	ZHEJIANG CHENGCHANG TECHNOLOGY CO., LTD.	中国				X				
757.	ZHEJIANG GUANGYUE ENVIRONMENTAL TECHNOLOGY CO,LTD	中国				X				
758.	ZHEJIANG HEDA TECHNOLOGY CO.,LTD.	中国				X				
759.	ZHEJIANG JAROL SCIENTIFIC INSTRUMENT CO.,LTD.	中国				X				
760.	ZHEJIANG JIAGUANG INFORMATION TECHNOLOGY CO.,LTD	中国				X				
761.	ZHEJIANG MINGJIA ENVIRONMENTAL PROTECTION TECHNOLOGY CO., LTD.	中国				X				
762.	ZHEJIANG RONGTAI ELECTRIC MATERIAL CO.,LTD.	中国				X				
763.	ZHEJIANG SHUANGYUAN TECHNOLOGY CO., LTD.	中国				X				
764.	ZHEJIANG VIEWSHINE INTELLIGENT METER CO.,LTD.	中国				X				
765.	ZHEJIANG YIHE NETWORK INFORMATION CO.,LTD	中国					X			
766.	ZHEJIANG YUMAI TECHNOLOGIES CO. LTD	中国				X				
767.	ZHEJIANG ZHAOHUI FILTER&TECH CO.,LTD.	中国				X				

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768.	ZHEN YU HARDWARE CO., LTD.	台湾					X			
769.	ZHENGZHOU SANHE VIDEO TECHNOLOGY CO.,LTD.	中国			X					
770.	ZHENGZHOU SEARUN INFO TECHNOLOGY CO., LTD.	中国				X				
771.	ZHENGZHOU SHENGLONG INFORMATION TECHNOLOGY CO.,LTD.	中国			X					
772.	ZHENGZHOU THINK FREELY HI.TECH. CO., LTD.	中国				X				
773.	ZHENGZHOU VCOM SCIENCE AND TECHNOLOGY COMPANY LIMITED	中国			X					
774.	ZHONG YANG TECHNOLOGY CO.,LTD	台湾			X					
775.	ZHONGSHAN SHANGYANG TECHNOLOGY CO., LTD.	中国				X				
776.	ZHONGYEDA ELECTRIC CO.,LTD	中国						X		
777.	ZHUHAI PILOT TECHNOLOGY CO.,LTD	中国				X				
778.	ZHUHAI RUIXIANG INTELLIGENT TECHNOLOGY CO., LTD.	中国				X				
779.	ZILLTEK TECHNOLOGY CORP.	台湾				X				
780.	ZUNGWON EN-SYS INC.	韩国								X
	总计	**780**	**8**	**37**	**145**	**422**	**88**	**21**	**48**	**11**

附件 2.可比公司财务数据

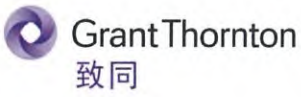
序号	公司名称	国家/地区	货币单位	2021			
				销售收入	管销费用	销售成本	贝里比率
1	EDOM TECHNOLOGY CO., LTD.	台湾	千美元	3,908,874	65,448	3,781,875	1.94
2	HAGIWARA ELECTRIC HOLDINGS CO., LTD.	日本	千美元	1,294,338	83,309	1,172,647	1.46
3	KUEN CHAANG UPPERTECH CORPORATION	台湾	千美元	58,174	3,027	51,814	2.10
4	MARUBUN CORPORATION	日本	千美元	1,370,866	116,479	1,199,665	1.47
5	SATORI ELECTRIC CO., LTD.	日本	千美元	981,669	66,942	889,719	1.37
6	SHINKO SHOJI CO., LTD.	日本	千美元	1,104,616	71,389	996,356	1.52
7	WEIKENG INDUSTRIAL COMPANY LIMITED	台湾	千美元	2,614,839	95,587	2,421,730	2.02
8	WPG HOLDINGS LIMITED	台湾	千美元	28,117,468	573,593	27,009,709	1.93
	下四分位数						**1.47**
	中位数						**1.72**
	上四分位数						**1.96**
	样本量						**8**

序号	公司名称	国家/地区	货币单位	2022			
				销售收入	管销费用	销售成本	贝里比率
1	EDOM TECHNOLOGY CO., LTD.	台湾	千美元	3,865,671	71,993	3,732,021	1.86
2	HAGIWARA ELECTRIC HOLDINGS CO., LTD.	日本	千美元	1,393,475	85,399	1,254,810	1.62
3	KUEN CHAANG UPPERTECH CORPORATION	台湾	千美元	40,729	2,137	39,387	0.63
4	MARUBUN CORPORATION	日本	千美元	1,694,419	121,868	1,484,972	1.72
5	SATORI ELECTRIC CO., LTD.	日本	千美元	1,046,752	66,144	948,941	1.48
6	SHINKO SHOJI CO., LTD.	日本	千美元	1,341,594	73,906	1,211,665	1.76
7	WEIKENG INDUSTRIAL COMPANY LIMITED	台湾	千美元	2,288,693	89,929	2,103,604	2.06
8	WPG HOLDINGS LIMITED	台湾	千美元	25,245,292	480,548	24,248,441	2.07
	下四分位数						**1.59**
	中位数						**1.74**
	上四分位数						**1.91**
	样本量						**8**

序号	公司名称	国家/地区	货币单位	2023			
				销售收入	管销费用	销售成本	贝里比率
1	EDOM TECHNOLOGY CO., LTD.	台湾	千美元	3,487,723	58,909	3,375,034	1.91
2	HAGIWARA ELECTRIC HOLDINGS CO., LTD.	日本	千美元	1,488,595	80,013	1,354,010	1.68
3	KUEN CHAANG UPPERTECH CORPORATION	台湾	千美元	22,906	1,872	24,369	-0.78
4	MARUBUN CORPORATION	日本	千美元	1,563,570	109,904	1,364,463	1.81
5	SATORI ELECTRIC CO., LTD.	日本	千美元	945,503	66,741	844,283	1.52
6	SHINKO SHOJI CO., LTD.	日本	千美元	1,162,625	64,912	1,062,817	1.54
7	WEIKENG INDUSTRIAL COMPANY LIMITED	台湾	千美元	2,306,570	84,463	2,154,533	1.80
8	WPG HOLDINGS LIMITED	台湾	千美元	21,860,685	476,219	20,998,123	1.81
	下四分位数						**1.53**
	中位数						**1.74**
	上四分位数						**1.81**
	样本量						**8**

序号	公司名称	国家/地区	货币单位	3 年加权平均值			
				销售收入	管销费用	销售成本	贝里比率
1	EDOM TECHNOLOGY CO., LTD.	台湾	千美元	3,754,089	54,911	3,699,179	1.90
2	HAGIWARA ELECTRIC HOLDINGS CO., LTD.	日本	千美元	1,392,136	45,661	1,346,475	1.59
3	KUEN CHAANG UPPERTECH CORPORATION	台湾	千美元	40,603	-987	41,590	0.65
4	MARUBUN CORPORATION	日本	千美元	1,542,952	71,600	1,471,352	1.67
5	SATORI ELECTRIC CO., LTD.	日本	千美元	991,308	21,683	969,625	1.46
6	SHINKO SHOJI CO., LTD.	日本	千美元	1,202,945	39,895	1,163,050	1.60
7	WEIKENG INDUSTRIAL COMPANY LIMITED	台湾	千美元	2,403,367	80,460	2,322,907	1.96
8	WPG HOLDINGS LIMITED	台湾	千美元	25,074,481	442,850	24,631,632	1.94
	下四分位数						**1.56**
	中位数						**1.64**
	上四分位数						**1.91**
	样本量						**8**

注：所有财务数据均出自 2025 年 1 月版的 TP Catalyst 数据库。



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CAMBRIDGE INDUSTRIES USA INC.

U.S. TRANSFER PRICING DOCUMENTATION

For the financial year ended December 31, 2022

OCTOBER 31, 2023

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SECTION 1

GLOSSARY



GLOSSARY

Abbreviation	Meaning
BDO, we, our, us	BDO USA, P.C. (f/k/a BDO USA, LLP)
CIG-US or Company	Cambridge Industries USA Inc.
CIG-SH	CIG Shanghai Co., Ltd
CIG-Japan	Cambridge Photonics Japan Limited
CIG or Group	Cambridge Industries USA Inc. and its foreign affiliates
Period or YE 2022	Financial year ended December 31, 2022
U.S. or US	United States
IRC §	Internal Revenue Code Section
Treas. Reg.	Treasury Regulation Section
PoE	Power over Ethernet
APs	Wireless Access Points
LTE	Long-Term Evolution
OLT	Optical Line Termination
DSLAM	Digital subscriber line access multiplexer
CMTS	Cable modem termination system
ONT	Optical network terminal
DSL	Digital subscriber line
DOCSIS	Data over cable service interface specification
TOSA	Transmitter optical sub-assembly
ROSA	Receiver optical sub-assembly
IP	Intellectual Property

Abbreviation	Meaning
R&D	Research and Development
RPM	Resale Price Method
PSM	Profit Split Method
CPM	Comparable Profits Method
IRS	Internal Revenue Service
IRC	Internal Revenue Code
OM	Operating Margin
NCP	Net Cost Plus
OM	Operating Margin
PLI	Profit Level Indicator
CPLM	Cost Plus Method
CUP	Comparable Uncontrolled Price
CEO	Chief Executive Officer
CFO	Chief Financial Officer
G&A	General and Administrative
HR	Human Resources
CNY	Chinese Yuan
JPY	Japanese Yen
IT	Information Technology
FAR	Functions, Assets, Risks
COGS	Cost of Goods Sold

GLOSSARY

Abbreviation	Meaning
S&P	Standard and Poor's
SIC	Standard Industrial Classification
SCM	Service Cost Method
CUSP	Comparable Uncontrolled Service Price
GSMM	Gross Service Margin Method
CSPLM	Cost of Service Plus Method
AI	Artificial Intelligence

SECTION 2

SCOPE AND LIMITATIONS



SCOPE AND LIMITATIONS

BDO was engaged by CIG-US to evaluate the arm's-length nature of the intercompany transactions that occurred between CIG-US and its foreign affiliates, CIG-SH and CIG-Japan during the Company's YE 2022.[1] Our evaluation was guided by the U.S IRC § 482 and the regulations thereunder.

The purpose of this documentation report is to (i) evaluate, document and conclude whether the intercompany transactions between CIG US and its foreign affiliates were conducted in accordance with the arm's-length standard during YE 2022, and (ii) present the information and economic analyses that supports these conclusions.

The scope of our analysis includes the following intercompany transactions ("Covered Transactions") for YE 2022:

- CIG-US purchases tangible goods from CIG-SH for resale in the U.S. market ("Transaction 1"); and
- CIG-Japan and CIG-SH provide contract engineering services to CIG-US ("Transaction 2 & 3").

All other transactions fall outside the scope of this report.

[1] A controlled transaction meets the arm's-length standard if the results of the transaction are consistent with the results that would have been realized if uncontrolled taxpayers had engaged in the same transaction under the same circumstances (i.e., arm's-length result).

SCOPE AND LIMITATIONS

To conduct this analysis, we relied on factual and financial information contained from the CIG's financial records, as well as information furnished by its management. No independent verification was sought to corroborate this information; thus, BDO makes no assurances as to the accuracy of this information. The conclusions expressed in this report are therefore subject to the general qualification that the information provided by the Company's management is accurate and reliable, as it was used to develop various analytical assumptions and conclusions for the analyses presented herein. BDO also is not responsible for updating this report for changes in tax legislation, regulations, or rulings made subsequent to the issuance of this report.

The IRC § 482 and the regulations thereunder grant the Internal Revenue Service the authority to allocate income or deductions between related entities if it determines that such allocations are necessary to prevent the avoidance of taxes or to clearly reflect the income of such related entities. Treas. Reg. § 1.482 states that the arm's-length standard is the standard against which any transaction between related parties will be evaluated. This report presents our analysis of the intercompany transactions under the guidance of IRC § 482 and the regulations thereunder.

The conclusions reached in this report represent and are based upon our best judgement regarding the application of the U.S. tax laws, judicial decisions, administrative regulations, published rulings, and other tax authorities existing as of the date thereof. The analysis is not binding on the IRS, any other taxing authority, or the courts, and there is no assurance or guarantee that the IRS or any other taxing authority will not successfully assert a contrary position. Also, no exceptions (except the reasonable cause exception) are available for any federal or state penalties imposed if any portion of a transaction is determined to lack economic substance or fails to satisfy any similar rule of law, and our advice will not protect you from such penalties.

BDO is also not responsible for updating the report beyond the date of issue for changes in tax legislation, regulations, or rulings made subsequent to the issuance of this report. No assurance can be given that future legislative or administrative changes, on either a prospective or retroactive basis, would not adversely affect the accuracy of the conclusions stated herein. BDO takes no responsibility to advise CIG or anyone else of any new developments in the application or interpretation of the applicable tax laws.

Under IRC § 6662, an accuracy-related penalty may be imposed on an underpayment of tax unless it can be shown that there was reasonable cause for the underpayment and the taxpayer acted in good faith with respect to the underpayment. Under Treas. Reg. §1.6662-6, contemporaneous documentation may be relied on to establish reasonable cause. This document is intended to serve as contemporaneous documentation as contemplated by such regulation.

BDO recommends that this analysis and report be reviewed and updated on a periodic basis. Unless specifically requested by CIG, BDO will not automatically update the analysis and conclusions contained herein to incorporate subsequent changes or modifications to the applicable laws and regulations or to the judicial and administrative interpretations thereof, or to reflect changes in the CIG business. Thus, we recommend that CIG - monitor intercompany pricing and adjust as necessary, at least on an annual basis. CIG's management has reviewed the factual materials presented in this report to ensure that they fairly reflect the nature of intercompany functions, risks, and transactions, due to the importance of the functional and risk analysis in selecting an appropriate transfer pricing method to evaluate the intercompany transactions.

This analysis has been prepared pursuant to an engagement between BDO and CIG and is intended solely for the use and benefit of CIG, and not for the reliance by any other person or entity. This analysis and report may not be relied upon in any other matter or transaction.

This analysis supersedes and replaces any and all prior written or oral advice (including, without limitation, electronic communications) with respect to the issues addressed herein and all such prior communications, if any, should not be relied upon by any other party to the transactions or matters described herein for any purpose whatsoever.

SUMMARY AND LOCATION OF PRINCIPAL DOCUMENTS

Documentation Requirement Item	Included in Report	Reference
Section 6662-6 of the Treasury Regulations describes the recommended required elements to be included in transfer pricing documentation. Subsection (d)(2)(iii) outlines the documentation requirements including:		
1. An overview of the taxpayer's business, including an analysis of the economic and legal factors that affect pricing of its products or services.	Yes	Business Overview, Industry Analysis, Functional Analysis
2. A description of the taxpayer's organizational structure, including all related parties whose activities are relevant to transfer pricing.	Yes	Business overview
3. Any document explicitly required by the Treas. Reg. § 1.482	N/A	Included throughout report as appropriate
4. A description of the method selected and the reason why it was selected.	Yes	Economic Analysis
5. A description of the alternative methods that were considered and an explanation of why they were not selected.	Yes	Economic Analysis
6. A description of the Controlled Transaction (including terms of sale) and any internal data used to analyze them.	Yes	Economic Analysis
7. A description of the comparables used, how comparability was evaluated, and what adjustments were made.	Yes	Economic Analysis, Appendices
8. An explanation of the economic analysis and projections relied upon in developing the method.	Yes	Economic Analysis
9. A description or summary of any relevant data that the taxpayer obtains after the end of the year and before filing a tax return.	N/A	Included throughout report as appropriate
10. A general index of principal and background documents.	Yes	Scope and Limitation

SECTION 3

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

Description of Business

Headquartered in Shanghai, China, CIG operates as a communications equipment manufacturing company. CIG was founded in 2006 with a focus on engineering and manufacturing capabilities and in 2010, CIG expanded its operations to the U.S. and established CIG-US. The Group markets its products globally and has locations in China, the U.S., Hong Kong, Japan, Malaysia, and Germany.

Results

The table below summarizes the results of the transfer pricing analysis:

Controlled Transactions

The controlled transactions and transfer pricing policies addressed in this report are:

- CIG-US purchases tangible goods from CIG-SH for resale in the U.S. market; and
- CIG-SH and CIG-Japan provide contract engineering services to CIG-US.

Financial Information

- CIG-US's Financial information as it relates to the intercompany transaction for YE 2020-22 is shown in Appendix II-E.

Transaction Type	Description of Transaction	Method PLI	YE 2022 Comparable IQR Range			Tested Party	
			Lower Quartile	Median	Upper Quartile	Entity	YE 2022 Results
Distribution	Purchase of tangible good for resale	CPM (OM)	3.5%	4.8%	7.1%	CIG-US	4.4%
Services	Contract engineering services	CPM (NCP)	2.6%	9.0%	20.3%	CIG-SH CIG-Japan	0% 7.1%

SECTION 4

BUSINESS OVERVIEW



BUSINESS OVERVIEW

Business Overview

CIG is headquartered in Shanghai, China and operates as a communications equipment manufacturing company. It primarily provides engineering and manufacturing services to the Information and Communication Technology industry. In addition, CIG develops, manufactures, and sells fiber-to-the-home[2] and other telecommunication broadband terminals, wireless network equipment, and smart home gateway products. CIG also offers carrier-grade Ethernet switches; home networking products; and light emitting and detecting devices for optical communications. CIG markets its products globally and has locations in China, the U.S., Hong Kong, Japan, Malaysia, and Germany.

Company History

CIG was founded in 2006 with a focus on engineering and few manufacturing capabilities. In 2011, the company expanded its engineering and manufacturing operations to support building-volume carrier-grade networking products and solutions. In 2010, CIG expanded its operations to the U.S. and established CIG-US. In 2014, the Group's headquarters and engineering center relocated to a larger, more advanced 300,000 square feet manufacturing facility in the Pudong area, Shanghai. The sales and engineering center was moved to the Silicon Valley in 2016. CIG-SH established the first-generation automated production line in 2016, which was subsequently upgraded to increase production volume. The Group's initial public offering was completed in November 2017 when they were listed on the Shanghai Stock Exchange (SHA: 603083). In 2018, CIG completed an acquisition of MACOM product line. As part of its expansion, CIG formed wholly owned subsidiaries, CIG-Japan in Tokyo, Japan and CIG-SAG in Sagamihara, Japan. CIG-Japan and CIG-SAG are responsible for manufacturing of some of the Group's products. CIG also established wholly-owned subsidiaries, CIG Photonics SDN. BHD, in Malaysia, CIG Optics Limited in Hong Kong, and an entity in Thailand for manufacturing services along with the acquisition of Lumentum Holdings' Datacom transceiver product lines in 2019. In 2020, CIG also invested additional capital in its fully owned subsidiary, Shanghai Cambridge Communication Equipment Co., Ltd. In 2021, CIG's subsidiary in Japan, Cambridge Hachioji was merged into CIG-SAG.

During the YE 2022, CIG further expanded its global footprint by establishing presence in Malaysia after collaborating with Malaysian partners for several years. The new manufacturing center in Malaysia is responsible for manufacturing various products offered by the Group including wired and wireless access products and optical modules. Further during YE 2022, CIG-US also acquired Actiontec, a company which offers high-speed Internet products as a strategic move towards its commitment towards future growth in the U.S. market.

Products and Services

CIG provides engineering and manufacturing services to clients globally. It also designs and develops telecommunication equipment with a focus in the following categories:

- Wired Access
- Wireless Access
- Switch Equipment (Carrier Ethernet)
- Edge Computing and AI (Home Networking)
- Optical Modules (Photonics)

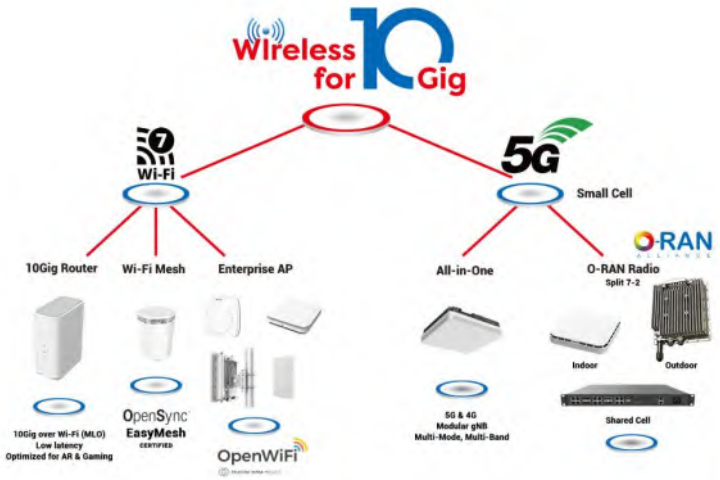
A brief description of each category is provided in the following sections.

[2] "Fiber-to-the-home is the installation and use of optical fiber from a central point directly to individual buildings such as residences, apartment buildings and businesses to provide unprecedented high-speed internet access.

BUSINESS OVERVIEW

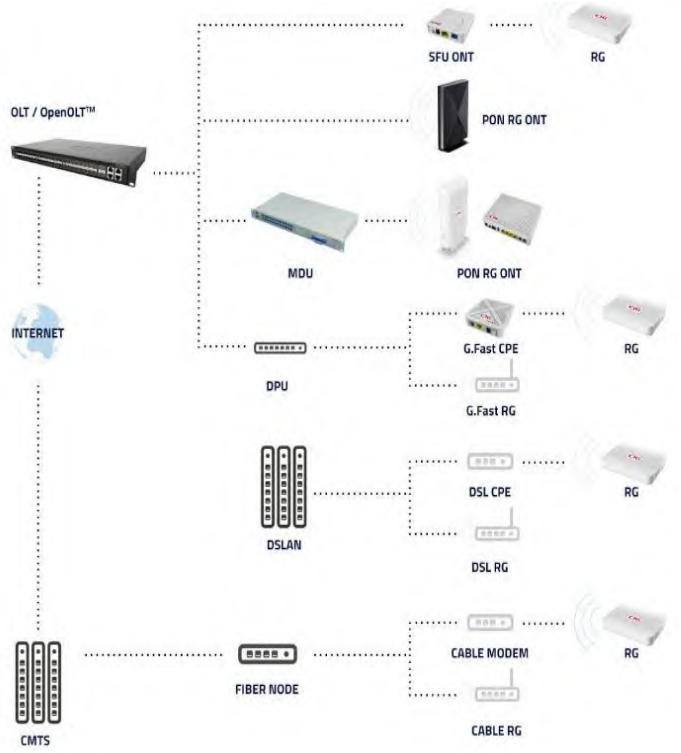
1) Wireless Access

A typical network consists of routers or gateways, data switches with PoE, APs, Alternating Current controllers, and LTE 4G/5G Small Cells. CIG wireless network products include indoor APs, outdoor customer premises equipment, and 4G/5G Small Cells. The main function and applications of the wireless APs are to provide wireless access and interconnection to devices including mobile phones, tablets, laptops, cameras, and others. These products are widely deployed in offices, hotels, public locations, and residences around the world. The figure below, illustrates the signal flow used by CIG's wireless products.



2) Wired Access

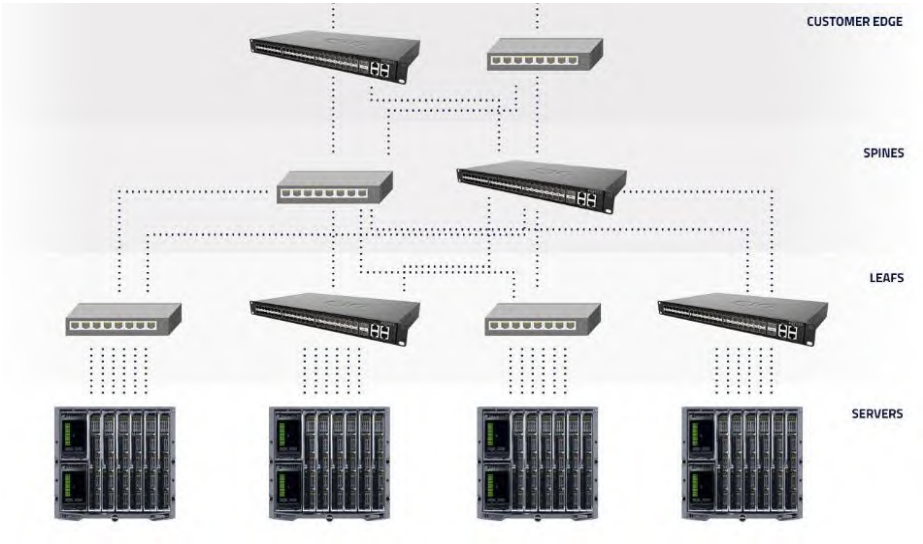
A Wired Access Network connects the subscribers (residential or enterprise customers) to a specific service provider through the carrier network to other networks such as the Internet. A typical access network topology includes an OLT, a DSLAM, a CMTS at central office or remote terminal, an ONT, a DSL modem or a DOCSIS modem at the customer premise. The figure below illustrates the signal flow and the products offered by CIG's wired segment.



BUSINESS OVERVIEW

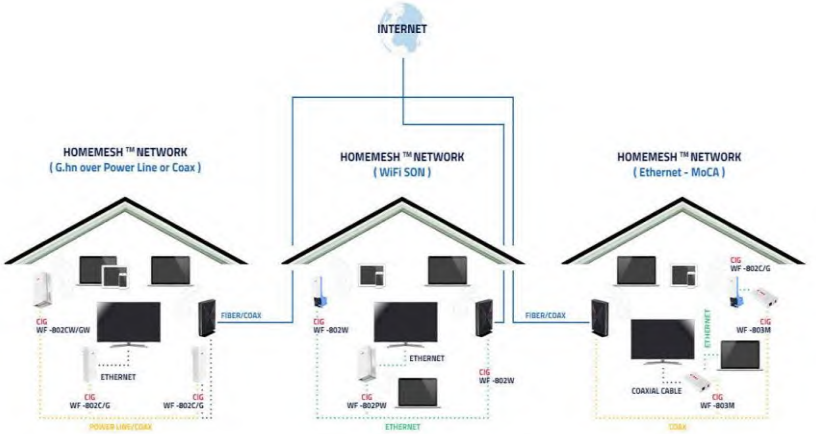
3) Switch Equipment (Carrier Ethernet)

CIG's carrier-grade Ethernet Switches offer advanced architecture and features to provide small and medium businesses, enterprises, and service providers with high-performance and high-availability networking solutions. CIG switches are developed to meet the demands of many markets: port combinations, PoE options, comprehensive security features, robust multicast control, and advanced quality of service. CIG switches allow internet service providers to offer their end-customers a reliable network, "layer 2" virtual private networks and advanced operations, as well as administration and maintenance. The figure below represents Carrier Ethernet products offered by CIG.



4) Edge Computing and AI (Home Networking)

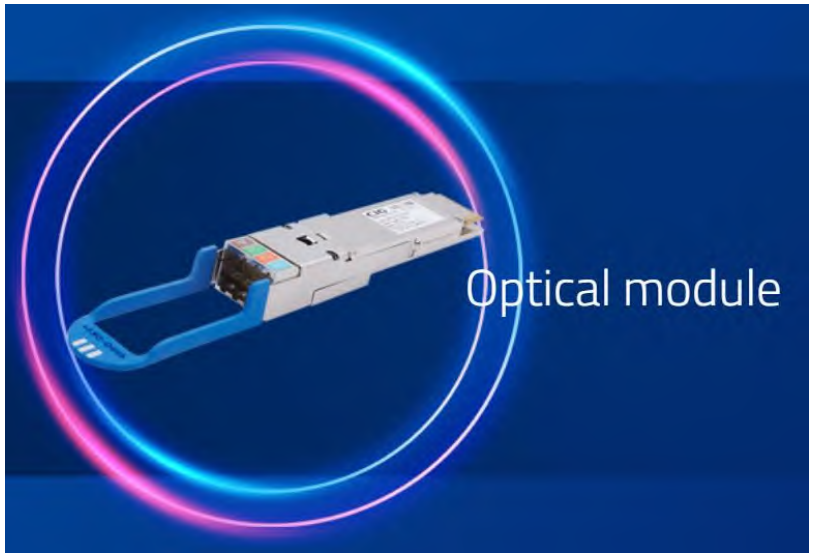
CIG's mesh-networking solutions using multiple APs spread across a home or office. It is a natural alternative and complement to traditional home routers specifically for larger homes where a single router may not be able to provide adequate and reliable internet connection. The total network throughput can reach above 500 megabits per second to one gigabit per second. The figure below illustrates the home networking systems with the use of CIG's products.



BUSINESS OVERVIEW

5) Optical Modules (Photonics)

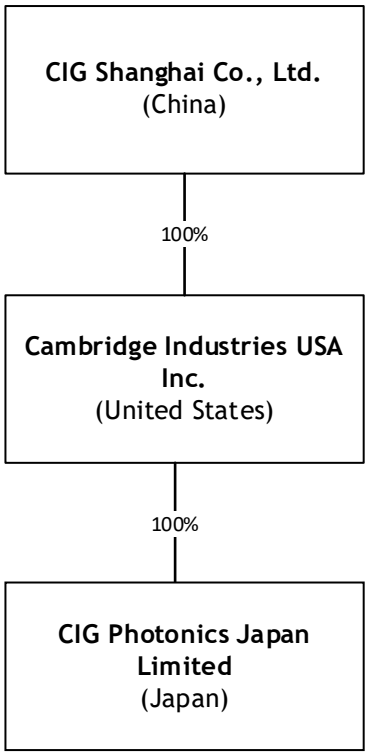
Fiber optic transceivers are key components of fiber optic transmission network. They are designed in small form-factor with some integrated optical sub-assemblies which can be suitable for high-density network. The major cost components of a transceiver module are the TOSA, which converts an electrical and the ROSA. CIG produces a full portfolio of optical transceiver products along with both, TOSA and ROSA devices for optical communications Including linear pluggable optics and next-generation data rates (200G per wavelength). The figure below shows an optical sub-assembly produced by the Group.



BUSINESS OVERVIEW

Organization of the entities

The figure below, presents the CIG's abbreviated legal entity organization structure, relevant to the intercompany transactions under review.



CIG-SH

CIG-SH is the parent company of the Group. It operates as a communications equipment manufacturing company. It develops, manufactures, and sells telecommunications broadband terminals, wireless network equipment, and smart home gateway products. The entity was founded in 2006 and is based in Shanghai, China. During YE 2022, CIG-SH employed 1,161 personnel.

CIG-US

CIG-US is a wholly owned subsidiary of CIG-SH that was established in 2010 and is currently located in Santa Clara, CA. CIG-US is a distributor of CIG's products with some engineering capacities for products localization in the U.S. During YE 2022, CIG-US employed 30 personnel.

CIG-Japan

CIG-Japan is a wholly owned subsidiary of CIG-SH that was acquired in 2019 and is currently located in Tokyo, Japan. CIG-Japan is a manufacturer of CIG's products with some engineering capabilities dedicated to TOSA and ROSA devices. During YE 2022, CIG-Japan employed 74 personnel.

SECTION 5

INDUSTRY OVERVIEW

ELECTRONIC PART & EQUIPMENT WHOLESALING IN THE US



Source: Unless otherwise noted, information found in this section is sourced from the following: IBIS World US Industry (NAICS) Report 42369: Electronic Part & Equipment Wholesaling in the US

INDUSTRY OVERVIEW

Treas. Reg. §1.482-1(d)(3)(iv) mentions the importance of understanding the industry that affects comparability and documentation requirements, including an analysis of the economic and legal factors that affect the pricing of property or services being analyzed. This section provides the necessary background for understanding the economic environment in which CIG-US operates.

Background

Companies in the Electronic Part & Equipment Wholesaling industry sell electronic parts and equipment.[3] These products include antenna, broadcasting equipment, communications equipment, computer chips and boards, radio and radar equipment, electronic condensers and connectors, integrated circuits, modems and navigational equipment.

Industry operators primarily distribute components to manufacturers who use these goods to produce finished electronics. Despite challenges that arise because of the offshoring of electronics manufacturing resulting in declining prices and in turn profitability, the Industry continues to profit as a result of the increased demand for electronics by consumers worldwide. Over the next five years, industry revenue rose at an annualized rate of 1.9 percent to USD 604.1 billion. During 2023 alone, the industry revenue increased 3.6 percent on account of the economic recovery following the disruptions in supply chain caused by the Covid-19 pandemic along with high rates of unemployment.

In relation to CIG, communication equipment is one of the Industry's fastest growing segments considering the demand for these products is driven by the spending of communication service providers. The technological advances experienced by this sector over the last few years also caused a lot of businesses to switch from the traditional wire infrastructure to high-speed services such as 4G, LTE and 5G wireless networks. Investments in these new services increased demand for communications component and equipment wholesalers. Additionally, the percentage of online business execution is anticipated to increase over the next five years to 2028, boosting up the demand for industry products.

In addition, governments and businesses have become more concerned with network reliability and security. This compels communication service providers to offer a wider range of services and applications. In addition, companies all around the world have increased their in-house expansion, which increases the need for better and more reliable communication software and equipment.

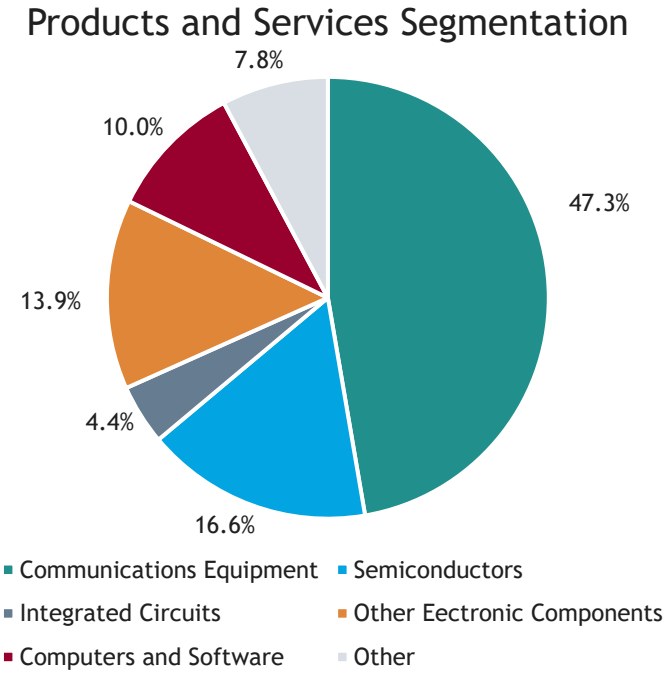
The Industry has also experienced a change in the number of companies. The number of Industry establishments is estimated to increase slightly, rising at an annualized rate of 0.50 percent to 14,255 over the five years to 2023 primarily due to an increase in business conducted online and a rise in consumer's purchase of electronic devices.

[3] We will refer to the Electronic Part & Equipment Wholesaling industry as the ("the Industry").

INDUSTRY OVERVIEW

Product Segmentation

The Iindustry's product and services are outlined in the figure below.



The telecommunications equipment segment is the largest segment of the Industry. It accounts for 47.3 percent of total revenue. It includes telephones, routers, fax machines, modems, navigational equipment, and wireless phones. As a producer of telecommunications equipment, CIG falls within this segment. The telecommunications equipment segment benefited during YE 2022 due to the quick upgrade cycle of mobile phones and updates to wireless services such as 5G.

In addition, the corporate profit levels remained high over the past five years which allowed companies operating in this segment, such as CIG, to benefit from the increase in demand.

Semiconductors account for 16.6 percent of revenue while integrated circuits generate 4.4 percent. Other electronic equipment generates an estimated 7.8 percent of revenues. The other electronic equipment segment includes capacitors, resistors, wiring, connectors, rectifier and switches. These three segments represent intermediate goods that are usually sold to manufacturers who use them to assemble other electronics and systems. Although the demand for electronic components has increased over the last five years, the price of semiconductors and electronic components has increased at an annualized rate of 1.2 percent over the five years to 2023 and is expected to decline over the next five years due to continuous improvements in production efficiency enabling manufacturers to create more powerful circuits at a lower cost. Meanwhile, the increased competition in the market has also caused the prices to decrease.

The industry's "other" segment largely encompasses intermediate electronic components. It also includes equipment purchased by service providers for use in network upgrades. This segment is dependent on consumer demand which is why it benefited from the increased popularity of mobile phones. The products in this segment are expected to remain in relatively high demand.

Key External Drivers

There are five key external drivers affecting the Industry. The first of which are the demand from the electrical equipment manufacturing sector and corporate profit. Specifically, the downstream market purchases wholesale components from the industry and also sells electronic parts and components to wholesalers. The increased demand is beneficial for wholesalers. Demand from electrical equipment manufacturing is expected to decrease in 2023, posing a potential threat to wholesalers. The performance of the industry depends the levels of corporate profit. When the profits are strong, businesses are more likely to upgrade their communications equipment and expand their operations. Corporate profit is expected to increase in 2023 and has overall remained high in the last five years, which is a potential opportunity for the industry.

INDUSTRY OVERVIEW

Per capita disposable income is also a key external driver. This relates to the amount of disposable income households have. The higher the disposable income rate, the more likely it is that households will spend money on goods and services, including home electronics and similar products. Per capita disposable income is expected to continue its growth in 2023. Furthermore, the percentage of households with at least one computer is expected to grow in 2023 and is another key external driver for this industry.

The price of semiconductor and electronic components has declined due to technological advances. This makes goods less expensive to produce. These prices are expected to remain low in 2023, thus, improving profit and posing as a potential opportunity for the industry.

Basis of Competition

The industry has a low-level market share concentration, with no company accounting for a significant share of the industry revenue. In addition, the industry consists of mostly small, local, and regional operators. According to U.S. Census data, 82.0 percent of these companies have less than 20 employees. Comparatively, only 0.6 percent of companies have more than 500 employees. Nevertheless, market share concentration is expected to increase. This increase is mostly due to consolidation as operators merge to reduce costs. Additionally, the global nature of the electronics manufacturing, and distribution industry gives larger companies an advantage. The larger companies have access to sufficient resources, which allows them to procure products from all around the world. Improved inventory management systems have contributed to increased investments in electronic components.

Operators in the industry experience high competition with other industry players due to large number of companies serving specific markets. Price is a key basis for competition within the industry. Wholesalers have different pricing strategies. Some of them sell products at cost to either increase prices or margins on other products, or to gain extra revenue and profit from repairs or other services. Some wholesalers are limited on their ability to compete based on price due to pricing restrictions that may be included in the terms of distribution licenses with manufacturers.

Product range, availability, and quality are also important factors that affect this industry. Some companies stock a wide variety of products to become a one-stop shop for their customers. Another factor that these companies can compete on is delivery promptness. The ability to deliver products in a timely manner is an important factor for customers who want to minimize cost and make sure that there are no stock outs. Product quality also affects sales, returns, satisfaction, and the reputation of the wholesaler. Another strategy that a lot of wholesalers have adopted is to provide value-added services, such as replenishing, testing, assembly, and supply chain and materials management. Competition is expected to increase as manufacturers enter the wholesaling industry.

The Group develops and maintains a wide range of electronic communication equipment which allows CIG-US to operate as a one-stop shop for its customers. Offering the wide array of products allows CIG-US to remain competitive in the market.

Barriers to Entry

The barriers to entry in this industry can be characterized as low and steady. The large number of companies in this industry reflects the ease of entry to this market. In addition, there are minimal licensing requirements, government regulations, or resource constraints that are large enough to keep companies from entering this market. However, some companies have deterred from entering this industry because of the costs necessary to open distribution facilities, build relationships with suppliers and customers, source skilled labor, and fund stock in an appropriate manner. The ability to build a sales base is highly affected by the reputation of the company and the strength of its brand. The costs to opening distribution facilities and competing with bigger companies that have a stronger sales presence has deterred new companies from entering and succeeding in the Industry. Companies attempting to enter this industry are also deterred by the exclusive distribution contracts between manufacturers and existing wholesalers. Since the barriers to entry are low, CIG-US faces significant competition in the U.S. market.

INDUSTRY OVERVIEW

Industry Outlook

Revenue in the industry is expected to grow in conjunction with expanded corporate profit, downstream growth, and increased demand for electronic products and components. Large wholesalers will also continue to consolidate providing the most savings possible. However, continued competition through e-commerce and direct-from-manufacturer purchasing may hamper the industry profit but not significantly enough to prevent growth. Furthermore, as domestic manufacturers anticipate to contend with more pressure from imports, independent wholesaler will struggle to compete with vertically integrated manufacturers. This rise in import cost will continue into 2023 as labor abroad is cheaper than in the United States. These import costs will ultimately weigh on profit for the industry. It is expected that the Industry's revenue will increase at an annualized rate of 1.9 percent to reach USD 604.1 billion over the next five years.

Furthermore, consumers and businesses continue to rely on video, voice, and data communication post COVID-19 pandemic, facilitating the increase in the demand for carrier network bandwidth. In addition, greater investment to new technologies will likely provide opportunities for service providers to reduce costs and expand their range of services. Communication service providers are intended to increase high speed data services availability as more financial opportunity open doors to supportive government policies. Over the next five years, large wholesalers are expected to make more efficient purchases to lower costs and complexity and to enable serving in multiple locations. Decreasing demand for electronic equipment, low barriers to entry and a larger number of new companies entering the Industry can increase competition for CIG-US. In addition, as the economy eases up, the increase in prices for electronic parts and communication equipment will have a positive impact on Group's profitability. Therefore, with the expansion of the Group's product line and its global presence, CIG can still remain competitive in the Industry.

SECTION 6

FUNCTIONAL ANALYSIS



FUNCTIONS

A functions, assets and risks ("FAR") analysis provides a factual foundation for establishing a transfer pricing methodology consistent with the arm's-length standard under Treas. Reg. § 1.482. It is a means of organizing facts about the related companies (with respect to specific transactions) in terms of their functions performed, risks assumed, and assets (intangibles and tangibles) developed or used. A FAR analysis is essential to evaluate the arm's-length nature of intercompany transactions for the following reasons:

- The economic return generated for the functions undertaken by each related party correlates with the risks borne and the assets employed;
- The functions, risks, and intangible assets associated with a related party's operations usually have a significant effect on its profitability; and
- A FAR analysis provides the information and insights necessary to: (i) determine which transactions (or entity) to evaluate, (ii) establish the best method to evaluate the transactions (or entity), and (iii) develop comparability characteristics to assist in identifying comparable, independent transactions (or companies) against which to determine the appropriate arm's-length pricing level of the controlled transaction.

By describing the FARs and their location within a corporate group, the FAR analysis provides the first step in evaluating the relative profit contributions of various related companies, and the appropriate pricing of intercompany transactions. These contributions are identified in the subsequent paragraphs of this report.

In this section, we present the respective functions performed, assets employed, and risk borne by CIG-US, CIG-SH and CIG-Japan. This descriptive account provides the basis for supporting an economic analysis that evaluates the intercompany transactions

FUNCTIONS

Functional Analysis

The following section discusses the relevant functions of the entities engaged in the intercompany transactions mentioned above.

Engineering

Engineering activities are undertaken to generate innovations that form the basis for new products and product improvements. To meet the increasingly sophisticated needs of their customers and address potential new markets, companies continually strive to enhance existing product functionality and add new product features. CIG-SH performs the majority of the engineering activities related to the development of the telecommunication equipment. The CIG engineering center employs engineers who engage in hardware design and development of software and product integration platforms. CIG-SH has extensive engineering expertise to develop complex products and systems, and large-scale operations that ensures optimal information sharing and precise process control. CIG-SH has historically funded all engineering activities related to creation of the core CIG products; therefore, it owns the IP related to core product know-how, design guidance, and engineering specifications. Upon request from CIG-US, CIG-SH makes certain modifications to its core telecommunication products to meet the requirements of the local U.S. market. These modifications are required to meet the needs of the local CIG-US customers. These engineering activities do not lead to creation of the new product or any stand-alone IP. These engineering activities are necessary for CIG-US to sell the products in its respective market. It is the Group's strategy that CIG-US starts developing its own products in the U.S., therefore the Company has recently hired engineers to perform engineering activities in the U.S. However, in YE 2022, CIG-US did not develop any non-routine or valuable IP in relation to the products it sold in the U.S. market.

CIG-US requests contract engineering services from CIG-SH and CIG-Japan. These services are requested to meet unique requests from CIG-US's customers. In this scenario, upon receipt of a request from a customer regarding specific modifications to a particular product, CIG-US passes the request specifications on to CIG-SH and CIG-Japan. CIG-SH and CIG-Japan then takes on the contract engineering functions to develop the customer requested modification to an existing product. Any IP developed during the above process is owned by the CIG-US customer.

Manufacturing

Manufacturing processes comprise of process design, production, and quality control measures. Manufacturing process design activities are undertaken to determine the most efficient and cost-effective means of manufacturing a company's products.

These activities include testing the manufacturing line, using comparative statistics to seek efficiencies, and subsequently adjusting the process to optimize the use of labor and capital. In addition, it includes optimization of production schedules and inventory control to determine the type and quantity of product lines to be manufactured in order to meet customer delivery requirements.

Production scheduling and inventory activities involve determining the type and quantity of product lines to be manufactured in order to meet customer delivery requirements. In addition, quality control involves testing and analyzing raw materials and other material inputs, work in progress, and finished goods. Quality control can be pursued by employing a combination of automated quality control equipment and qualified inspectors.

CIG-SH is solely responsible for the manufacturing process of the telecommunication products, including the procurement of raw materials and quality control. To perform the manufacturing functions, CIG-SH employs an automation technology team, an operation team, and a quality control team.

The automation technology team is responsible for the creation and application of technology to monitor and control the production and delivery of products and services. This team also handles manufacturing technology advancement and production technical support.

The operation team designs and implements lean processes and is responsible for the factory's daily operation and delivery. It is responsible for ongoing process of monitoring and improving production.

Lastly, the quality control team maintains standards in manufactured products by testing a sample of the output against the specification. This team ensures that the quality systems are implemented in the entire manufacturing operation and process.

CIG-US and CIG-Japan do not perform any manufacturing activities in relation to the transactions under review.

FUNCTIONS

Marketing and Advertising

Marketing and advertising strategy activities involve defining a company's goals with respect to presence and position in the marketplace. Such activities may include developing plans for launching and positioning new products or developing plans for targeting certain segments of the market that have the greatest profit potential for a company. Successful strategic marketing requires an understanding of the factors affecting demand for a company's products. Tactical marketing and advertising activities involve the development of brand awareness in the marketplace and the creation and implementation of product-specific advertising campaigns.

CIG's marketing and advertising activities focus on evaluating demand in the global market to identify new customers, as well as maintaining its existing relationships with current customers.

CIG-SH, CIG-US and CIG-Japan all perform marketing activities within their respective territories. CIG-SH, CIG-US and CIG-Japan reach out to potential clients and capture any information necessary to develop an understanding of potential client needs. The Group displays its products and services at trade shows and exhibits, hosts webinars, video and publishes written blogs, to educate potential customers on the Group's product offerings. As part of the education process, CIG provides comprehensive overview of the products and services on the Group's website and social media. This strategy maintains and increases awareness of the products offered by CIG.

Pricing

Sales and pricing activities relate to balancing strategic and tactical aspects of competitive pricing to meet a company's strategic goals.

Pricing guidelines, including appropriate volume discounts, are set by both CIG-US and CIG-SH. CIG-US monitors the market conditions in the U.S. and provides recommendations regarding the prices to CIG-SH. Based on these recommendations, CIG-SH sets an appropriate pricing for CIG products in the U.S.

CIG-Japan does not perform any pricing functions with regards to the transactions under review.

Transportation, Logistics, and Invoicing

Transportation and logistics activities relate to the administration of the shipment of goods from a company to a purchaser. These activities generally include planning and scheduling the transportation of products from the company to the location designated by the purchaser. This location could be the purchaser's warehouse, production site, or its end-use location. Some issues involved in coordinating the movement of products from a supplier to an unrelated party or related-party's processing or distribution facilities include warehousing, determining freight terms, assigning shipping responsibilities, and establishing delivery schedules. Invoicing pertains to creating a commercial document that identifies a transaction between a buyer and a seller. If goods or services were purchased on credit, the invoice usually specifies the terms of the sale and the available methods of payment.

After the manufacturing process is completed, products are transferred and stored in a 10,000 square foot warehouse operated and owned by CIG-SH. Products are subsequently drop shipped from this warehouse to CIG-US's customers. Once the orders are shipped to the customer, CIG-SH issues the invoices to CIG-US, which in its turn, issues the invoices to its customers.

CIG-Japan does not perform any transportation, logistics or invoicing functions with regards to the transactions under review.

After Sales Support

Customer support refers to the range of services geared towards assisting customers in making informed decisions on product usage. These services generally include assistance in planning, installing, troubleshooting, maintaining, and upgrading a product.

CIG-US provides after-sales and technical support to its customers. These activities typically involve addressing questions or complaints associated with the CIG-SH's products and taking measures to resolve any customer-related issues. CIG-US is responsible for responding promptly to customer requests and making regular reports to CIG-SH regarding its customer support activities.

CIG-US's technical support capabilities can be categorized into three levels. Level one, or first line support, is done by telecommunications operators or by CIG-US's direct customers. This includes basic telephone support services to answer technical questions and is provided by CIG-US's sales personnel. If an issue cannot be resolved by a level one operator, the service ticket is escalated to level two, or second line support. The second line support operators follow documented

FUNCTIONS

processes to identify and resolve the issue. They may also collaborate with other supporting groups if the issue involves other support personnel. More complex issues are managed by level three support or third line support. This includes more sophisticated support for customers experiencing technical problems with a product. This level of support is usually handled CIG-SH as it is more technical in nature and as the developed of the product, they have the knowledge to resolve such issues.

CIG-Japan does not perform any after sales support functions with regards to the transactions under review.

Strategic Management

Corporate strategic planning activities provide vision and direction for a firm by examining the competitive state of the industry, determining factors that are critical to a company's success, and tailoring a strategy to fit its core competencies. Corporate strategy provides the basis for selecting lines of business, choosing organizational structure and operating procedures, analyzing and undertaking acquisitions and divestitures, as well as responding to competitors and to market forces.

CIG-SH performs the strategic management function within the Group and houses the management heads of CIG. CIG-SH employs the Group's strategic personnel, including the CEO, CFO, and the General counsel. The strategic personnel team is responsible for setting the Group's strategy, choosing organizational structure and operating procedures, and analyzing and undertaking acquisitions and divestitures. The strategic management function also includes making decisions regarding market penetration, expansion opportunities, product management and planning, and budget formulations. CIG-SH is responsible for planning and managing the strategic direction and future operations of CIG.

In addition to the strategic management services, CIG-SH provides strategic support and management direction for the Group, which include marketing support, sales and technical training, technical support, and general operational support.

G&A

G&A activities relate to the day-to-day tasks required to maintain and manage the offices and business operations, such as accounting, treasury, human resources, legal and regulatory affairs, information technology, personnel management and training. This includes back-office activities such as: scheduling meetings, ordering office supplies, designating office space for a variety of business purposes, fielding and routing information, managing employee schedules, and other day to day functions.

CIG-SH, CIG-US and CIG-Japan perform their own G&A functions for the transactions under review.

HR

HR activities relate to the personnel or employee concerns of business. Typical HR activities include hiring or screening potential employees, resolving compensation issues, performing basic administrative function, etc.

CIG-SH, CIG-US and CIG-Japan perform their own HR functions.

Accounting

Accounting functions are related to the process of keeping and maintaining financial records. Accounting is important to businesses since it analyzes cash flows, financial transactions, and other financial metrics. Having proper accounting practices helps businesses track their financial standing and plan future operations accordingly.

CIG-SH, CIG-US and CIG-Japan are responsible for their own accounting.

Legal

The legal department is responsible for matters such as drafting and reviewing contracts and handling legal disputes that may arise from business operations. The proper legal expertise can also provide invaluable business insight to new fields of expansion and avoid regulatory battles in the future.

CIG-SH, CIG-US and CIG-Japan are responsible for their own legal matters.

ASSETS

Fixed Assets

Fixed assets refer to tangible property that is purchased for long-term use and is not easily consumed or liquidated into cash. This includes, but is not limited to, land, buildings, machinery, and equipment.

CIG-SH owns all of the manufacturing facilities, including: 10,000 square feet production center; 17,000 square feet test, assembly, and packaging center; and 10,000 square feet warehouse. CIG-SH also owns building and equipment used for engineering services.

The tangible assets of CIG-US consist of office furniture and business equipment such as computers, and telephones.

The tangible assets of CIG-Japan consist of office furniture, engineering lab equipment, manufacturing equipment which has been consigned to the Group's contract manufacturer in Malaysia and business equipment such as computers and telephones.

IP

IP is a company's most important asset. A company's brand name, for example, embodies its identity and defines a customer's perception of the value of the products offered. IP can also include patents, copyrights, trademarks, trade names, and know-how. The necessary functions related to managing intangible assets include holding and protecting the IP against potential infringement.

Two types of IP are deemed most relevant in this analysis: (i) marketing intangibles (e.g., trademark and trade names), and (ii) technical know-how.

Within the Group, the major sources of IP are patents and technology designs related to telecommunication products, as well as certain product trademarks and trade names. CIG-SH owns technical IP such as the rights, title, interest to patents, and other proprietary rights on the telecommunication products that it created through the engineering and product design process. CIG-SH funds and performs all primary engineering and product design activities with respect to telecommunication products, and thus owns the associated IP.

During YE 2022, CIG-US and CIG-Japan did not own any significant or non-routine valuable IP. It is, however, the Group's strategic plan that CIG-US starts in-house development of certain products in the future, and, therefore will own the corresponding IP.

RISKS

A risk analysis provides an overview of the risks assumed by each entity with respect to the controlled transactions being analyzed. Developing an understanding of which entity bears certain risks is important since, generally, over the long term, the greater the assumption of risk, the greater the economic return generated by a company. The following sections outline factors relative to: (i) engineering risk, (ii) market risk, (iii) inventory risk, (iv) credit and collection risk, (v) foreign currency, (vi) product warranty risk and (vii) product liability risk.

Engineering Risk

Engineering risk pertains to the success or failure of engineering activities and, consequently, the potential development of product and process IP. Engineering expenditure can lead to potential products and enhance a company's existing IP portfolio; however, in the event that no commercially viable product is created, the engineering expenditure may not be recuperated.

When CIG-SH develops products for its own customers, it assumes the majority of the engineering risk considering it bears all the costs related to the creation of new products. On the contrary, when CIG-SH and CIG-Japan performs contract engineering on behalf of CIG-US's customers, the engineering risk resides with those customers as they requested and funded the engineering services.

During YE 2022, CIG-US engaged in the development activities in relation to the intercompany transactions on behalf of its customers, therefore, CIG-US did not directly undertake the engineering risk.

Market Risk

Market risks pertain to a firm's exposure to fluctuations in product or raw materials cost, market demand, product and competitive pricing, and inventory management issues. These risks are generally shared, to some extent, between affiliated parties since intercompany transactions normally represent different segments of the value chain in bringing a product to market as outlined in the functional analysis.

CIG-US bears the market risk arising from demand and pricing fluctuations for the telecommunication products distributed as well as the engineering services provided to customers in the U.S. market. As the volumes of the purchase orders for CIG-SH from CIG-US can fluctuate based on the demand in the U.S. market, CIG-SH is also exposed to the market risk. CIG-Japan does not assume any market risk with regards to the transactions under review.

Inventory risk

Inventory risk pertains to damage or obsolescence of inventory. Damage to inventory may occur while products are in transit, and obsolescence may occur from the introduction of new products into the market.

With respect to both intercompany transactions, CIG-SH bears the initial inventory risk associated with its raw materials and work-in-progress. It also bears the associated risks of storing and transporting finished goods to CIG-US's customers.

The products are usually dropped shipped from CIG-SH directly to the customers, and CIG-US only holds limited amount of sample inventory. Therefore, CIG-US does not assume any inventory risk. CIG-Japan does not assume any inventory risk with regards to the transactions under review.

Credit and Collection Risk

When a company provides products or services to customers in advance of receiving payment, the company is exposed to the potential risk that the customer may fail to pay its debt, thereby assuming credit and collection risk. These risks can generally be mitigated through prudent credit policies, such as performing regular credit checks of customers and following timely collection controls.

With respect to CIG-US's distribution of telecommunications products to third party customers, CIG-US is responsible for negotiating and executing contracts with third-party customers. Therefore, it bears the credit and collection risk for both transactions.

CIG-SH issues the intercompany invoices to CIG-US, which in turn issues the invoices to customers once the orders are shipped or the contract engineering services are provided to the customers. Therefore, for both intercompany transactions, CIG-SH does not bear credit and collection risk. CIG-Japan also does not assume any credit and collection risk with regards to the transactions under review.

Foreign Currency Exchange Risk

Foreign currency exchange risk refers to the risk that arises when there is a discrepancy between the relative values of currencies in which an entity earns its revenues and incurs its expenses. Fluctuation in exchange rates may be detrimental to one party while simultaneously benefit the other party.

RISKS

CIG-SH generates expenses in CNY but sells products and services to CIG-US in USD. Therefore, CIG-SH is exposed to foreign exchange risk with respect to both intercompany transactions. CIG-Japan generates expenses in JPY but sells services to CIG-US in USD. Therefore, CIG-Japan is exposed to foreign exchange risk with respect to the intercompany transaction.

As CIG-US purchases products and pays for the contract engineering services, from and to CIG-SH in USD, CIG-US does not bear foreign exchange risk.

Product Warranty Risk

Product warranty risk refers to the risk of having to bear the cost of repairing or replacing a faulty product.

CIG-US assumes the product warranty risk for the products that it distributes to its customers. This risk is mitigated by CIG-SH providing a warranty to CIG-US on the manufactured products. Therefore, CIG-SH ultimately bears the product warranty risk. CIG-Japan does not assume any product warranty risk with regards to the transactions under review.

Product Liability Risk

Product liability risk pertains to legal claims arising from damages caused to consumers due to product defects or safety issues.

CIG-US assumes the product liability risk for the products that it distributes to its customers. However, this risk is ultimately passed on to CIG-SH, as a manufacturer of the products. Therefore, CIG-SH ultimately bears the product liability risk. CIG-Japan does not assume any product liability risk with regards to the transactions under review.

IP Infringement Risk

IP is a company's most important asset with high risks associated with its protection against infringement, deterioration, or lapse. Companies protect their IP through a myriad of legal means, including patents, copyrights, trademarks, trade names, and similar legal barriers used to hinder encroachment of their intangible assets. A company's brand name, for instance, embodies its identity and defines a customer's perception of the value of the products offered.

CIG-SH is the legal and economic owner of the communications technology IP and thus is responsible for and bears risks associated with the telecommunications equipment technology IP. These risks include the risk of not receiving a patent, the cost of defending against IP infringement by competitors, and the risk that a competitor will develop new products that will render CIG-SH's IP obsolete. Therefore, CIG-SH is exposed to significant IP risk.

CIG-US and CIG-Japan do not own any non-routine valuable IP associated with the intercompany transactions under review, therefore, they are not exposed to IP infringement risk.

SECTION 7

INTERCOMPANY TRANSACTIONS



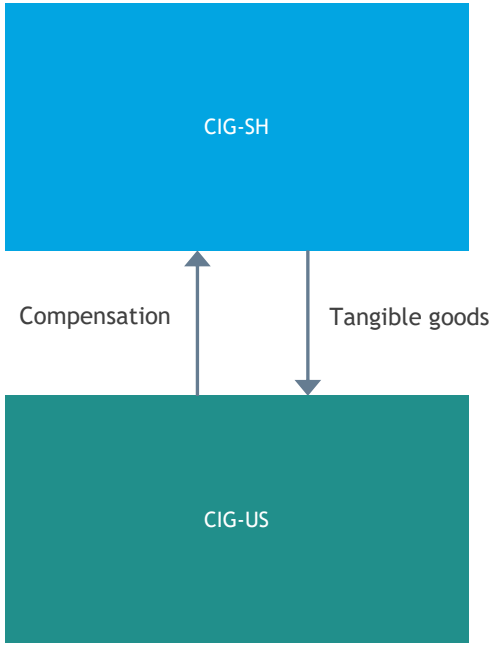
INTERCOMPANY TRANSACTIONS

Transaction Summary

Transaction 1 – Distribution of tangible goods

CIG-US purchased tangible goods from CIG-SH for resale in the U.S. market. During YE 2022, CIG-US paid approximately USD 254.1 million to CIG-SH for the telecommunication products purchased from CIG-SH.

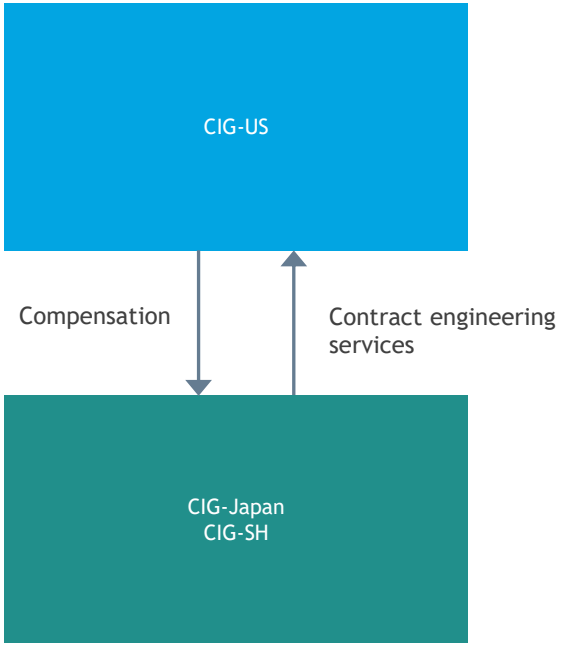
The transaction flows are illustrated in the figure below.



Transaction 2 & 3 – Provision of contract engineering services

CIG-Japan and CIG-Shanghai provided contract engineering services to CIG-US. CIG-US reimbursed CIG-SH for the costs of these services without any markup and CIG-Japan for the costs of these services along with an arm's length markup. During YE 2022, CIG-US paid approximately USD 6.2 million to CIG-SH and approximately USD 19.3 million to CIG-Japan for the provision of engineering services.

The transaction flows are illustrated in the figure below.



SECTION 8

ECONOMIC ANALYSIS



ECONOMIC ANALYSIS

Transaction Summary

This section presents the methods used to evaluate the arm's-length nature of the intercompany transactions under review. Evaluating the arm's-length nature of a transfer pricing policy requires the following procedures:

- Selecting the best method among the specified methods under Treas. Reg. § 482, and determining the appropriate transaction(s) or entity(ies) to benchmark an arm's-length range of results;
- Identifying comparable independent transactions or companies to use in applying the best method; and
- Analyzing the financial and economic outcomes of the controlled transactions against comparable third-party price or profit benchmarks that, if necessary, incorporate appropriate adjustments for differences between the tested party and the comparable companies.

We evaluated the intercompany transactions in accordance with IRC § 482 and the regulations thereunder.

TRANSACTION 1 – DISTRIBUTION OF TANGIBLE GOODS

Selection of Best Method

CIG-SH Sells Tangible Goods to CIG-US

This section presents the methods under Treas. Reg. § 1.482-3 to benchmark the arm's-length nature of the prices charged by CIG-SH for the sale of tangible goods to CIG-US.

Transfer Pricing Methods for Tangible Goods Transactions

Treas. Reg. § 1.482-3 provide specified methods for the analysis of the transfer of tangible property. Treas. Reg. § 1.482 also contains the best method rule, which stipulates that the taxpayer should select the best method among the various specified methods that provides the most reliable measure of an arm's-length result in analyzing controlled transactions. In order to determine the best method, Treas. Reg. § 1.482 directs taxpayers to consider (i) the degree of comparability between the controlled transaction or taxpayer and any uncontrolled comparables and (ii) the quality of the data and assumptions used in the analysis. The specified methods are:

- CUP method, which evaluates the arm's-length character of a controlled transaction by comparing the price charged in the controlled transaction to the amount charged in a comparable uncontrolled transaction;
- RPM, which compares the gross profit margin earned in the controlled transaction with the gross profit margin realized in comparable uncontrolled transactions;
- CPLM, which compares the gross profit markup realized in a controlled transaction with that earned in comparable uncontrolled transactions;
- CPM, which evaluates the arm's-length character of a controlled transaction based upon objective measures of profitability (known as profit level indicators) derived from uncontrolled taxpayers that engage in similar business activities under similar circumstances;
- PSM, which determines an arm's-length division of the combined operating profit or loss from one or more controlled transactions based on the relative value of each controlled taxpayer's contribution to that combined operating profit or loss; and
- Unspecified Method, consists of any method, other than those listed above, used to evaluate the intercompany transaction that takes into account the general principle that uncontrolled taxpayers evaluate the terms of a transaction by considering the realistic alternatives to the transaction.

Selection of the Best Method

According to Treas. Reg. § 1.482-1, the best method used to establish the arm's-length intercompany transfer price is the one which provides the most reliable information on the prices that would have been charged if the same transaction had taken place between unrelated parties.

The selection of the best method depends on a number of factors, such as: (i) the availability of complete and reliable data; (ii) the degree of comparability between controlled and uncontrolled transactions (or companies); and (iii) the number, magnitude, and accuracy of adjustments necessary to apply the method. Identifying comparable transactions (or companies) involves evaluating the functions performed, risks assumed, contractual terms, economic conditions, and the types of property or services being exchanged among the affiliated entities engaged in intercompany transactions. Each factor should be evaluated to determine its potential impact on the pricing method, and depending on the pricing method chosen, one factor may be more important than another in establishing comparability. Documentation of these analyses (i.e., functional analysis, risk analysis, and an assessment of contractual agreements) is required to support the best pricing method.

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Selection of Best Method

In many instances, transactions between related parties will not be comparable to transactions between unrelated parties in several respects. For example, product specifications, payment terms, shipping terms, and other relevant transaction and economic factors may differ. These differences should be taken into account and adjustments should be made based on commercial practices, economic principles, or statistical analyses, to evaluate the controlled transactions on terms comparable to those of the uncontrolled transactions. Material or non-quantifiable adjustments may preclude the use of one pricing method and require a taxpayer to consider other methods in order to determine the best method to evaluate the arm's-length nature of the intercompany transactions

In selecting the best method, the functions performed, risks assumed, and the assets employed by CIG-SH and CIG-US with respect to the intercompany transaction were reviewed. The CPM, as detailed under Treas. Reg. § 1.482-5, was selected as the best method for the evaluation of the purchase of finished goods by CIG-US from CIG-SH, as the comparability thresholds of the other specified methods under Treas. Reg. § 1.482-3 were not sufficiently met.

The following subsection describes in greater detail why the comparability thresholds of the other methods were not met.

Alternative Methods Considered but not Selected

CUP Method

Under Treas. Reg. § 1.482, the CUP method compares the price charged in a controlled transaction with that charged in an uncontrolled transaction between (i) the tested party and a third party, which is an internal uncontrolled transactions, or (ii) between two third parties, which is an external uncontrolled transaction. Treas. Reg. § 1.482 indicates that similarity of products generally will have the greatest effect on comparability under this method. In addition, because even minor differences in contractual terms or economic conditions could materially affect the amount charged in an uncontrolled transaction, comparability under this method depends on close similarity with respect to these factors, or adjustments to account for any differences. Treas. Reg. § 1.482 states that if there are material product differences for which reliable adjustments cannot be made, this method ordinarily will not provide a reliable measure of an arm's-length result.[4]

Although both CIG-US and CIG-SH sell products to third-party customers, differences in product offerings, geographic region, market, volume of product sold as well as terms and conditions make the CUP method unreliable. In addition, external uncontrolled transactions that meet the high comparability thresholds required by the CUP were not identified. Therefore, the CUP was not selected as the best method.

RPM

Under Treas. Reg. § 1.482, the RPM evaluates whether intercompany prices met the arm's-length standard by reference to the gross profit margin (i.e., gross profit divided by revenue) earned in a controlled transaction in comparison to the gross profit margin earned in one or more comparable uncontrolled transactions between (i) the tested party and a third party, which is an internal uncontrolled transaction, or (ii) between two third parties, which is an external uncontrolled transaction. The RPM is ordinarily used to test a distributor that purchases products from related-party and third-party suppliers and resells these products to third-party customers. Treas. Reg. § 1.482 indicates that, if possible, appropriate gross profit margins should be derived from comparable uncontrolled purchases and sales of the reseller involved in the controlled sale.[5]

Since CIG-US does not purchase items for resale from third-party suppliers, the internal RPM was not applied. In addition, comparable external transactions between third-parties that meet the high comparability criteria of the RPM could not be identified due to the lack of readily available and specific information necessary to determine the functional and product comparability of third-party companies to CIG-US. Furthermore, the inconsistencies in accounting practices between CIG-US and the uncontrolled comparable companies can materially affect the gross profit margin. Therefore, the RPM was not selected as the best method.

CPLM

Under Treas. Reg. § 1.482, the CPLM evaluates whether intercompany prices meet the arm's-length standard by reference to the gross profit markup (i.e., gross profit divided by cost of goods sold) realized in the controlled transactions in comparison

[4]Treas. Reg. § 1.482-3(b).
[5]Treas. Reg. § 1.482-3(c).

TRANSACTION 1 - DISTRIBUTION OF TANGIBLE GOODS

Selection of the Tested Party

to those earned in one or more comparable uncontrolled transactions between (i) the tested party and a third party, which is an internal uncontrolled transaction, or (ii) between two third parties, which is an external uncontrolled transaction. The CPLM is ordinarily used to test intercompany transactions in which one entity is engaged in the manufacturing, assembly, or other production of products, which it then sells to related parties. As with the RPM, this gross profit level comparison can potentially be performed using either internal or external comparable uncontrolled transactions.[6]

Although both CIG-US and CIG-SH sell products to third-party customers, differences in product offerings, geographic region, market, volume of product sold as well as terms and conditions make application of the CPLM method unreliable. In addition, external uncontrolled transactions that meet the high comparability thresholds required by the CPLM were not identified. In addition, there is insufficient information regarding uncontrolled comparable companies' cost structure related to tangible goods transactions. The use of gross margin data of external comparable companies would not be reliable due to the potential differences in accounting methods used by the comparable companies that would impact the classification of COGS. Due to the lack of publicly available data, we would not be able to reliably verify and adjust for these differences. Since sufficiently comparable internal uncontrolled transactions could not be identified, and external uncontrolled transactions will not provide the most reliable analysis, the CPLM was not selected as the best method.

PSM

The PSM is a profit-based method that attempts to split profits between two holders of different valuable intangible assets when they are both involved in the same transaction. The PSM assumes that premium profits (for example, returns above a competitive market return) or loss from a particular venture are attributable to the existence of intangible assets employed in a transaction, and that the taxpayer must determine how to split the premium profit (or loss) based on functions performed and risks assumed by the related parties.

With respect to the intercompany transaction, all of the non-routine IP and associated risks was owned and undertaken by CIG-SH. CIG-US did not own any non-routine IP or undertake any non-routine risks and therefore did not qualify to receive any of the premium profits. In addition, no comparable profit split transactions could be identified to apply the comparable PSM. Therefore, PSM was not selected as the best method.

Unspecified Methods

As with any method, an unspecified method is not to be applied unless it provides the most reliable measure of an arm's-length result under the principles of the best method rule. No unspecified method was found to provide a more reliable result than the CPM. Therefore, we did not select any unspecified method as the best method.

Application of the CPM

The application of the CPM requires the selection of a tested party, an appropriate PLI, and comparable third-party companies.

Selection of the Tested Party

Treas. Reg. § 1.482 stipulates that the tested party is generally the entity involved in the controlled transaction whose profitability can be verified using the most reliable data and requiring the fewest and most reliable adjustments. This entity, in most cases, will be the least complex of the controlled taxpayers and will not own valuable IP or unique assets relating to the transaction that distinguish it from potential uncontrolled comparable companies. Once a tested party is selected, data from comparable companies can then be used to evaluate its profitability.

With respect to the intercompany transaction, the functions performed, risks assumed, and assets employed by CIG-US in its distribution functions are routine in nature and can be readily tested against independent companies. CIG-SH owns the IP and performs the majority of functions with respect to the intercompany transaction. Relative to CIG-SH, CIG-US is the least complex entity with respect to the intercompany transaction. Therefore, CIG-US was selected as the tested party.

[6]Treas. Reg. § 1.482-3(d).

TRANSACTION 1 – DISTRIBUTION OF TANGIBLE GOODS

Comparable Search

PLI Selection

PLIs can generally be divided into two categories:

- Rates of return, which measure profits (a flow) relative to some measure of assets (a stock); and
- Margin ratios, which measure profit (a flow) as a percentage of another flow, such as sales, cost of sales, or operating expenses.

Rates of return are generally used when there are significant differences in turnover among comparable companies and are best used to compare firms operating in different industries or performing different functions with varying asset requirements. Margin ratios are generally used when there is confidence that turnover ratios are relatively similar within the set of comparable companies (or reliable adjustments can be made to reflect any differences) and when there are concerns about the ability to measure or allocate asset values accurately. Margin measures may also be used when the functions are not that reliant on the entities' balance sheet assets.

Given that the comparable companies and CIG-US carries out standard distribution functions, margin measures are more appropriate than rate of return measures as CIG-US's distribution functions are not particularly dependent on the assets employed. CIG-US purchases products from CIG-SH, which means that CIG-US's COGS is the controlled variable associated with the controlled transaction. As such, any margin ratios that are derived from COGS, such as the markup on total costs, would not provide for a reliable analysis. Therefore, we selected the OM, defined as operating profit divided by sales, as the most appropriate PLI.

Identification of Comparable Companies

To identify comparable companies that perform distribution activities comparable to those performed by CIG-US, we searched S&P CapitalIQ database. S&P's CapitalIQ database contains fundamental financial, economic, and market information on over 79,000 publicly held companies, including over 45,000 active companies, in more than 130 countries worldwide. The database offers over 5,000 financial and supplemental data items in over 100 currencies. As a point-in-time database, S&P's CapitalIQ captures all instances of a company's filings from press releases, initial filings, and all subsequent filings. We included two and three-digit SIC codes in our search strategy. The selection of two-digit SIC codes includes, by default, all three and four-digit SIC codes that fall under that Industry Group. The selection of three-digit SIC codes includes, by default, all four-digit SIC codes that fall under that Industry Group. As such, in order to arrive at a search strategy that only included the SIC codes listed below, we applied the 'And Not' filter to manually exclude the four-digit SIC codes that were not selected.

We searched for North American companies that were not acquired, liquidating, reorganizing, out of business, or operating subsidiaries and classified under the primary SIC codes. This search was conducted in May 2023.

TRANSACTION 1 – DISTRIBUTION OF TANGIBLE GOODS

Comparable Search

Comparable Search Strategy	
Geographic Region	North America
Years Under Analysis	2020-2022
Company Type	Public
Database Used	S&P CapIQ
Selection of PLI	OM
SIC Codes	5040 - Professional And Commercial Equipment And Supplies 5044 - Office Equipment 5045 - Computers and Computer Peripheral Equipment and Software 5049 - Professional Equipment and Supplies, Not Elsewhere Classified 5060 - Electrical Goods 5099 - Durable Goods, not elsewhere classified
SIC Codes Excluded	5041 - Sporting and recreational goods and supplies - wholesale 5042 - Toys and hobby goods and supplies - wholesale 5043 - Photographic Equipment and Supplies, Wholesale Trade 5046 - Commercial Equipment, not elsewhere classified 5047 - Medical, Dental, and Hospital Equipment and Supplies 5048 - Ophthalmic Goods, Wholesale Trade

The initial search identified 54 potentially comparable companies located in North America. The potentially comparable company were further screened for (i) accuracy of financial data, (ii) development or ownership of intangible assets, and (iii) functional comparability. A description of the quantitative and qualitative review processes are described below.

1) Quantitative Review Process

Adequacy of Financial Data

The first step in the search process involved eliminating companies that did not have sufficient financial data by examining the companies' income statements to ensure that the companies in the sample had three years of financial data. This screening criterion is used to eliminate development-stage and inactive companies, provide sufficient historical data to even out one-year aberrations in financial results, and normalize the effects of product or business cycles. As such, we rejected companies that were determined to raise substantial doubt about their ability to continue as a "going concern."[7]

Development or Ownership of Intangible Assets

The set of potentially comparable companies was then examined to determine to what extent, if any, these companies owned significant intangible assets, such as proprietary products or processes, or valuable brands and trademarks or technology. Companies that devoted significant resources to develop, acquire, or own such assets were rejected from the sample because we believe that investments made in IP are inherently risky, and therefore, are likely to yield more variable returns. The difference in risk reduces the reliability of using their financial results to establish arm's-length profit levels for routine service providers. The extent to which a company develops or owns intangible assets was evaluated using both quantitative and qualitative screening criteria.

As a qualitative screen, we examined the potentially comparable companies' SEC Form 10-K to determine whether a company disclosed that intangible assets were material to its business. We employed the following quantitative screens to evaluate the extent to which companies owns or develops intangible assets.

R&D Expense-to-Sales Ratio

The R&D expense-to-sales ratio (i.e., the ratio of expenditures by a company on R&D to the company's sales) demonstrates whether a company relies on innovation,

TRANSACTION 1 - DISTRIBUTION OF TANGIBLE GOODS

Comparable Search (cont.)

which directly results in new intangible assets, to generate its sales. R&D expenses indicate the level of effort dedicated to producing future products and process improvements while increasing operating efficiency. R&D expenses may reflect a company's perception of market demand for new products. In connection with its distribution of products sourced from CIG-SH, CIG-US does not perform any R&D activities. Therefore, we rejected companies that generated R&D expense-to-sales ratios in excess of three percent.

Advertising Expense-to-Sales Ratio

Advertising expense-to-sales ratio measures the effectiveness of an advertising campaign by dividing total advertising expenses by sales. This ratio is designed to show whether the resources a firm spends on an advertising campaign helped generate new sales. Higher advertising-to-sales ratios indicate that high advertising expenses may have resulted in creation or development of an intangible asset that generated sales. Therefore, we rejected companies that generated adverting-to-sales ratios in excess of three percent.

2) Qualitative Review Process

To develop a reliable set of comparable companies, the business descriptions generated from S&P's CapitalIQ's database were reviewed to assess comparability. We rejected companies for differences in functionality, market level, and product offerings. The following subsections detail each rejection reason.

Functional Comparability

Functional comparability refers to economically significant activities carried out by the tested party. The functions performed by the CIG-US are identified and compared to those undertaken by each comparable, third-party company. Consideration must also be given for the risks undertaken in relation to functions performed. The allocation of risk ultimately influences the conditions of the transactions between related parties. Entities that take more risks should be compensated by an increase in expected return depending upon the degree to which such risk is realized. Therefore, the functions performed and risks assumed by the tested party are analyzed against each comparable, third-party company.

With respect to the intercompany transaction, CIG-US operates as a wholesale distributor with minimal value-added functions. Therefore, companies that performed significantly different functions, such as R&D or manufacturing, were eliminated from the set.

Market Level Comparability

Market level comparability refers to the types of buyers and sellers that the goods and services are being provided to and received from. Some examples of transaction classifications by market level include manufacturer-to-wholesaler, wholesaler-to-wholesaler, wholesaler-to-retailer, or direct-to-a-third-party-consumer. Market prices vary greatly depending upon the ultimate recipient and location of the consumer. Buyers or sellers may operate at certain market levels that allow them to negotiate volume discounts or price reductions. Comparable, third-party companies must operate at the same market level within the same or similar economic environments as the tested party. Differences in market level can lead to material differences that make a company not comparable to the tested party.

With respect to the intercompany transaction, CIG-US distributes at the wholesale market level. Therefore, companies that distribute at the retail market level were rejected

Product Comparability

Product comparability refers to the types of goods and services that are being bought or sold, and the factors associated with product differences that affect a company's profitability. Companies that produce or sell durable products with longer economic life may differ in cost structures and profit potential than companies that produce or sell perishable or non-durable goods with significantly shorter economic life. Therefore, if material product differences are identified in comparable companies, the reliability of the analysis may be directly affected.

CIG-US distributes telecommunication products. As such, companies that distribute significantly different products, were eliminated from the set.

[7]Going concern issues were evaluated with respect to, for instance, bankruptcy filings (or notification of filings), third-party auditor's opinion presented in the annual report, and consecutive years of negative shareholder's equity.

TRANSACTION 1 - DISTRIBUTION OF TANGIBLE GOODS

Comparable Search (cont.)

Other Rejection Reasons

Other reasons for rejecting companies not encompassed by the function, market level, and product screens include differences in geographic presence, company status (i.e. if they are a subsidiary), or if they operate in an unrelated industry, etc.

Detailed Review

After completing the business description review, we completed a more detailed review of the potentially comparable companies' SEC Form 10-Ks and annual reports to determine whether the companies performed functions, assumed risks, and employed assets comparable to CIG-US. This comprehensive assessment increased the probability that the final set of comparable companies faced similar market and business risks, and that the sample would produce reliable economic results consistent with those generated by CIG-US.

Results of the CPM Analysis

The final review of the companies left ten wholesale distributors in North America that perform functions, employ assets, and assume risks comparable to those of CIG-US.

Use of Multiple-Year Data

Since circumstances unrelated to transfer pricing could create short-term variations in the financial performance of independent companies, Treas. Reg. § 1.482-1 states that it may be appropriate to establish a range derived from the average results of uncontrolled comparable companies over a multiple-year period. Accordingly, the following analysis examines three-year averages over the comparable companies' most recent years for which data was available (e.g., 2020 to 2022).

Range of Acceptable Results

To increase the reliability of the analysis, the arm's-length ranges presented in the following subsections represent the interquartile range of margins earned by the comparable, independent companies in accordance with Treas. Reg. § 1.482-1, which states that the reliability of an analysis can be increased "…by adjusting the range through an application of a valid statistical method to the results of all of the uncontrolled comparables…".[8] The median results for the comparable companies are also presented for completeness.

[8]The reliability of the analysis is increased when statistical methods are used to establish a range of results in which the limits of the range will be determined such that there is a 75 percent probability of a result falling above the lower end of the range and a 75 percent probability of a result falling below the upper end of the range. The range thus defined is termed the "interquartile range."

Treas. Reg. § 1.482-1(e)(2)(iii)(B).

TRANSACTION 1 - DISTRIBUTION OF TANGIBLE GOODS

Results

Results

The table below, presents the unadjusted OMs generated by comparable wholesale distributors in North America.

Comparable Companies	2020 OM	2021 OM	2022 OM	3-Year Weighted Average
Surge Components, Inc.	4.7%	7.9%	9.1%	7.6%
WESCO International, Inc.	4.1%	5.4%	7.1%	5.8%
EACO Corporation	4.7%	3.1%	8.3%	5.6%
Climb Global Solutions, Inc.	3.4%	4.3%	5.9%	4.6%
Arrow Electronics, Inc.	3.2%	4.6%	5.6%	4.6%
Insight Enterprises, Inc.	3.4%	3.5%	4.0%	3.7%
ScanSource, Inc.	2.2%	2.3%	3.5%	2.7%
Avnet, Inc.	1.3%	1.9%	4.0%	2.5%
TD SYNNEX Corporation	3.5%	2.3%	2.0%	2.4%
ADDvantage Technologies Group, Inc.	-18.5%	-15.0%	1.2%	-8.3%

Range of Results	2020 OM	2021 OM	2022 OM	3-Year Weighted Average
Upper Quartile	4.1%	4.6%	7.1%	5.6%
Median	3.4%	3.3%	4.8%	4.1%
Lower Quartile	2.2%	2.3%	3.5%	2.5%

Summary of Results

Based on the results presented above, the YE 2022 interquartile range of the OMs earned by the comparable NA distributors ranged from 3.5 percent at the lower quartile to 7.1 percent at the upper quartile, with a median of 4.8 percent. During the same period, on its distribution of telecommunication products, CIG-US earned an OM of 4.0 percent, which is within the YE 2022 interquartile range of results.[9] Therefore, during YE 2022, it can be concluded that CIG-US transacted with CIG-SH in a manner consistent with the arm's-length standard.

[9]The OM results of CIG-US are based on financial information provided by the Company, which excludes certain amortization expenses not related to the core activities of CIG-US as distributor of telecommunication products.

TRANSACTION 2 & 3 - PROVISION OF CONTRACT ENGINEERING SERVICES

Selection of Best Method

CIG-SH and CIG-Japan provides Engineering Services to CIG-US

This section presents the methods under Treas. Reg. § 1.482-9 to benchmark arm's-length transfer pricing policies for CIG-SH's and CIG-Japan's provision of engineering services to CIG-US.

Transfer Pricing Methods for Services Transactions

Treas. Reg. § 1.482-9 provides specified methods for the analysis of the provision of services. The regulations also contain the best method rule, which stipulates that the taxpayer should select the best method among the various specified methods that provides the most reliable measure of an arm's-length result in analyzing controlled transactions. In order to determine the best method, Treas. Reg. § 1.482 directs taxpayers to consider (i) the degree of comparability between the controlled transaction or taxpayer and any uncontrolled comparables and (ii) the quality of the data and assumptions used in the analysis. The specified methods for services transactions are:

- SCM, which evaluates the arm's-length nature of the service transaction by reference to the total cost of providing the service with no additional charge or markup;
- CUSP Method, which evaluates the arm's-length nature of a controlled services transaction by comparing the price charged in the controlled transaction to the amount charged in a comparable uncontrolled transaction;
- GSMM, which compares the gross profit margin (calculated as gross profit over sales) earned in the controlled transaction with the gross profit margin realized in a comparable uncontrolled transaction;
- CSPLM, which compares the gross services profit markup (calculated as gross profit over cost of sales) realized in a controlled transaction with that earned in comparable uncontrolled transactions;
- CPM, which evaluates the arm's-length nature of a controlled transaction based upon objective measures of profitability (known as profit level indicators) derived from uncontrolled taxpayers that engage in similar business activities under similar circumstances;
- PSM, which determines an arm's-length division of the combined operating profit or loss from one or more controlled service transactions based on the relative value of each controlled taxpayer's contribution to that combined operating profit or loss; and
- Unspecified Methods, which consists of any method, other than those listed above, used to evaluate the intercompany transaction that takes into account the general principle that uncontrolled taxpayers evaluate the terms of a transaction by considering the realistic alternatives to the transaction.

Determination of an Intercompany Service Charge

Treas. Reg. § 1.482-9(l)(3) applies two test criteria to cases whereby services are provided to a related party: (i) the benefit test, which requires that a transfer price must be charged whenever an entity is performing services that either actually provide a benefit to a related party, or were intended to do so, and if a compensation should be charged, and (ii) the Business Judgment rule, to determine whether the taxpayer may apply the SCM, and charge the costs related to the intercompany provision of services with no profit markup to the entity that received the service.[10]

Benefit Test

The taxpayer must first determine whether an intercompany charge for services is warranted. Under the benefit test, a transfer price must be charged whenever an entity is performing services that either actually provide a benefit to a related party, or were intended to do so. The test is based on the assumption that an independent company would not be willing to pay for services if it had not expected to benefit from the receipt of such services. An activity is considered to provide a benefit to the recipient if the activity "directly results in a reasonably identifiable increment of economic or commercial value that enhances the recipient's commercial position, or is reasonably anticipated to do so."[11]

[10]The SCM was instituted in Treas. Reg. § 1.482-9 to replace the "integral" test under Treas. Reg. § 1.482(b). The SCM allows for cost safe harbor for certain services meeting specific requirements (i.e., specified or low-margin covered services definitions).
[11]Treas. Reg. § 1.482-9(l)(3)(i).

TRANSACTION 2 & 3 - PROVISION OF CONTRACT ENGINEERING SERVICES

Selection of Best Method

Shareholder activities are activities in which the sole effect is either to protect the renderer's capital investment in one or more members of the controlled group, or to facilitate compliance by the renderer with reporting, legal, or regulatory requirements specifically applicable to the renderer, or both. Duplicative activities are those that merely duplicate other activities already performed by a related party. Activities that provide an indirect or remote benefit that the recipient would not be willing to pay for at the time they are performed, are not considered to provide benefits. A controlled taxpayer's association with/status as a member of a controlled group is also generally not considered to be a benefit. Activities that are duplicative, indirect or remote, or shareholder in nature, which one group member performs solely because of its ownership interest in one or more other group members (i.e., in its capacity as shareholder), or activities where a benefit results from the controlled taxpayer's status as a member of a controlled group (i.e., passive association) do not justify any charge to the recipient under Treas. Reg. § 1.482.[12]

Based on the information presented in the FAR analysis of this report, the engineering services provided by CIG-Japan and CIG-SH confer a direct benefit to and enhance the financial position of CIG-US. If CIG-Japan and CIG-SH do not provide these services to CIG-US, they would either perform these themselves or be willing to pay a third party to perform these services. The provision of engineering services is neither duplicative nor shareholder in nature, nor does it provide an indirect or remote benefit or are they the result of a passive allocation. Therefore, CIG-Japan and CIG-SH must charge at least the fully loaded costs of performing these services because these services are beneficial to CIG-US.

Service Cost Method and the Business Judgement Rule

The taxpayer may elect to charge the total services costs associated with the intercompany provision of services with no profit markup only if the services meet the requirements of the services cost method SCM. To apply the SCM, the taxpayer must perform a qualitative test using the "business judgment rule," and consider whether the services are specifically identified as eligible or ineligible for this method. Both considerations must be satisfied to apply the SCM. The application of the SCM is also optional; a taxpayer may always choose to include a profit markup with the intercompany charge. The business judgment rule states that the taxpayer must evaluate, in its own judgment, whether "the covered services…contribute significantly to key competitive advantages, core capabilities, or fundamental risk of success or failure in one or more trade or business of the renderer, the recipient, or both."[13] If the services do contribute to these factors, then the SCM cannot be applied.

As engineering is not a part of the low margin services covered under SCM, SCM was not applied to test the provision of engineering services by CIG-Japan and CIG-SH to CIG-US.

Cost Applicable to an Intercompany Service Charge

When the SCM, the CPM, or the PSM are applied, the costs associated with the service provided must be identified according to specific rules outlined in Treas. Reg. § 1.482-9. The transactional methods, however, may not require such an evaluation. For example, if services are provided at a set hourly rate to both third parties and to related parties, the CUSP might be applied. In such a case, there might be no need to identify the costs borne by the service provider. For the SCM and the profit-based methods, the costs identified with the service directly influence the intercompany charge.

The proper cost base for applying these methods is "the total services costs" borne by the service provider.[14] Treas. Reg. § 1.482-9 states that total services costs include all costs in cash or kind (including stock-based compensation) that, based on analysis of the facts and circumstances, are directly identified with or reasonably allocated. Costs for this purpose should comprise provision for all resources expended, used, or made available to achieve specific objectives for which the service is rendered. Total services costs do not include interest expense, foreign income taxes, or domestic income taxes." This means that both direct costs, such as the salaries and benefits of the personnel that provided the services, and indirect costs, such as rent and office overhead, should be included in the intercompany charge. Directly identifiable (or reasonably allocated) stock-based compensation must now also be included in this cost base.

[12]Treas. Reg. § 1.482-9(l)(3)(ii)-(v).
[13]Treas. Reg. § 1.482-9(b)(2).
[14]Treas. Reg. § 1.482-9(j).

TRANSACTION 2 & 3 - PROVISION OF CONTRACT ENGINEERING SERVICES

Selection of Best Method

Selection of the Best Method

We selected the CPM as the best method to evaluate the arm's length nature of the provision of engineering services from CIG-Japan and CIG-SH to CIG-US. Our selection was determined based on an evaluation of the functions performed, assets employed, and risks undertaken by CIG-Japan and CIG-US, in accordance with IRC § 482. The CPM relies on the general principle that similar transactions (or companies) will tend to realize similar returns over a reasonable period, and hence, it evaluates the level of profit the transaction (or company) should generate. Prices that leave a taxpayer with returns comparable to similarly situated transactions (or companies) may be viewed as consistent with the arm's-length standard.

Alternative Methods Considered but not Selected

CUSP Method

The CUSP method evaluates whether the amount charged in a controlled services transaction is arm's length by reference to the amount charged in a comparable uncontrolled services transaction between (i) the tested party and a third party, which is an internal uncontrolled transaction, or (ii) between two third parties, which is an external uncontrolled transaction. Treas. Reg. § 1.482-9 indicates that similarity of services provided generally will have the greatest effect on comparability under this method.

Neither CIG-Japan or CIG-SH provides, nor does CIG-US receive, comparable engineering services to and from third party service providers. Therefore, no internal uncontrolled transactions could be identified. Furthermore, we were unable to identify external uncontrolled transactions that meet the high comparability thresholds of the CUSP method. Therefore, the CUSP method was not selected as the best method.

GSMM

The GSMM , in accordance with Treas. Reg. § 1.482-9, compares the gross profit margin realized in a comparable uncontrolled transaction to the gross profit margin realized in one or more comparable uncontrolled services transactions. This method is usually most reliable when internal transactional comparisons can be made, although it is also possible to use third-party transactions to apply this method, such as contracts containing commission rates for services or the gross margins generated by comparable companies.[15]

As noted, we could not identify internal comparable uncontrolled transactions, since CIG-Japan and CIG-SH do not provide comparable engineering services to unrelated parties, nor does CIG-US receive comparable engineering services from unrelated parties. In addition, we could not identify external uncontrolled transactions that meet the high comparability thresholds of the GSMM. Therefore, the GSMM was not selected as the best method.

CSPLM

The CSPLM evaluates whether the amount charged in a controlled services transaction is arm's-length by reference to the gross services profit markup realized in comparable uncontrolled transactions between (i) the tested party and a third party, which is an internal uncontrolled transaction, or (ii) between two third parties, which is an external uncontrolled transaction.[16] The CSPLM is ordinarily used in cases where the controlled service renderer provides the same or similar services to both controlled and uncontrolled parties. Comparability under this method is particularly dependent on similarity of services or functions performed, risks borne, IP (if any) used in providing the services or functions, and contractual terms, or adjustments to account for the effects of any such differences.[17]

As previously stated, CIG-Japan and CIG-SH do not provide comparable engineering services to third parties. Therefore, we could not identify comparable internal uncontrolled transactions. In addition, we could not identify comparable external data necessary to analyze the gross margins of comparable service companies that provide comparable services under comparable terms and conditions as those provided by CIG-Japan and CIG-SH. Therefore, the CSPLM was not selected as the best method.

[15]Treas. Reg. § 1.482-9(d)(1).
[16]Treas. Reg. § 1.482-9(e)(1).
[17]Treas. Reg. § 1.482-9(3)(3)(ii)(A).

TRANSACTION 2 & 3 - PROVISION OF CONTRACT ENGINEERING SERVICES

Application of the CPM

PSM

The PSM is a profit-based method that attempts to split profits between two holders of different valuable intangible assets when they are both involved in the same transaction. The PSM assumes that premium profits (for example, returns above a competitive market return) or loss from a venture are attributable to the existence of intangible assets employed in a transaction, and that the taxpayer must determine how to split the premium profit (or loss) based on functions performed and risks assumed by the related parties.

With respect to the intercompany transaction, all the non-routine IP and the associated risks was owned and undertaken by CIG-US customers who paid CIG-US for the development of this IP. CIG-Japan, CIG-SH, and CIG-US did not own any non-routine IP or undertake any non-routine risks and therefore a residual profit split method could not be applied. In addition, no comparable profit split transactions could be identified to apply the comparable PSM. Therefore, PSM was not selected as the best method.

Unspecified Methods

As with any method, an unspecified method is not to be applied unless it provides the most reliable measure of an arm's-length result under the principles of the best method rule. No unspecified method was found to provide a more reliable result than the CPM. Therefore, we did not select any unspecified method as the best method.

Application of the CPM

As noted, the application of the CPM requires the selection of a tested party, an appropriate PLI, and comparable third party companies.

Selection of the Tested Party

Treas. Reg. § 1.482-9 stipulates that the party rendering services in a controlled transaction should be selected as the tested party.[18] Since CIG-Japan and CIG-SH function as the engineering service providers and perform functions that can be readily benchmarked against publicly available services providers, we selected CIG-Japan and CIG-SH as the tested party for the intercompany transaction with CIG-US.

Selection of the PLI

The skills and qualifications of the personnel performing the management services, rather than the assets employed, determine the efficiency with which these services are provided. Therefore, a rate of return analysis would not provide an accurate reflection of the profitability of CIG-Japan and CIG-SH. Alternatively, we selected the NCP markup, a margin ratio, as the PLI.[19] The NCP markup is commonly used to analyze intercompany services transactions since the total costs incurred is an uncontrolled variable with respect to intercompany services transactions. Therefore, the total costs of services would provide a more reliable benchmark of an arm's-length policy for the services provided by CIG-Japan and CIG-SH to CIG-US. Therefore, we selected the NCP as the PLI.

[18]Treas. Reg. § 1.482-9(f)(2)(i).
[19]The NCP markup is measured as the ratio of operating profit to total costs.

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Comparable Search

Identification of Comparable Companies

To identify companies that perform functions comparable to those of CIG-SH and CIG-Japan, BDO searched S&P's CapitalIQ database. The search for comparable service providers in North American region was conducted in June 2023.

For the engineering services provided by CIG-Japan and CIG-SH, we searched for public companies that were not acquired, liquidating, reorganizing, out-of-business, or operating subsidiaries and were classified under the primary SIC codes. We included two and three-digit SIC codes in our search strategy. The selection of two-digit SIC codes includes, by default, all three and four-digit SIC codes that fall under that Industry Group.

As such, in order to arrive at a search strategy that only included the SIC codes listed below, we applied the 'And Not' filter to manually exclude the four-digit SIC codes that were not selected.

Comparable Search Strategy	
Geographic Region	APAC
Years Under Analysis	2020-2022
Company Type	Public
Database Used	S&P CapIQ
Selection of PLI	NCP
SIC Codes	8700 - Engineering, Accounting, Research, Management, and Related Services 8710 - Engineering, Architectural, And Surveying 8711 - Engineering Services 8730 - Research, Development, And Testing Services 8731 - Commercial Physical and Biological Research 8732 - Commercial Economic, Sociological, and Educational Research 8733 - Noncommercial Research Organizations 8734 - Testing Laboratories
SIC Codes Excluded	8712 – Architectural Services 8713 – Surveying Services 8720 – Accounting, Auditing, 8740 – Management and Public Relations Services

TRANSACTION 2 & 3 - PROVISION OF CONTRACT ENGINEERING SERVICES

Comparable Search (cont.)

The initial search identified 323 potentially comparable engineering services providers in APAC. These companies underwent a quantitative and qualitative review process, which is described in greater detail in the following sections.

Screening of Potentially Comparable Companies

The companies identified in the searches for comparable service providers underwent the quantitative and qualitative screening processes described in the following sections.

1) Quantitative Review Process

Adequacy of Financial Data

The first step in the search process involved eliminating companies that did not have sufficient financial data by examining the companies' income statements to ensure that the companies in the sample had three years of financial data. This screening criterion is used to eliminate development-stage and inactive companies, provide sufficient historical data to even out one-year aberrations in financial results, and normalize the effects of product or business cycles. Companies that were determined to raise substantial doubt about their ability to continue as a "going concern" were also rejected from the set.

Development or ownership of Intangible Assets

After eliminating companies for inadequate or insufficient financial data, companies were reviewed to determine to what extent these companies owned significant, non-routine intangible assets. Companies that develop resources related to developing, acquiring, or owning such assets were rejected because intangible assets are inherently more risky than physical capital invested. We employed the following quantitative screens to evaluate the extent to which companies owns or develops intangible assets.

R&D Expense-to-Sales Ratio

For the R&D analysis, we rejected companies that have an R&D expense-to-sales ratio that is higher than three percent. Companies with high R&D expenses tend to have IP associated with these expenses. In this transaction, CIG-SH and CIG-Japan are performing contract engineering services for CIG-US that does not lead to the creation of IP for CIG-SH or CIG-Japan. Therefore, companies that generated R&D expense-to-sales ratio in excess of three percent were rejected.

Advertising Expense-to-Sales Ratio

In connection with its provision of engineering services to CIG-US, CIG –SH and CIG-Japan do not engage in any advertising or marketing campaigns that generated substantial sales. Therefore, we rejected companies that generated adverting-to-sales ratios in excess of three percent.

2) Qualitative Review Process

Business Description Review

To develop a reliable set of comparable companies, the business descriptions generated from S&P's CapitalIQ database were initially reviewed to assess comparability. Companies were initially rejected for differences in functionality, market level, and product offerings. The following subsections detail each initial rejection reason.

Functional Comparability

Companies that perform functions and assume risks that were deemed not comparable to the tested party were rejected. Since CIG-Japan and CIG-SH operate as providers of engineering services to CIG-US, companies that performed functionally different activities like distribution or manufacturing were eliminated from the analysis.

Market Level Comparability

Market level comparability refers to the types of buyers and sellers that the goods and services are being provided to and received from. Some examples of transaction classifications by market level include manufacturer-to-wholesaler, wholesaler-to-wholesaler, wholesaler-to-retailer, or direct-to-a-third party consumer. Market prices vary greatly depending upon the ultimate recipient and location of the consumer. Buyers (or sellers) may operate at certain market levels that allow them to negotiate volume discounts or price reductions. Comparable, third-party companies must operate at the same market level within the same or similar economic environments as the tested parties. Differences in market level can lead to material differences that render a company not comparable to the tested parties. Therefore, companies that performed services to customers rather than businesses would not be comparable and were thus rejected from the set.

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Results of the CPM Analysis

Product Comparability

Product comparability refers to the types of goods and services that are being bought or sold, and the factors associated with product differences that affect a company's profitability. Companies that produce or sell durable products with longer economic life may differ in cost structures and profit potential than companies that produce or sell perishable or non-durable goods with significantly shorter economic life. Therefore, if material product differences are identified in comparable companies, the reliability of the analysis may be directly affected.

As CIG-Japan and CIG-SH provide engineering services related to telecommunication products, companies that provide engineering services related to substantially different products were rejected from the set

Other Rejection Reasons

Other reasons for rejecting companies not encompassed by the function and market level comparability screens include differences in geographic presence, company status (i.e. if they are a subsidiary), and other miscellaneous reasons that may impact comparability. No potentially comparable companies were rejected for these other rejection reasons.

Detail Review

After completing the business description review, we completed a more detailed review of the potentially comparable companies' annual reports, websites, and other publicly available information to establish whether the comparable companies performed functions comparable and assumed risks comparable to the tested party. This comprehensive assessment increased the probability that the final set of comparable companies faced similar market and business risks, and that the sample would produce reliable economic results consistent with those generated by CIG-Japan and CIG-SH.

Results of the CPM Analysis

The final review left 13 comparable engineering services providers in APAC region that perform functions, assume risks, and employ assets comparable to those of CIG-Japan.

Use of Multiple Year Data

For the purpose of analyzing CIG-Japan's provision of engineering services to CIG-US, we chose to use three-year averages over the comparable companies' most recent years for which data were available (e.g. 2020 to 2022).

Range of Acceptable Results

To increase the reliability of the analysis, the NCP markups presented in the following subsections represent the interquartile range of markups earned by the comparable, independent companies. The median results for the companies are also presented for completeness.

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Results

The table below, presents the NCP markups generated by comparable engineering services providers in APAC region.

Comparable Companies	2020 NCP	2021 NCP	2022 NCP	3-Year Weighted Average
Vimta Labs Limited	17.0%	26.1%	25.6%	23.3%
ALS Limited	19.4%	24.1%	25.8%	23.2%
Global Testing Corporation Limited	2.6%	24.8%	34.9%	23.1%
HCT Co., Ltd	24.3%	21.2%	10.6%	18.3%
China Leon Inspection Holding Limited	15.9%	16.0%	15.1%	15.6%
Rich Honour International Designs Co., Ltd.	12.8%	9.1%	9.4%	10.2%
DN Holdings Co.,Ltd.	10.9%	10.9%	7.2%	9.3%
CIC39 Corporation	15.7%	5.2%	4.1%	8.4%
ABIST Co.,Ltd.	9.9%	5.1%	8.5%	7.8%
Progressive Impact Corporation Berhad	12.8%	7.4%	1.2%	7.1%
Dohwa Engineering Co., Ltd.	4.4%	3.6%	0.8%	3.0%
DT&C.Co.,Ltd	-0.2%	2.0%	4.3%	2.1%
Khoon Group Limited	11.2%	-1.6%	-6.3%	2.1%

Range of Results	2020 NCP	2021 NCP	2022 NCP	3-Year Weighted Average
Upper Quartile	15.9%	21.2%	15.1%	18.3%
Median	12.8%	9.1%	8.5%	9.3%
Lower Quartile	9.9%	5.1%	4.1%	7.1%

Range of Results

Based on the results presented, the YE 2022 interquartile range of the NCP markups earned by the comparable APAC engineering service providers ranged from 4.1 percent at the lower quartile to 15.1 percent at the upper quartile, with a median of 8.5 percent.

During YE 2022, CIG-SH did not charge a markup to CIG-US for the provision of engineering services. Therefore, during YE 2022, it can be concluded that CIG-SH transacted with CIG-US in a manner consistent with the arm's-length standard, at least from a U.S. perspective.

Further, during YE 2022, CIG-Japan earned an NCP markup of 7.1 percent on its provision of contract engineering services to CIG-US which falls within the YE 2022 interquartile range of results. Therefore, during YE 2022, it can be concluded that CIG-Japan transacted with CIG-US in a manner consistent with the arm's-length standard.

SECTION 9

APPENDICES



SECTION 9

APPENDICES

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS



APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Arm's Length Standard

The arm's length standard

IRC §482 gives the IRS authority to allocate income or deductions between related entities if it determines that such allocation is necessary to prevent evasion of taxes or clearly to reflect the income of such related entities. The §1.482 Regulations state that:

[T]he purpose of Section 482 is to ensure that taxpayers clearly reflect income attributable to controlled transactions, and to prevent the avoidance of taxes with respect to such transactions.1

The regulations go on to state that the standard against which any transaction between related parties will be judged, is that of the same or similar transaction carried out by a taxpayer dealing at arm's length with an uncontrolled taxpayer.

A controlled transaction meets the arm's length standard if the result of the transaction is consistent with the results that would have been realized if uncontrolled taxpayers had engaged in the same transaction under the same circumstances. 2

The key concept underlying the application of the arm's length standard is comparability between the controlled transaction and transactions that occur between independent unrelated parties. In this regard, taxpayers must compare the results of the related-party transaction in question to the results of comparable transactions between uncontrolled parties under comparable circumstances. Set forth below are the general guidelines developed by the IRS for use in applying the arm's length standard.

No: 1
Source: Treas. Reg. §1.482-1(a)(1)
No: 2
Source: Treas. Reg. §1.482-1(b)(1)

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Best Method

Selection of transfer pricing method

Treas. Reg. §1.482-1 requires that the best method be employed to determine arm's length pricing for intercompany transactions. The best method is defined as the method that produces the most reliable measure of an arm's length result for the controlled transaction in question, considering the facts and circumstances of the transaction.

There are two primary concepts that are to be considered in order to determine which method is "best." The first consideration is the degree of comparability between the controlled transaction and the uncontrolled transaction. According to Treas. Reg. §1.482-1(d)(1), the five factors that should be considered when determining the degree of comparability are:

- Functions performed,
- Contractual terms,
- Risk borne,
- Economic conditions experienced, and
- Nature of the property or services.

A functional analysis conducted for a transfer pricing study is important to determine the extent to which these five factors relate to the transactions (or entities) under review. It is an approach to find and organize facts about a business in terms of its functions, risks, and intangibles in order to identify how these characteristics are divided among the companies involved in the relevant transactions. The purpose of the functional analysis is to ascertain the value-added activities undertaken by a company in order to identify comparable transactions (or companies) that establish an arm's length range of prices. Thus, the functional analysis provides a factual foundation for establishing transfer pricing methods consistent with the arm's length standard set forth in Treas. Reg. §1.482-1.

The second concept in determining the best method is the quality of the data and assumptions used in the analysis. Again, there are several factors to consider in assessing the quality of the data and assumptions, including:

- Completeness and accuracy of data,
- Reliability of assumptions, and
- Sensitivity of the results to deficiencies in data and assumptions.

For each transaction under study, the method that combines the greatest degree of comparability and reliability will be considered the best pricing method. Any other method that can be used to provide an arm's length result of the transaction under study but is judged to be less reliable than the best method, may be used as a corroborative method to support the results arrived through the application of the best method. Before such an assessment can be made, however, it is necessary to understand the business activities conducted, resources employed, and risks borne in association with each intercompany transaction.

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Methods for Evaluating the Transfer of Tangible Property

The §1.482 Regulations include six methods for establishing arm's length pricing for tangible property: 1) comparable uncontrolled price, 2) resale price method, 3) cost plus method, 4) comparable profits method, 5) profit split methods, and 6) unspecified methods.

Comparable Uncontrolled Price Method

The comparable uncontrolled price method provides that the arm's length price for the transfer of tangible property is the actual price charged between unrelated parties for the sale of comparable tangible property. The §1.482 Regulations indicate that an analysis under the comparable uncontrolled price method will generally be more reliable (and, therefore, be the best method) than an analysis by other methods, assuming the analysis is based on appropriate comparable uncontrolled transactions.

The comparable uncontrolled price method evaluates whether a price charged between related parties is arm's length by reference to a price charged by the seller to an unrelated party for the same (or highly similar) product. Thus, the primary factor affecting whether the comparable uncontrolled price method may be used to analyze intercompany transfers of tangible property is the degree of comparability of transactions between related parties and those among unrelated parties.

Additional factors determining comparability are:

- Nature of the property or services.
- Quality of the product,
- Contractual terms (e.g., scope and terms of warranties provided, sales or purchase volume, credit terms, transport terms),
- Level of the market (i.e., wholesale or retail),
- Geographic market in which the transaction takes place,
- Date of the transaction,
- Intangible property associated with the sale, and
- Alternatives realistically available to the buyer and seller. [1]

Minor differences are acceptable if adjustments can be made for such differences, and these adjustments have a reasonable ascertainable effect on the product price.

Resale Price Method

The resale price method tests the arm's length nature of a transfer price in a controlled transaction by reference to the gross profit margin (i.e., gross profit divided by net sales) realized in a comparable uncontrolled transaction. This method is ordinarily appropriate in cases involving the purchase and resale of tangible property in which the buyer/reseller (i.e., distributor) does not add substantial value to the goods by physically altering them or using marketing intangibles. A distributor's gross profit provides both compensation for the performance of the distribution functions and a return on the capital invested and risks assumed by the distributor. Thus, under the resale price method, comparability is primarily dependent upon the similarity of the functions performed and the risks assumed by the controlled and uncontrolled distributors and is less dependent on the similarity of the tangible goods bought and resold relative to the comparable uncontrolled price method.

Cost Plus Method

The cost plus method determines the arm's length nature of a transfer price in a controlled transaction by reference to the mark-up on the cost of sales (i.e., gross profit divided by costs of goods sold) that the seller realized in a comparable uncontrolled transaction. The cost plus method measures the value of functions performed and is ordinarily appropriate in cases involving the manufacture or assembly of tangible goods that are sold to a related party. The gross profit mark-up provides both compensation for the performance of manufacturing and/or assembly functions and a return on capital invested and risks assumed by the manufacturer. Thus, under the cost plus method, comparability is primarily dependent upon the similarity of the functions performed and the risks assumed by the controlled and uncontrolled manufacturers and is less dependent on the similarity of the tangible goods produced relative to the comparable uncontrolled price method.

No: 1
Source: Treas. Reg. §1.482-3(b)(ii)(B)

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Methods for Evaluating the Transfer of Tangible Property

Comparable Profits Method

The comparable profits method relies on the general principle that similarly situated taxpayers will tend to earn similar returns over a reasonable period of time. According to the Treas. Reg. §1.482-5(a), "[T]he comparable profits method evaluates whether the amount charged in a controlled transaction is arm's length based on objective measures of profitability (i.e., profit level indicators) derived from uncontrolled taxpayers that engaged in similar business activities under similar circumstances."

Because differences in functions performed are often reflected in relative values of operating expenses, companies that perform different functions may have similar operating margins although their prices or gross margins differ substantially. In addition, similarity of products is not as important to a reliable comparable profits method result as it is to the results under the other transactional methods, such as a comparable uncontrolled price, resale price method, or cost plus method. While differences in product markets may generate significant differences in prices or gross margins, they are less likely to generate differences in operating margins. [1]

The comparable profits method is also a more generally applicable method for evaluating transfer prices than other specified methods, since the standards of functional comparability between the controlled company and the uncontrolled companies that provide the profit benchmarks are relaxed, and only similarity in product market is required. Under the comparable profits method, the arm's length result is determined by the amount of operating profit the related party would have earned on the controlled transaction if its profit level indicator was equal to that of an uncontrolled, comparable company.

Profit level indicators measure the relationship between profits and sales, costs incurred, or resources employed. A variety of indicators may be used in a given analysis. The choice between the measures depends on: 1) the activities of the entity under evaluation, 2) the reliability of the data for comparable uncontrolled companies, and 3) the extent to which the indicator will produce a reliable measure of an arm's length result. These indicators include the rate of return on capital employed and various "financial ratios."

The rate of return on capital employed is defined as the ratio of operating profit to operating assets (i.e. return on assets). The greater the role of operating assets in generating operating profits for both the tested party and the comparable, uncontrolled companies, the more reliable is this measure of profitability. In addition, the reliability of this measure depends on the similarity across the tested party and comparable companies' operating asset composition.

Financial ratios measure the relationship between profits and revenues or costs. Financial ratios are more sensitive to functional differences than the return on assets; therefore, closer functional comparability is normally required when applying a financial ratio. Financial ratios that may be employed in a comparable profits method analysis include, among others, the ratio of operating profit to net sales (defined as an operating margin), the ratio of gross profits to operating expenses (referred to as a Berry ratio), and the ratio of operating profit to costs (referred to as a mark-up on total costs ratio).

No: 1
Source: Treas. Reg. §1.482-5(c)

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Methods for Evaluating the Transfer of Tangible Property

Profit Split Method

The profit split method allocates combined profit or loss from a business activity in a manner that reflects the relative value of each taxpayer's contribution to the combined profit or loss. Compared to the other prescribed methods, the profit split method is more easily subject to manipulation, as it relies heavily on data internal to a company and is highly subjective.

According to the preamble to the final §1.482 Regulations, "[T]he basic approach of a profit split method is to estimate an arm's length return by comparing the relative economic contributions that the parties make to the success of a venture and dividing any 'excess' returns from that venture between them on the basis of the relative value of such contributions."

Treas. Reg. §1.482-6 provides two profit split methods: 1) the comparable profit split method, and 2) the residual profit split method. The preamble to the regulations states that:

[T]he comparable profit split rule ... essentially may be applied only if it is possible to locate two unrelated parties that are each comparable to one of the controlled taxpayers and that deal with one another in a comparable manner. In such a case the combined operating profit from the relevant business activity is divided among the controlled taxpayers in the same percentage as it was divided among the unrelated parties.

[T]he residual allocation rule ... consists of two basic steps. First, using other methods ... market returns for routine functions are estimated and allocated to the parties that performed them. The remaining, residual amount then is allocated between the parties on the assumption that this residual is attributable to intangible property contributed to the activity by the controlled taxpayers. Based on this assumption, the residual is divided based on the estimate of the relative value of the parties' contributions of such property.

Unspecified Methods

When none of the other methods can reasonably be applied, any other reasonable method may be used to the extent the method provides a reliable reflection of an arm's length result.

No: 1
Source: Treas. Reg. §1.482-3(b)(ii)(B)

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Methods for Evaluating Intercompany Services

On July 31, 2009, the Department of the Treasury finalized the temporary regulations issued on August 4, 2006, which provide guidance regarding the treatment of controlled services transactions under §1.482 Regulations.

Benefit Test

The taxpayer should begin its evaluation of the pricing related to intercompany services by performing the benefit test. [1] Under the benefit test a transfer price must be charged whenever an entity is performing services that provide a benefit to a related party or are intended to do so. The test is based on the assumption that an independent company would not be willing to pay for services if it had not expected to benefit from them. An activity provides a benefit to the recipient if it "directly results in a reasonably identifiable increment of economic or commercial value that enhances the recipient's commercial position, or is reasonably anticipated to do so." [2]

Activities that are duplicative or ancillary do not warrant an intercompany charge. In addition, services that are of a stewardship nature, which one group member performs solely because of its ownership interest in one or more other group members (i.e., in its capacity as shareholder), would not justify any charge. [3] Also, if the benefit is obtained through passive association with other controlled taxpayer, an intercompany charge is not permitted.

Costs Applicable to an Intercompany Service Charge

Any test of intercompany services using a transactional method – that is, a test that compares the price, margin, or mark-up associated with a third-party transaction with that of a related-party transaction – implicitly includes a recovery of the costs associated with providing the service, plus a profit component. The profit-based methods, or the services cost method, require that the costs of services be more specifically defined.

Using a profit-based method, an intercompany service that passes the benefit test requires a corresponding intercompany charge of at least the total services costs borne by the service provider. [4] The §1.482 Regulations state that total services costs "include all costs in cash or kind (including stock-based compensation), that, based on analysis of the facts and circumstances, are directly identified with or reasonably allocated…to the services." This means that both direct costs, such as the salaries of the personnel that provided the services, and indirect costs, such as rent and office overhead, should be included in the intercompany charge. Directly identifiable (or reasonably allocated) stock-based compensation must now also be included in this cost base, which is a departure from the previous services regulations.

No: 1
Source: Treas. Reg. §1.482-9(l)(3)
No: 2
Source: Treas. Reg. §1.482-9(l)(3)(i)
No: 3
Source: Treas. Reg. §1.482-9(l)(3)(iii) and §1.482-9(l)(3)(iv)
No: 4
Source: Treas. Reg. §1.482-9(j)

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Methods for Evaluating Intercompany Services

Service Cost Method and the Business Judgment Rule

The previous service regulations required the integral test to determine whether the transfer pricing for an intercompany service required the inclusion of a profit component in the amount charged for services. Under the §1.482 Regulations, if the taxpayer would like to simply charge the costs related to the intercompany provision of services with no profit mark-up, which is referred to as the services cost method, a similar evaluation is required. When the intercompany charge for services equals the total services costs, with no profit mark-up, the taxpayer is said to be using the services costs method. To use this method the taxpayer must perform a qualitative test using the business judgment rule and consider certain qualifying and disqualifying factors.

It should be noted that the services cost method is elective – the taxpayer may decide to include a profit component on any intercompany service charge that is warranted under the benefits test.

Business Judgement Rule

To determine whether an intercompany service qualifies for the services cost method, a taxpayer must first evaluate the service using the business judgment rule. The business judgment rule states that the taxpayer must evaluate, in its own judgment, whether "the covered services…contribute significantly to key competitive advantages, core capabilities, or fundamental risk of success or failure in one or more trade or business of the renderer, the recipient, or both." [1] If the services do not contribute significantly to these factors, the costs associated with the intercompany services may be eligible to be charged out with no profit component using the services cost method. Otherwise an arm's length profit component must be included in the charge.

Covered Services Assessment

Following the business judgment rule assessment, certain additional factors must be considered before the services cost method can be used as the best method. First, the §1.482 Regulations contain a list of specific services that are ineligible for the services cost method. Under no circumstances do services that are substantially similar in nature to the description of an ineligible service qualify for the services cost method.

If the services under evaluation pass the business judgment assessment and do not match the description of any of the ineligible services, they qualify for the services cost method if they meet either one of the following two requirements:

- The services match the description of any of the specified covered services under the services cost method; [2] or
- The services qualify as low-margin covered services – that is, an analysis of the services using the comparable profits method results in an arm's length range of net cost plus mark-ups with a median of 7 percent or less. [3]

Unless the services cost method is selected under the various steps described above, analysts are required to consider the other methods described in the regulations and select a method under the "best method rule" described earlier in the regulations and applicable to the situations where multiple methods may be available. [4]

No: 1
Source: Treas. Reg. §1.482-9(b)(2)
No: 2
Source: Treas. Reg. §1.482-9(b)(2)
No: 3
The net cost plus ratio is defined as operating profit divided by total operating costs.
No: 4
Source: Treas. Reg. §1.482-1(c)

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Specific Methods for Evaluating Intercompany Services

Comparable Uncontrolled Services Price Method

The comparable uncontrolled service price evaluates whether the amount charged in a controlled services transaction is arm's length by reference to the amount charged in a comparable uncontrolled services transaction. The comparable uncontrolled service price is ordinarily used where the controlled services are either identical to or have a high degree of similarity to the services in the uncontrolled transaction.

Gross Services Margin Method

The gross services margin method compares the gross profit margin earned in the controlled services transaction with the gross profit margin realized in comparable uncontrolled services transactions. This method ordinarily is used in cases where a controlled taxpayer performs services or functions in connection with an uncontrolled transaction between a member of the controlled group and an uncontrolled taxpayer.

Cost of Services Plus Method

The cost of service plus method evaluates whether the amount charged in a controlled service transaction is arm's length by reference to the gross services profit mark-up realized in a controlled transaction with that earned in comparable uncontrolled transactions. This method is ordinarily not used in cases where the controlled services transaction involves a contingent- payment arrangement.

Comparable Profits Method

The comparable profits method evaluates the arm's length character of a controlled transaction based upon objective measures of profitability (profit level indicators) derived from uncontrolled taxpayers that engage in similar business activities under similar circumstances.

Profit Split Method

The profit split method determines an arm's length division of the combined operating profit/loss from one or more controlled transactions based on the relative value of each controlled taxpayer's contribution to that combined operating profit or loss. The relative value of each controlled taxpayer's contribution is determined in a manner that reflects the functions performed, risks assumed, and resources employed by such controlled taxpayer in the relevant business activity. The residual profit split method is ordinarily used in controlled services transactions involving a combination of non-routine contributions by multiple controlled taxpayers.

Unspecified Methods

Unspecified methods can be applied if such method is likely to produce more reliable measures of arm's length prices than the specified methods.

SECTION 9

APPENDICES

APPENDIX II - TRANSACTION 1 COMPARABLES ANALYSIS – NA DISTRIBUTION



Cambridge Industries USA Inc.
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Distribution Analysis - North America
Rejection Matrix

No.	Company Name	Primary SIC	Country	Insufficient Sales Data	R&D/ Sales is not between 0% and 3%	Ad Expense/ Sales is not between 0% and 3%	Business Description Review	Detailed Review	Function	Market Level	Product	Other	Accept	Reject
1	ABCO ENERGY, INC.	5065	United States	x										x
2	ADDVANTAGE TECHNOLOGIES GROUP, INC.	5065	United States				x	x					x	
3	ALLIANCE ENTERTAINMENT HOLDING CORPORATION	5099	United States	x										x
4	ARROW ELECTRONICS, INC.	5065	United States				x	x					x	
5	AVNET, INC.	5065	United States				x	x					x	
6	BRAILLE ENERGY SYSTEMS INC.	5063	Canada	x										x
7	BRAVATEK SOLUTIONS, INC.	5045	United States	x										x
8	BSQUARE CORPORATION	5045	United States				x		x					x
9	CDW CORPORATION	5045	United States				x		x					x
10	CLIMB GLOBAL SOLUTIONS, INC.	5045	United States				x	x					x	
11	EACO CORPORATION	5065	United States				x	x					x	
12	EDGETECH INTERNATIONAL, INC.	5065	United States	x										x
13	ENTERRA CORPORATION	5065	United States	x										x
14	EPLUS INC.	5045	United States				x		x					x
15	EV TECHNOLOGY GROUP LTD.	5040	Canada	x										x
16	FAH MAI HLDGS GROUP INC.	5040	United States	x										x
17	FIRST AMERICA RESOURCES CORPORATION	5063	United States	x										x
18	FORCEFIELD ENERGY INC.	5063	United States	x										x
19	GLOBAL RESOURCE ENERGY, INC.	5063	United States	x										x
20	GREENLANE HOLDINGS, INC.	5099	United States				x				x			x
21	HYPERCHARGE NETWORKS CORP.	5063	Canada	x										x
22	IMAGEXPRES CORP.	5065	United States	x										x
23	INSIGHT ENTERPRISES, INC.	5045	United States				x	x					x	
24	JACO ELECTRONICS INC.	5065	United States	x										x
25	JUMA TECHNOLOGY CORP.	5065	United States	x										x
26	NEWAX, INC.	5065	United States	x										x
27	NINE ALLIANCE SCIENCE & TECHNOLOGY GROUP	5099	United States	x										x
28	OPTEC INTERNATIONAL, INC.	5063	United States	x										x
29	PARADIGM SYSTEM SOLUTIONS INC.	5045	United States	x										x
30	PARAGON TECHNOLOGIES, INC.	5045	United States				x		x					x
31	PC CONNECTION, INC.	5045	United States				x		x					x
32	PHONEX HOLDINGS, INC.	5065	United States	x										x
33	PREMIUM BEVERAGE GROUP, INC.	5063	United States	x										x
34	QUARTA-RAD, INC.	5065	United States	x										x
35	RESIDEO TECHNOLOGIES, INC.	5065	United States				x		x					x
36	RICHARDSON ELECTRONICS, LTD.	5065	United States				x		x					x
37	SCANSOURCE, INC.	5045	United States				x	x					x	
38	SEKUR PRIVATE DATA LTD.	5045	Canada	x										x
39	SKY440, INC.	5045	United States	x										x
40	SOFTCHOICE CORPORATION	5045	Canada	x										x
41	SOLAR ENERGY INITIATIVES, INC.	5065	United States	x										x
42	SOYO GROUP, INC.	5045	United States	x										x
43	STINGER SYSTEMS, INC.	5099	United States	x										x
44	SURGE COMPONENTS, INC.	5065	United States				x	x					x	
45	SYSOREX, INC.	5045	United States	x										x
46	TAITRON COMPONENTS INCORPORATED	5065	United States				x		x					x
47	TD SYNNEX CORPORATION	5045	United States				x	x					x	
48	TESSCO TECHNOLOGIES INCORPORATED	5065	United States				x					x		x

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Distribution Analysis - North America
Rejection Matrix

No.	Company Name	Primary SIC	Country	Insufficient Sales Data	R&D/ Sales is not between 0% and 3%	Ad Expense/ Sales is not between 0% and 3%	Business Description Review	Detailed Review	Function	Market Level	Product	Other	Accept	Reject
49	TURBO GLOBAL PARTNERS, INC.	5045	United States	x										x
50	VIDEOPROPULSION INTERACTIVE TELEVISION, INC.	5064	United States	x										x
51	WEEDHIRE INTERNATIONAL, INC.	5045	United States	x										x
52	WESCO INTERNATIONAL, INC.	5063	United States				x	x					x	
53	WINDGEN ENERGY, INC.	5063	United States	x										x
54	WIRELESS XCESSORIES GROUP, INC.	5063	United States	x										x

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Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
1	ADDvantage Technologies Group, Inc.	5065	United States	ADDvantage Technologies Group, Inc., through its subsidiaries, operates as a communications infrastructure services and equipment provider in the United States and internationally. It operates through two segments, Wireless Infrastructure Services and Telecommunications. The Wireless Infrastructure Services segment provides turn-key wireless infrastructure services for U.S. wireless carriers, communication tower companies, national integrators, and original equipment manufacturers. Its services primarily include the installation and upgradation of technology on cell sites; and construction of new small cells for 5G. The Telecommunications segment provides central office equipment that include optical transport, switching, and data center equipment for communication networks; customer premise equipment, such as integrated access devices, channel banks, Internet protocol private branch exchange phones, and routers; and decommissioning services for surplus and obsolete telecom equipment. The company was formerly known as ADDvantage Media Group, Inc. and changed its name to ADDvantage Technologies Group, Inc. in December 1999. ADDvantage Technologies Group, Inc. was incorporated in 1989 and is headquartered in Carrollton, Texas.
2	Arrow Electronics, Inc.	5065	United States	Arrow Electronics, Inc. provides products, services, and solutions to industrial and commercial users of electronic components and enterprise computing solutions in the Americas, Europe, the Middle East, Africa, and the Asia Pacific. The company operates in two segments, Global Components and Global Enterprise Computing Solutions. The Global Components segment markets and distributes semiconductor products and related services; passive, electro-mechanical, and interconnect products, including capacitors, resistors, potentiometers, power supplies, relays, switches, and connectors; and computing and memory products, as well as other products and services. The Global Enterprise Computing Solutions segment offers computing solutions, such as datacenter, cloud, security, and analytics solutions. This segment provides access to various services, including engineering and integration support, warehousing and logistics, marketing resources, and authorized hardware and software training. The company serves original equipment manufacturers, value-added resellers, managed service providers, contract manufacturers, and other commercial customers. Arrow Electronics, Inc. was founded in 1935 and is based in Centennial, Colorado.

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Distribution Analysis - North America
Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
3	Avnet, Inc.	5065	United States	Avnet, Inc., a technology solutions company, markets, sells, and distributes electronic components. The company operates through two segments, Electronic Components and Farnell. The Electronic Components segment markets, sells, and distributes semiconductors; interconnect, passive, and electromechanical devices; and other integrated components from electronic component manufacturers. It also offers design chain support that provides engineers with technical design solutions; engineering and technical resources to support product design, bill of materials development, and technical education and training; and supply chain solutions that provide support and logistical services to original equipment manufacturers, electronic manufacturing service providers, and electronic component manufacturers. In addition, this segment provides integrated solutions, such as technical design, integration, and assembly of embedded products, and systems and solutions primarily for industrial applications, as well as for intelligent and innovative embedded display solutions comprising touch and passive displays. Further, it develops and manufactures standard board and industrial subsystems, and application-specific devices that enable it to produce systems tailored to specific customer requirements. This segment serves various markets, such as automotive, medical, defense, aerospace, telecommunications, industrial, and digital editing. The Farnell segment distributes kits, tools, and electronic and industrial automation components, as well as test and measurement products to engineers and entrepreneurs. It has operations in the Americas, Europe, the Middle East, Africa, and the Asia Pacific. Avnet, Inc. was founded in 1921 and is headquartered in Phoenix, Arizona.
4	Climb Global Solutions, Inc.	5045	United States	Climb Global Solutions Inc. operates as a value-added information technology (IT) distribution and solutions company in the United States, Canada, Europe, the United Kingdom, and internationally. It operates in two segments, Distribution and Solutions. The company distributes technical software and hardware to corporate and value-added resellers, consultants, and systems integrators under the name Climb Channel Solutions; and provides cloud solutions and resells software, hardware, and services under the name Grey Matter. It also resells computer software and hardware developed by others, as well as provides technical services to end user customers. In addition, the company offers a line of products from various software vendors; and tools for virtualization/cloud computing, security, networking, storage and infrastructure management, application lifecycle management, and other technically sophisticated domains, as well as computer hardware. It markets its products through its own web sites, local and on-line seminars, events, webinars, and social media, as well as direct email and printed materials. The company was formerly known as Wayside Technology Group, Inc. and changed its name to Climb Global Solutions Inc. in October 2022. Climb Global Solutions Inc. was incorporated in 1982 and is headquartered in Eatontown, New Jersey.

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Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
5	EACO Corporation	5065	United States	EACO Corporation, through its subsidiary, Bisco Industries, Inc., distributes and sells electronic components and fasteners in the United States, Asia, Canada, and internationally. It offers electronic components, including spacers and standoffs, card guides and ejectors, component holders and fuses, circuit board connectors, and cable components, as well as various fasteners and hardware products. The company also provides customized services and solutions for various production needs, such as special packaging, bin stocking, kitting and assembly, bar coding, electronic requisitioning, integrated supply programs, and others. It supplies parts used in the manufacture of products to a range of industries, including aerospace, circuit board, communication, computer, fabrication, instrumentation, industrial equipment, and marine. The company sells its products primarily to the original equipment manufacturers through its sales representatives and distribution centers. EACO Corporation was founded in 1973 and is headquartered in Anaheim, California.
6	Insight Enterprises, Inc.	5045	United States	Insight Enterprises, Inc., together with its subsidiaries, provides information technology (IT) hardware, software services and solutions in the United States and internationally. The company's solution portfolio includes cloud enablement, data and AI, digital strategy, intelligent applications and edge, and IoT solutions, as well as digital transformation services. It also offers cloud and data center platforms; modern workplace; and supply chain optimization solutions. In addition, the company provides software maintenance solutions that offers clients to obtain software upgrades, bug fixes, help desk, and other support services; vendor direct support services; and offers Software-as-a-Service subscription products. Further, it designs, procures, deploys, implements, and manages solutions that combine hardware, software, and services to help businesses. Additionally, the company sources, procures, stages, configures, integrates, tests, refurbishes, and redeploys IT products spanning endpoints to infrastructure; and offers software life cycle and hardware warranty services. It serves construction technology, enterprise business, financial services, health care and life sciences, manufacturing technology, retail, restaurant, service providers, small to medium business, and travel and tourism industries. Insight Enterprises, Inc., was founded in 1988 and is headquartered in Chandler, Arizona.

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Distribution Analysis - North America
Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
7	ScanSource, Inc.	5045	United States	ScanSource, Inc. distributes technology products and solutions in the United States, Canada, and internationally. It operates through two segments, Specialty Technology Solutions and Modern Communications & Cloud. The Specialty Technology Solutions segment provides a portfolio of solutions primarily for enterprise mobile computing, data capture, barcode printing, point of sale (POS), payments, networking, electronic physical security, cyber security, and other technologies. This segment offers data capture and POS solutions to automate the collection, processing, and communication of information for commercial and industrial applications, including retail sales, distribution, shipping, inventory control, materials handling, warehouse management, and health care applications. It also provides electronic physical security products, such as identification, access control, video surveillance, intrusion-related, and wireless and networking infrastructure products. The Modern Communications & Cloud segment offers a portfolio of solutions primarily for communications technologies and services comprising voice, video conferencing, wireless, data networking, cable, unified communications and collaboration, cloud, and technology services, as well as IP networks and other solutions for various vertical markets, such as education, healthcare, and government. The company serves manufacturing, warehouse and distribution, retail and e-commerce, hospitality, transportation and logistics, government, education and healthcare, and other industries. ScanSource, Inc. was incorporated in 1992 and is headquartered in Greenville, South Carolina.
8	Surge Components, Inc.	5065	United States	Surge Components, Inc., together with its subsidiaries, supplies electronic products and components. It offers capacitors, which are electrical energy storage devices; and discrete semiconductor components, such as rectifiers, transistors, diodes, and circuit protection devices. The company also provides audible components, including audible transducers, buzzers, speakers, microphones, resonators, alarms, chimes, filters, and discriminators, as well as fuses, printed circuit boards, and switches. Its products are used in the electronic circuitry of various industries, including automotive, computer, communications, cellular telephones, consumer electronics, garage door openers, security equipment, audio equipment, telecom products, computer related products, power supply products, utility meters, and household appliances. The company sells its products to original equipment manufacturers and distributors through independent sales representatives or organizations in the United States, Canada, China, other Asian countries, South America, and Europe. Surge Components, Inc. was incorporated in 1981 and is headquartered in Deer Park, New York.

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Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
9	TD SYNNEX Corporation	5045	United States	TD SYNNEX Corporation operates as a distributor and solutions aggregator for the information technology (IT) ecosystem. The company offers personal computing devices and peripherals, mobile phones and accessories, printers, supplies, and endpoint technology software; and data center technologies, such as hybrid cloud, security, storage, networking, servers, technology software, and converged and hyper-converged infrastructure, as well as computing components. It also provides systems design and rack integration, build-to-order, and configure-to-order assembly; and thermal testing, power-draw testing, burn-in, and quality and logistics support. In addition, the company offers outsourced fulfilment, virtual distribution, and direct ship to end-users; shipping documents generation, multi-level serial number tracking, and configured products and online order and shipment tracking, as well as turn-key logistics solutions. Further, it provides public cloud solutions in productivity and collaboration, IaaS, or Infrastructure as a Service, PaaS, or Platform as a Service, SaaS, or Software as a Service, security, mobility, IoT, and other hybrid solutions. Additionally, the company offers online services; provides net terms, third party leasing, floor plan financing, and letters-of-credit backed financing and arrangement; and leases products and provides device-as-a-service, as well as offers direct mail, external media advertising, reseller product training, targeted telemarketing campaigns, national and regional trade shows, trade groups, database analysis, print on demand services, and web-based marketing. It serves value-added resellers, corporate resellers, government resellers, system integrators, direct marketers, retailers, and managed service providers. The company was formerly known as SYNNEX Corporation and changed its name to TD SYNNEX Corporation in September 2021. TD SYNNEX Corporation was incorporated in 1980 and is headquartered in Fremont, California.

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Distribution Analysis - North America
Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
10	WESCO International, Inc.	5063	United States	WESCO International, Inc. provides business-to-business distribution, logistics services, and supply chain solutions in the United States, Canada, and internationally. It operates through three segments: Electrical & Electronic Solutions (EES), Communications & Security Solutions (CSS), and Utility and Broadband Solutions (UBS). The EES segment supplies products and supply chain solutions, including electrical equipment and supplies, automation and connected devices, security, lighting, wire and cable, and safety, as well as maintenance, repair, and operating (MRO) products. This segment also offers contractor solutions, direct and indirect manufacturing supply chain optimization programs, lighting and renewables advisory services, and digital and automation solutions. The CSS segment operates in the network infrastructure and security markets. This segment sells products directly to end-users or through various channels, including data communications contractors, security, network, professional audio/visual, and systems integrators. It also provides safety and energy management solutions. The UBS segment offers products and services to investor-owned utilities; public power companies; and service and wireless providers, broadband operators, and contractors. This segment's products include wire and cables, transformers, transmission and distribution hardware, switches, protective devices, connectors, conduits, pole line hardware, racks, cabinets, safety and MRO products, and point-to-point wireless devices. This segment also offers various service solutions, including fiber project management, high and medium voltage project design and support, pre-wired meters and capacitor banks, meter testing and metering infrastructure installation, personal protective equipment dielectric testing, and tool repair, as well as emergency response, storage yard, materials, and logistics management. The company was founded in 1922 and is headquartered in Pittsburgh, Pennsylvania.

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Distribution Analysis - North America
Comparable Company Financial Data

ADDvantage Technologies Group, Inc.				(USD Millions)
	Sep-20	**Sep-21**	**Dec-22**	**3-Year Weighted Average**
Restated Sales-Net	50.2	62.2	97.0	69.8
LIFO Adjusted Restated Cost of Goods Sold	38.5	46.0	69.2	51.3
Restated Gross Profit	11.7	16.1	27.8	18.5
Restated SG&A Expense	19.4	24.2	25.4	23.0
Restated Depreciation & Amortization	1.6	1.2	1.2	1.3
Restated Operating Profit	-9.3	-9.3	1.1	-5.8
Operating Margin	**-18.5%**	**-15.0%**	**1.2%**	**-8.3%**

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Distribution Analysis - North America
Comparable Company Financial Data

Arrow Electronics, Inc.				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Restated Sales-Net	28,673.4	34,477.0	37,124.4	33,424.9
LIFO Adjusted Restated Cost of Goods Sold	25,482.2	30,274.7	32,287.8	29,348.2
Restated Gross Profit	3,191.1	4,202.4	4,836.6	4,076.7
Restated SG&A Expense	2,088.8	2,435.0	2,567.0	2,363.6
Restated Depreciation & Amortization	189.1	195.1	187.4	190.5
Restated Operating Profit	913.2	1,572.2	2,082.2	1,522.6
Operating Margin	**3.2%**	**4.6%**	**5.6%**	**4.6%**

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Comparable Company Financial Data

Avnet, Inc.				(USD Millions)
	Jun-20	**Jun-21**	**Jun-22**	**3-Year Weighted Average**
Restated Sales-Net	17,634.3	19,534.7	24,310.7	20,493.2
LIFO Adjusted Restated Cost of Goods Sold	15,388.6	17,162.1	21,243.0	17,931.3
Restated Gross Profit	2,245.7	2,372.5	3,067.7	2,562.0
Restated SG&A Expense	1,842.1	1,874.8	1,994.8	1,903.9
Restated Depreciation & Amortization	182.2	131.9	102.3	138.8
Restated Operating Profit	221.3	365.8	970.5	519.2
Operating Margin	**1.3%**	**1.9%**	**4.0%**	**2.5%**

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Comparable Company Financial Data

Climb Global Solutions, Inc.				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Restated Sales-Net	251.6	282.6	304.3	279.5
LIFO Adjusted Restated Cost of Goods Sold	218.5	236.9	250.3	235.2
Restated Gross Profit	33.0	45.7	54.1	44.3
Restated SG&A Expense	23.8	32.1	34.1	30.0
Restated Depreciation & Amortization	0.7	1.5	2.1	1.4
Restated Operating Profit	8.5	12.1	17.9	12.8
Operating Margin	**3.4%**	**4.3%**	**5.9%**	**4.6%**

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Comparable Company Financial Data

EACO Corporation				(USD Millions)
	Aug-20	**Aug-21**	**Aug-22**	**3-Year Weighted Average**
Restated Sales-Net	225.2	238.0	292.6	251.9
LIFO Adjusted Restated Cost of Goods Sold	162.6	175.7	207.6	182.0
Restated Gross Profit	62.6	62.3	85.0	70.0
Restated SG&A Expense	50.7	53.5	59.3	54.5
Restated Depreciation & Amortization	1.2	1.5	1.5	1.4
Restated Operating Profit	10.6	7.3	24.2	14.1
Operating Margin	**4.7%**	**3.1%**	**8.3%**	**5.6%**

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Comparable Company Financial Data

Insight Enterprises, Inc.				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Restated Sales-Net	8,340.6	9,436.1	10,431.2	9,402.6
LIFO Adjusted Restated Cost of Goods Sold	7,038.1	7,933.1	8,738.0	7,903.1
Restated Gross Profit	1,302.4	1,503.0	1,693.2	1,499.5
Restated SG&A Expense	950.7	1,117.1	1,216.7	1,094.8
Restated Depreciation & Amortization	65.6	55.4	56.6	59.2
Restated Operating Profit	286.2	330.4	419.9	345.5
Operating Margin	**3.4%**	**3.5%**	**4.0%**	**3.7%**

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Comparable Company Financial Data

ScanSource, Inc.				(USD Millions)
	Jun-20	**Jun-21**	**Jun-22**	**3-Year Weighted Average**
Restated Sales-Net	3,047.7	3,150.8	3,529.9	3,242.8
LIFO Adjusted Restated Cost of Goods Sold	2,689.8	2,798.6	3,102.4	2,863.6
Restated Gross Profit	357.9	352.2	427.5	379.2
Restated SG&A Expense	255.5	245.1	275.4	258.7
Restated Depreciation & Amortization	35.3	33.5	29.9	32.9
Restated Operating Profit	67.0	73.6	122.2	87.6
Operating Margin	**2.2%**	**2.3%**	**3.5%**	**2.7%**

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Distribution Analysis - North America
Comparable Company Financial Data

Surge Components, Inc.				(USD Millions)
	Nov-20	**Nov-21**	**Nov-22**	**3-Year Weighted Average**
Restated Sales-Net	31.7	39.8	51.9	41.2
LIFO Adjusted Restated Cost of Goods Sold	23.0	28.9	37.6	29.8
Restated Gross Profit	8.8	10.9	14.3	11.3
Restated SG&A Expense	7.2	7.7	9.5	8.1
Restated Depreciation & Amortization	0.0	0.1	0.1	0.1
Restated Operating Profit	1.5	3.2	4.7	3.1
Operating Margin	**4.7%**	**7.9%**	**9.1%**	**7.6%**

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Distribution Analysis - North America
Comparable Company Financial Data

TD SYNNEX Corporation				(USD Millions)
	Nov-20	**Nov-21**	**Nov-22**	**3-Year Weighted Average**
Restated Sales-Net	24,675.6	31,614.2	62,343.8	39,544.5
LIFO Adjusted Restated Cost of Goods Sold	21,672.6	29,680.4	58,343.8	36,565.6
Restated Gross Profit	3,003.0	1,933.8	4,000.0	2,978.9
Restated SG&A Expense	1,786.4	1,048.8	2,327.8	1,721.0
Restated Depreciation & Amortization	341.6	149.6	399.0	296.7
Restated Operating Profit	875.0	735.4	1,273.2	961.2
Operating Margin	**3.5%**	**2.3%**	**2.0%**	**2.4%**

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Distribution Analysis - North America
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WESCO International, Inc.				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Restated Sales-Net	12,326.0	18,217.5	21,420.1	17,321.2
LIFO Adjusted Restated Cost of Goods Sold	9,954.6	14,425.4	16,758.8	13,713.0
Restated Gross Profit	2,371.4	3,792.1	4,661.3	3,608.2
Restated SG&A Expense	1,746.6	2,642.1	2,976.8	2,455.2
Restated Depreciation & Amortization	121.6	166.5	169.2	152.5
Restated Operating Profit	503.2	983.5	1,515.3	1,000.6
Operating Margin	**4.1%**	**5.4%**	**7.1%**	**5.8%**

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Distribution Analysis - North America
Summary Financial Statistics

Unadjusted Operating Margin

	2020	2021	2022	3-Year Weighted Average
Comparable Companies				
Surge Components, Inc.	4.7%	7.9%	9.1%	7.6%
WESCO International, Inc.	4.1%	5.4%	7.1%	5.8%
EACO Corporation	4.7%	3.1%	8.3%	5.6%
Climb Global Solutions, Inc.	3.4%	4.3%	5.9%	4.6%
Arrow Electronics, Inc.	3.2%	4.6%	5.6%	4.6%
Insight Enterprises, Inc.	3.4%	3.5%	4.0%	3.7%
ScanSource, Inc.	2.2%	2.3%	3.5%	2.7%
Avnet, Inc.	1.3%	1.9%	4.0%	2.5%
TD SYNNEX Corporation	3.5%	2.3%	2.0%	2.4%
ADDvantage Technologies Group, Inc.	-18.5%	-15.0%	1.2%	-8.3%
Interquartile Range				
Upper Quartile	4.1%	4.6%	7.1%	5.6%
Median	3.4%	3.3%	4.8%	4.1%
Lower Quartile	2.2%	2.3%	3.5%	2.5%

SECTION 9

APPENDICES

TESTED PARTY DATA



Cambridge Industries USA Inc.
YE 2022 U.S. Transfer Pricing Documentation Report
Distribution Analysis - North America
Tested Party Data

Cambridge Industries USA Inc.	(USD Millions)
	Dec-22
Sales	296.7
Cost of Goods Sold	254.1
Gross Profit	42.6
Operating Expenses	30.7
Operating Profit	11.9
Operating Margin	**4.0%**

SECTION 9

APPENDICES

APPENDIX III - TRANSACTION 2 & 3 COMPARABLES ANALYSIS – APAC ENGINEERING SERVICES



Cambridge Industries USA Inc.
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Engineering Services Analysis - Asia-Pacific
Rejection Matrix

No.	Company Name	Primary SIC	Country	Insufficient Sales Data	R&D/ Sales is not between 0% and 3%	Ad Expense/ Sales is not between 0% and 3%	Business Description Review	Detailed Review	Function	Market Level	Product	Other	Accept	Reject
1	(PARAMETER LENGTH LIMIT EXCEEDED)	Length Limi	(Parameter Length Limit Exceeded)	x										x
2	A2Z INFRA ENGINEERING LIMITED	8711	India				x		x					x
3	ABIST CO.,LTD.	8700	Japan				x	x					x	
4	ACCESS ENGINEERING PLC	8711	Sri Lanka				x		x					x
5	ACROMETA GROUP LIMITED	8711	Singapore				x		x					x
6	ADM KOREA INC.	8731	South Korea		x									x
7	AIDMA HOLDINGS, INC.	8700	Japan				x				x			x
8	ALL NATION INTERNATIONAL GROUP LIMITED	8711	Hong Kong				x		x					x
9	ALS LIMITED	8734	Australia				x	x					x	
10	ANHUI PROVINCIAL ARCHITECTURAL DESIGN AND RESEARCH INSTITUTE CO.,LTD.	8700	China		x									x
11	ARCHITECTS STUDIO JAPAN INC.	8700	Japan				x		x					x
12	ART FORCE JAPAN CO.,LTD.	8700	Japan				x				x			x
13	ARTEFACT PROJECTS LIMITED	8711	India				x		x					x
14	ARTS GROUP CO., LTD	8700	China		x									x
15	ASIA AIR SURVEY CO., LTD.	8700	Japan				x		x					x
16	ASMARQ CO., LTD.	8700	Japan				x		x					x
17	AXISCADES TECHNOLOGIES LIMITED	8711	India				x		x					x
18	AYUJOY HERBALS LTD.	8731	India	x										x
19	AZMAYESH INDUSTRIAL FACTORIES CO.	8711	Iran	x										x
20	BEIJING HANYI INNOVATION TECHNOLOGY CO., LTD.	8700	China		x									x
21	BEIJING HOTGEN BIOTECH CO., LTD.	8731	China		x									x
22	BEIJING ORIENT LANDSCAPE & ENVIRONMENT CO., LTD.	8700	China				x		x					x
23	BEIJING SANLIAN HOPE SHIN-GOSEN TECHNICAL SERVICE CO., LTD.	8711	China		x									x
24	BEIJING SUN-NOVO PHARMACEUTICAL RESEARCH CO., LTD.	8731	China		x									x
25	BESTWAY MARINE & ENERGY TECHNOLOGY CO.,LTD	8711	China				x				x			x
26	BINASAT COMMUNICATIONS BERHAD	8711	Malaysia				x		x					x
27	BIOLASCO TAIWAN CO., LTD.	8731	Taiwan				x		x					x
28	BML, INC.	8731	Japan				x				x			x
29	BOJI MEDICAL TECHNOLOGY CO., LTD.	8731	China		x				x					x
30	BOUSTEAD SINGAPORE LIMITED	8711	Singapore				x		x					x
31	BPH ENERGY LIMITED	8731	Australia				x		x					x
32	BTL INC.	8734	Taiwan		x									x
33	C CHENG HOLDINGS LIMITED	8700	Hong Kong				x		x					x
34	C&D HOLSIN ENGINEERING CONSULTING CO., LTD	8711	China		x									x
35	C.E.MANAGEMENT INTEGRATED LABORATORY CO.LTD	8700	Japan				x		x					x
36	CARDNO LIMITED	8711	Australia				x		x					x
37	CATARC AUTOMOTIVE PROVING GROUND CO.,LTD.	8734	China		x									x
38	CELLIVERY THERAPEUTICS, INC.	8731	South Korea		x									x
39	CELLSOURCE CO., LTD.	8731	Japan				x		x					x
40	CENTRE TESTING INTERNATIONAL GROUP CO. LTD.	8734	China		x									x
41	CHANG JIA M&E ENGINEERING CORP.	8711	Taiwan		x									x
42	CHINA COME RIDE NEW ENERGY GROUP LIMITED	8700	Hong Kong				x		x					x
43	CHINA DESIGN GROUP CO., LTD.	8711	China		x									x
44	CHINA ECOTEK CORPORATION	8711	Taiwan				x		x					x
45	CHINA GREENLAND BROAD GREENSTATE GROUP COMPANY LIMITED	8700	China				x		x					x
46	CHINA HAISUM ENGINEERING CO., LTD.	8711	China		x									x
47	CHINA LEON INSPECTION HOLDING LIMITED	8700	China				x	x					x	
48	CHINA SOUTHERN POWER GRID ENERGY EFFICIENCY & CLEAN ENERGY CO., LTD.	8711	China				x		x					x
49	CHINA SOUTHERN POWER GRID TECHNOLOGY CO.,LTD	8700	China		x									x
50	CHINA TESTING & CERTIFICATION INTERNATIONAL GROUP CO.,LTD.	8734	China		x				x					x
51	CHINA ZHONGHUA GEOTECHNICAL ENGINEERING GROUP CO., LTD.	8711	China		x				x					x
52	CHIYODA CORPORATION	8711	Japan				x		x					x
53	CHOKSI LABORATORIES LIMITED	8731	India				x					x		x
54	CIC39 CORPORATION	8711	Vietnam				x	x					x	
55	CMIC HOLDINGS CO., LTD.	8731	Japan				x				x			x
56	CNC HOLDINGS LIMITED	8711	Hong Kong				x		x					x
57	COFCO TECHNOLOGY & INDUSTRY CO., LTD.	8711	China		x									x
58	CONART ENGINEERS LIMITED	8711	India				x		x					x
59	COTANA GROUP JOINT STOCK COMPANY	8711	Vietnam	x										x
60	CRONEX CO., LTD.	8731	South Korea	x										x
61	CROSS MARKETING GROUP INC.	8700	Japan				x		x					x
62	CTI ENGINEERING CO., LTD.	8700	Japan				x		x					x
63	CURABLE. INC.	8731	South Korea	x										x

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					0%	and	3%	0%	and	3%								
64	DARK HORSE TECHNOLOGY GROUP CO., LTD.	8700	China		x								x					x
65	DECAI DECORATION CO.,LTD	8700	China								x		x					x
66	DMR HYDROENGINEERING & INFRASTRUCTURES LIMITED	8711	India								x		x					x
67	DN HOLDINGS CO.,LTD.	8700	Japan								x	x					x	
68	DNA CHIP RESEARCH INC.	8731	Japan		x													x
69	DOHWA ENGINEERING CO., LTD.	8711	South Korea								x	x					x	
70	DONG-AH GEOLOGICAL ENGINEERING COMPANY LTD.	8711	South Korea								x		x					x
71	DOWNER EDI LIMITED	8711	Australia								x		x					x
72	DPECO CO.,LTD.	8711	South Korea	x														x
73	DR. CHIP BIOTECHNOLOGY INCORPORATION	8731	Taiwan		x													x
74	DRA CONSULTANTS LIMITED	8711	India								x		x					x
75	DRAFT INC.	8700	Japan								x		x					x
76	DT&C.CO.,LTD	8700	South Korea								x	x					x	
77	E J HOLDINGS INC.	8711	Japan								x		x					x
78	EAST CHINA ENGINEERING SCIENCE AND TECHNOLOGY CO., LTD.	8700	China		x													x
79	EE-HWA CONSTRUCTION CO., LTD.	8711	South Korea								x		x					x
80	EKOVEST BERHAD	8711	Malaysia								x		x					x
81	EML CONSULTANTS PLC	8711	Sri Lanka	x														x
82	EMTEK (SHENZHEN) CO., LTD.	8734	China		x													x
83	ENGINEERS INDIA LIMITED	8711	India								x		x					x
84	ENJIN CO., LTD.	8700	Japan	x														x
85	ENVIRONMENTAL CONTROL CENTER CO.,LTD.	8711	Japan								x		x					x
86	ENVIROSUITE LIMITED	8711	Australia		x								x					x
87	EPCO CO.,LTD.	8711	Japan								x		x					x
88	EVER GLORY UNITED HOLDINGS LIMITED	8711	Singapore	x														x
89	EZZ LIFE SCIENCE HOLDINGS LIMITED	8731	Australia					x										x
90	FALCO HOLDINGS CO., LTD.	8734	Japan								x				x			x
91	FECON CORPORATION	8711	Vietnam								x		x					x
92	FIGTREE HOLDINGS LIMITED	8711	Singapore								x		x					x
93	FUJIAN YONGFU POWER ENGINEERING CO.,LTD.	8700	China		x								x					x
94	GENSCRIPT BIOTECH CORPORATION	8731	China		x													x
95	GI ENGINEERING SOLUTIONS LIMITED	8711	India								x		x					x
96	GIKEN HOLDINGS CO., LTD.	8711	Japan								x		x					x
97	GLOBAL INFORMATION, INC.	8700	Japan								x				x			x
98	GLOBAL TESTING CORPORATION LIMITED	8734	Taiwan								x	x					x	
99	GR ENGINEERING SERVICES LIMITED	8711	Australia								x		x					x
100	GRAPHEX GROUP LIMITED	8700	Hong Kong		x													x
101	GREMZ,INC.	8711	Japan								x		x					x
102	GRG METROLOGY & TEST GROUP CO., LTD.	8734	China		x													x
103	GUANGDONG NO.2 HYDROPOWER ENGINEERING COMPANY, LTD.	8711	China								x		x					x
104	GUIZHOU TRANSPORTATION PLANNING SURVEY&DESIGN ACADEME CO.,LTD.	8700	China								x		x					x
105	H.U. GROUP HOLDINGS, INC.	8734	Japan								x		x					x
106	HACISCO JOINT STOCK COMPANY	8711	Vietnam	x														x
107	HANGZHOU BIO-SINCERITY PHARMA-TECH CO.,LTD.	8731	China		x													x
108	HANGZHOU TIGERMED CONSULTING CO., LTD	8731	China		x													x
109	HANMIGLOBAL CO., LTD.	8711	South Korea								x		x					x
110	HAOERSAI TECHNOLOGY GROUP CORP., LTD.	8700	China		x													x
111	HCT CO., LTD	8734	South Korea								x	x					x	
112	HEC INFRA PROJECTS LIMITED	8711	India								x		x					x
113	HEERIM ARCHITECTS & PLANNERS CO., LTD.	8700	South Korea								x		x					x
114	HENAN COMMUNICATIONS PLANNING & DESIGN INSTITUTE CO., LTD	8711	China		x													x
115	HITGEN INC.	8731	China		x													x
116	HL D&I HALLA CORPORATION	8711	South Korea								x		x					x
117	HLB BIOSTEP CO.,LTD.	8731	South Korea								x		x					x
118	HOCK LIAN SENG HOLDINGS LIMITED	8711	Singapore								x			x				x
119	HSS ENGINEERS BERHAD	8711	Malaysia								x		x					x
120	HUAKAI YIBAI TECHNOLOGY CO.,LTD.	8711	China					x										x
121	HUALAN GROUP CO., LTD.	8711	China		x													x
122	IDEA CONSULTANTS,INC.	8711	Japan								x		x					x
123	IHSUNG CNI CO., LTD	8711	South Korea	x														x
124	IID, INC.	8700	Japan								x		x					x
125	IMEC SERVICES LIMITED	8711	India								x				x			x
126	IMPACT HD INC.	8700	Japan								x		x					x

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127	INDEX INTERNATIONAL GROUP PUBLIC COMPANY LIMITED	8711	Thailand				x		x					x
128	INTAGE HOLDINGS INC.	8700	Japan				x		x					x
129	INTERNATIONAL CONSTRUCTION DEVELOPMENT COMPANY	8711	Iran	x										x
130	INVITES BIOCORE CO., LTD.	8734	South Korea	x										x
131	ISSUNBOU CO.,LTD.	8711	Japan				x		x					x
132	JAIPRAKASH ASSOCIATES LIMITED	8711	India				x		x					x
133	JAPAN FOUNDATION ENGINEERING CO., LTD.	8711	Japan				x		x					x
134	JEEVAN SCIENTIFIC TECHNOLOGY LIMITED	8731	India				x				x			x
135	JGC HOLDINGS CORPORATION	8711	Japan				x		x					x
136	JIANGSU LIBERT INC.	8711	China				x				x			x
137	JIANGSU ZHONGSHE GROUP CO., LTD.	8711	China		x									x
138	JIU HAN SYSTEM TECHNOLOGY CO., LTD.	8711	Taiwan				x		x					x
139	JOINN LABORATORIES(CHINA)CO.,LTD.	8731	China		x									x
140	JSP PHARMACEUTICAL MANUFACTURING (THAILAND) PUBLIC CO., LTD.	8731	Thailand			x								x
141	JSTI GROUP	8711	China		x									x
142	KAWASAKI GEOLOGICAL ENGINEERING CO., LTD.	8700	Japan	x										x
143	KEDGE CONSTRUCTION CO., LTD.	8711	Taiwan				x		x					x
144	KEJURUTERAAN ASASTERA BERHAD	8711	Malaysia				x		x					x
145	KELINGTON GROUP BERHAD	8711	Malaysia				x		x					x
146	KH CONSTRUCTION CO., LTD.	8711	South Korea				x		x					x
147	KHOON GROUP LIMITED	8711	Singapore				x	x					x	
148	KING POLYTECHNIC ENGINEERING CO., LTD.	8711	Taiwan				x					x		x
149	KING WAN CORPORATION LIMITED	8711	Singapore				x		x					x
150	KITAC CORPORATION	8711	Japan				x		x					x
151	KML TECHNOLOGY GROUP LIMITED	8711	Hong Kong				x		x					x
152	KOREA INFORMATION CERTIFICATE AUTHORITY, INC.	8700	South Korea		x									x
153	KRATOS ENERGY & INFRASTRUCTURE LIMITED	8710	India				x		x					x
154	KUKBO DESIGN CO., LTD.	8700	South Korea				x		x					x
155	KYODO PUBLIC RELATIONS CO., LTD.	8700	Japan				x		x					x
156	L&K ENGINEERING CO., LTD.	8711	Taiwan		x									x
157	LABGENOMICS CO., LTD.	8731	South Korea				x		x					x
158	LAP KEI ENGINEERING (HOLDINGS) LIMITED	8711	Hong Kong				x				x			x
159	LARSEN & TOUBRO LIMITED	8711	India				x		x					x
160	LAY-OUT PLANNING CONSULTANTS CO. LTD.	8700	China		x									x
161	LETS HOLDINGS GROUP CO., LTD.	8700	China		x									x
162	LFE CORPORATION BERHAD	8711	Malaysia				x		x					x
163	LINICAL CO., LTD.	8731	Japan				x				x			x
164	LINKERS CORPORATION	8700	Japan	x										x
165	LUCKLAND CO., LTD.	8700	Japan				x		x					x
166	LYCOPODIUM LIMITED	8711	Australia				x		x					x
167	MACAU E&M HOLDING LIMITED	8711	Macau				x				x			x
168	MACROGEN, INC.	8731	South Korea		x									x
169	MACTER INTERNATIONAL LIMITED	8731	Pakistan	x										x
170	MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED	8700	India	x										x
171	MALAYSIAN GENOMICS RESOURCE CENTRE BERHAD	8731	Malaysia				x		x					x
172	MATRIX DESIGN CO., LTD.	8700	China		x									x
173	MEDINET CO., LTD.	8731	Japan	x										x
174	MEDIZEN HUMANCARE INC.	8731	South Korea	x										x
175	MEIHO FACILITY WORKS LTD.	8711	Japan				x		x					x
176	MEIHO HOLDINGS,INC.	8700	Japan				x		x					x
177	MEIKO CONSTRUCTION CO.,LTD.	8711	Japan				x		x					x
178	META CORPORATION PUBLIC COMPANY LIMITED	8711	Thailand				x		x					x
179	MICROART INC.	8731	Hong Kong	x										x
180	MITSUBISHI KAKOKI KAISHA, LTD.	8711	Japan				x		x					x
181	MONADELPHOUS GROUP LIMITED	8711	Australia				x		x					x
182	MUN SIONG ENGINEERING LIMITED	8711	Singapore				x		x					x
183	NAMKWANG ENGINEERING & CONSTRUCTION CO., LTD.	8711	South Korea				x		x					x
184	NANJING RESEARCH INSTITUTE OF SURVEYING, MAPPING & GEOTECHNICAL INVESTIGATION, CO.LTD	8700	China		x									x
185	NEW ASIA CONSTRUCTION & DEVELOPMENT CORP.	8711	Taiwan				x		x					x
186	NIPPON KOEI CO., LTD.	8711	Japan				x		x					x
187	NJS CO., LTD.	8711	Japan		x									x
188	NOVOGENE CO., LTD.	8731	China		x									x
189	OBIO TECHNOLOGY (SHANGHAI) CORP., LTD.	8731	China		x									x

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					0%	and	3%	0%	and	3%								
190	OCEANAA BIOTEK INDUSTRIES LIMITED	8734	India	x														x
191	OHBA CO., LTD.	8711	Japan								x		x					x
192	OHMOTO GUMI CO., LTD.	8711	Japan	x														x
193	ONCOTHERAPY SCIENCE, INC.	8731	Japan			x												x
194	OREXPLORE TECHNOLOGIES LIMITED	8734	Australia			x												x
195	ORIENT BIO INC.	8734	South Korea	x														x
196	ORIENTAL CONSULTANTS HOLDINGS COMPANY LIMITED	8700	Japan								x		x					x
197	OYO CORPORATION	8700	Japan			x												x
198	PALM ECO-TOWN DEVELOPMENT CO., LTD	8700	China			x												x
199	PASUKHAS GROUP BERHAD	8711	Malaysia								x		x					x
200	PEOPLE, DREAMS & TECHNOLOGIES GROUP CO., LTD.	8700	Japan								x		x					x
201	PETROCHEMICAL INDUSTRIES INVESTMENT COMPANY	8711	Iran	x														x
202	PETROVIETNAM POWER ENGINEERING CONSULTING JOINT STOCK COMPANY	8711	Vietnam	x														x
203	PHARMABLOCK SCIENCES (NANJING), INC.	8731	China			x												x
204	PHARMARESOURCES (SHANGHAI) CO., LTD.	8731	China			x												x
205	PHARMARON BEIJING CO., LTD.	8731	China								x		x					x
206	PHOENIXBIO CO., LTD.	8731	Japan			x												x
207	PONY TESTING CO., LTD.	8731	China			x												x
208	POWER AND INSTRUMENTATION (GUJ) LIMITED	8711	India								x		x					x
209	PRAJ INDUSTRIES LIMITED	8711	India								x		x					x
210	PRAP JAPAN, INC.	8700	Japan								x		x					x
211	PRECISION SYSTEM SCIENCE CO., LTD.	8731	Japan			x												x
212	PRODUCTIVE TECHNOLOGIES COMPANY LIMITED	8711	Hong Kong								x				x			x
213	PROGRESSIVE IMPACT CORPORATION BERHAD	8711	Malaysia								x	x					x	
214	PROJECT PLANNING SERVICE PUBLIC COMPANY LIMITED	8711	Thailand								x		x					x
215	PROUD REAL ESTATE PUBLIC COMPANY LIMITED	8711	Thailand					x										x
216	PT MAHARAKSA BIRU ENERGI TBK	8711	Indonesia								x		x					x
217	PT PRATAMA WIDYA TBK	8711	Indonesia								x		x					x
218	QANTM INTELLECTUAL PROPERTY LIMITED	8711	Australia								x		x					x
219	R&G PHARMASTUDIES CO., LTD.	8731	China			x												x
220	REMSENSE TECHNOLOGIES LIMITED	8711	Australia								x		x					x
221	RICH HONOUR INTERNATIONAL DESIGNS CO., LTD.	8700	Taiwan								x	x					x	
222	RITES LIMITED	8711	India								x		x					x
223	ROADMAINT CO.,LTD.	8700	China			x												x
224	ROMA (META) GROUP LIMITED	8700	Hong Kong								x		x					x
225	ROYAL CENTURY RESOURCES HOLDINGS LIMITED	8711	Hong Kong								x		x					x
226	RUDRABHISHEK ENTERPRISES LIMITED	8700	India								x		x					x
227	S.S. INFRASTRUCTURE DEVELOPMENT CONSULTANTS LIMITED	8711	India								x		x					x
228	SAMSRITA LABS LIMITED	8731	India					x										x
229	SAMSUNG ENGINEERING CO., LTD.	8711	South Korea								x		x					x
230	SCAN PROJECTS LIMITED	8711	India	x														x
231	SEP ANALYTICAL (SHANGHAI) CO., LTD.	8734	China			x												x
232	SERBA DINAMIK HOLDINGS BERHAD	8711	Malaysia								x		x					x
233	SFP TECH HOLDINGS BERHAD	8711	Malaysia								x		x					x
234	SGC ETEC E&C CO., LTD.	8711	South Korea								x		x					x
235	SH GROUP (HOLDINGS) LIMITED	8711	Hong Kong								x		x					x
236	SHANDONG SUNWAY CHEMICAL GROUP CO., LTD.	8711	China			x												x
237	SHANGHAI CDXJ DIGITAL TECHNOLOGY CO., LTD.	8711	China			x												x
238	SHANGHAI HYP-ARCH ARCHITECTURAL DESIGN CONSULTANT CO.,LTD.	8700	China			x												x
239	SHANGHAI MEDICILON INC.	8731	China			x												x
240	SHANGHAI MODEL ORGANISMS CENTER, INC.	8731	China			x												x
241	SHANGHAI RESEARCH INSTITUTE OF BUILDING SCIENCES GROUP CO., LTD.	8711	China			x												x
242	SHANGHAI RUNDA MEDICAL TECHNOLOGY CO., LTD.	8731	China								x		x					x
243	SHANGHAI URBAN ARCHITECTURE DESIGN CO., LTD.	8700	China			x												x
244	SHANGHAI YANHUA SMARTECH GROUP CO., LTD.	8700	China			x												x
245	SHENZHEN BAUING CONSTRUCTION HOLDING GROUP CO., LTD.	8700	China			x												x
246	SHENZHEN CAPOL INTERNATIONAL & ASSOCIATESCO.,LTD	8700	China			x												x
247	SHENZHEN GRANDLAND GROUP CO., LTD.	8700	China			x												x
248	SHENZHEN HONGTAO GROUP CO.,LTD.	8700	China			x												x
249	SHENZHEN INSTITUTE OF BUILDING RESEARCH CO., LTD.	8700	China			x												x
250	SHENZHEN MAGIC DESIGN & DECORATION ENGINEERING CO., LTD.	8700	China								x		x					x
251	SHENZHEN NEW LAND TOOL PLANNING & ARCHITECTURAL DESIGN CO., LTD.	8700	China			x												x
252	SHENZHEN RIDGE ENGINEERING CONSULTING CO., LTD.	8711	China			x												x

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Rejection Matrix

No.	Company Name	Primary SIC	Country	Insufficient Sales Data	R&D/ Sales is not between			Ad Expense/ Sales is not between			Business Description Review	Detailed Review	Function	Market Level	Product	Other	Accept	Reject
					0%	and	3%	0%	and	3%								
253	SHENZHEN RUIHE CONSTRUCTION DECORATION CO., LTD.	8700	China		x													x
254	SHENZHEN TAGEN GROUP CO., LTD.	8711	China								x		x					x
255	SHENZHEN URBAN TRANSPORT PLANNING CENTER CO., LTD.	8700	China		x													x
256	SHENZHEN WATER PLANNING & DESIGN INSTITUTE CO., LTD.	8700	China		x													x
257	SHENZHEN ZHONGZHUANG CONSTRUCTION GROUP CO.,LTD	8711	China								x		x					x
258	SHIN NIPPON BIOMEDICAL LABORATORIES, LTD.	8731	Japan								x				x			x
259	SHINSEGAE ENGINEERING & CONSTRUCTION INC.	8711	South Korea								x		x					x
260	SHREESHAY ENGINEERS LIMITED	8711	India								x		x					x
261	SIGMAXYZ HOLDINGS INC.	8700	Japan								x		x					x
262	SILEX SYSTEMS LIMITED	8731	Australia		x													x
263	SINODAAN CO., LTD.	8711	China		x													x
264	SINOMA INTERNATIONAL ENGINEERING CO.,LTD	8711	China		x													x
265	SL THERAPEUTICS, INC.	8731	South Korea	x														x
266	SLS BIO CO., LTD	8731	South Korea	x														x
267	SMO CLINPLUS CO.,LTD.	8731	China		x													x
268	SOUTHERN CROSS ELECTRICAL ENGINEERING LIMITED	8711	Australia								x		x					x
269	SPORTON INTERNATIONAL INC.	8734	Taiwan								x		x					x
270	SUN-SEA CONSTRUCTION CORPORATION	8700	Taiwan								x		x					x
271	SUZHOU INSTITUTE OF BUILDING SCIENCE GROUP CO.,LTD	8711	China		x													x
272	SYNERTEC CORPORATION LIMITED	8711	Australia								x		x					x
273	TAIHEI DENGYO KAISHA, LTD.	8711	Japan								x		x					x
274	TANKE BIOSCIENCES CORPORATION	8731	China	x														x
275	TEAM CONSULTING ENGINEERING AND MANAGEMENT PUBLIC COMPANY LIMITED	8700	Thailand								x		x					x
276	TFBS BIOSCIENCE INC.	8731	Taiwan	x														x
277	THAI NONDESTRUCTIVE TESTING PUBLIC COMPANY LIMITED	8711	Thailand								x					x		x
278	THE BROOKER GROUP PUBLIC COMPANY LIMITED	8731	Thailand								x		x					x
279	THE IQ GROUP GLOBAL LTD.	8731	Australia		x													x
280	THREE SIXTY FIVE PUBLIC COMPANY LIMITED	8700	Thailand	x														x
281	TIANSHUI HUATIAN TECHNOLOGY CO., LTD.	8734	China		x													x
282	TIANYU ECO-ENVIRONMENT CO., LTD.	8711	China								x		x					x
283	TRITECH GROUP LIMITED	8711	Singapore								x		x					x
284	TRUST-SEARCH CORP.,LTD.	8734	Taiwan								x		x					x
285	TUKSU ENGINEERING & CONSTRUCTION,LTD.	8711	South Korea								x		x					x
286	TUS-DESIGN GROUP CO., LTD.	8700	China		x													x
287	UNERRY,INC.	8700	Japan	x														x
288	UNITED INTEGRATED SERVICES CO., LTD.	8711	Taiwan								x		x					x
289	UNIVASTU INDIA LIMITED	8711	India								x		x					x
290	URBAN ENVIRO WASTE MANAGEMENT LIMITED	8711	India								x		x					x
291	VA TECH WABAG LIMITED	8711	India								x		x					x
292	VANTA BIOSCIENCE LIMITED	8731	India								x		x					x
293	VASCON ENGINEERS LIMITED	8711	India								x		x					x
294	VDM GROUP LIMITED	8711	Australia								x		x					x
295	VENTIA SERVICES GROUP LIMITED	8711	Australia								x		x					x
296	VERBREC LIMITED	8711	Australia								x		x					x
297	VIMTA LABS LIMITED	8731	India								x	x					x	
298	VINACONTROL GROUP CORPORATION	8700	Vietnam								x		x					x
299	VIVA BIOTECH HOLDINGS	8731	China		x													x
300	VIVO BIO TECH LIMITED	8731	India								x				x			x
301	VLC HOLDINGS CO., LTD.	8700	Japan								x		x					x
302	WAC HOLDINGS LIMITED	8700	Hong Kong								x		x					x
303	WATTS INTERNATIONAL MARITIME COMPANY LIMITED	8711	China								x		x					x
304	WCT HOLDINGS BERHAD	8711	Malaysia								x		x					x
305	WDB COCO CO., LTD.	8731	Japan								x		x					x
306	WELGENE BIOTECH CO.,LTD.	8734	Taiwan		x													x
307	WOOJUNG BIO, INC.	8731	South Korea								x		x					x
308	WORLEY LIMITED	8711	Australia								x		x					x
309	WUXI APPTEC CO., LTD.	8731	China		x													x
310	WUXI BIOLOGICS (CAYMAN) INC.	8731	China		x													x
311	XI'AN XICE TESTING TECHNOLOGY CO., LTD.	8734	China		x													x
312	XUCHANG KETOP TESTING RESEARCH INSTITUTE CO.,LTD	8734	China		x													x
313	YAMADA SERVICER SYNTHETIC OFFICE CO.,LTD	8700	Japan								x		x					x
314	YANKEY ENGINEERING CO., LTD.	8711	Taiwan								x		x					x
315	YASHIMA DENKI CO., LTD.	8711	Japan								x		x					x

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Rejection Matrix

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					0%	and	3%	0%	and	3%								
316	ZECON BERHAD	8711	Malaysia								x		x					x
317	ZELAN BERHAD	8711	Malaysia								x		x					x
318	ZHENHAI PETROCHEMICAL ENGINEERING CO., LTD	8711	China			x												x
319	ZHONGJIN IRRADIATION INCORPORATED COMPANY	8734	China			x												x
320	ZHONGYAN TECHNOLOGY CO., LTD.	8711	China			x												x
321	ZHUBO DESIGN CO., LTD	8700	China			x												x
322	ZICO HOLDINGS INC.	8700	Singapore								x		x					x
323	ZONBONG LANDSCAPE ENVIRONMENTAL LIMITED	8711	China								x		x					x

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No.	Company Name	Primary SIC Code	Country	Business Description
1	ABIST Co.,Ltd.	8700	Japan	ABIST Co.,Ltd. engages in industrial design technology service business in Japan. It engages in contracting and dispatching engineers. The company provides mechanical design and development, system software development, electrical and electronic design and development, AI solutions, and 3D print modeling, as well as 3D-CAD data production, analysis, and conversion services. The company also offers 3D-CAD education; real estate leasing; and beauty and health product manufacturing and sales businesses. ABIST Co.,Ltd. was founded in 1998 and is headquartered in Tokyo, Japan.
2	ALS Limited	8734	Australia	ALS Limited provides professional technical services primarily in the areas of testing, measurement, and inspection in Africa, Asia/Pacific, Europe, the Middle East, and the Americas. The company operates through Commodities and Life Sciences segments. The Commodities segment offers assaying and analytical testing, and metallurgical services for the mining and mineral exploration companies. Its testing and consulting services cover the resource life cycle, including exploration, feasibility, optimization, production, design, development, trade, and rehabilitation. This segment also provides coal sampling, analysis and certification, formation evaluation, and related analytical testing services. The Life Sciences segment offers analytical testing and sampling, and remote monitoring services for the environmental, food, pharmaceutical, and consumer products markets; and microbiological, physical, and chemical testing services. This segment provides analytical testing data to assist consulting and engineering firms, industries, and governments. ALS Limited was founded in 1863 and is headquartered in Milton, Australia.
3	China Leon Inspection Holding Limited	8700	China	China Leon Inspection Holding Limited, an investment holding company, provides services on inspection, testing, and certification businesses for the energy and commodity segments in Greater China, Singapore, and internationally. The company offers coal inspection and data, mineral inspection, petrochemical product inspection, climate change and sustainable development, power and energy, and leak detection and repair services, as well as integrated services in the field of ecological environment. It also provides standard and quality control technical services; inspection, testing, appraisal, and inspection technology development services; scientific research, technique, and business services; and environmental testing. The company was founded in 2009 and is headquartered in Beijing, the People’s Republic of China.

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No.	Company Name	Primary SIC Code	Country	Business Description
4	CIC39 Corporation	8711	Vietnam	CIC39 Corporation engages in the construction business in Vietnam. It operates through Manufacture, Construction, Construction Material, and Others segments. The company is involved in growing trees, urban grass, flowers, and ornamental plants; drainage and waste water treatment; installing industrial machinery and equipment, low voltage power grids, station, alarms, and fire and lightning protection systems; wholesaling mining and construction machinery, equipment, spare parts, electrical machinery and equipment, generators, electric motors, wires, other equipment, computers, peripheral devices, and software; trading of iron and steel, and real estate; leasing land, offices, houses, workshops, and motor vehicles; producing beds, wardrobes, tables, and chairs; transporting goods by road; and constructing lighting systems. It also forges, stamps, presses, and laminates metal; refines metal powder; trades telecommunication and audio-visual equipment; exploits stone, sand, gravel, soil, and clay; wholesales engine fuels; designs civil and industrial construction, road traffic, architectural, interior and exterior, landscape, construction structure, electrical and electromechanical, water and heat supply and drainage, ventilation, and information and communication networks; and leases construction machines and equipment. In addition, the company provides traffic and ferry bridge; consultancy, brokerage, and land use right auction; construction works; construction site preparation; cargo loading and unloading; warehouse; construction consultancy; forest plantation; commercial brokerage; and physical, chemical testing, and other analysis services. Further, it constructs roads, residential houses, and other public work; exploits woods and other forest products. The company was formerly known as Construction Investment Corporation 3-2 and changed its name to CIC39 Corporation in September 2020. CIC39 Corporation was founded in 1993 and is headquartered in Thuận An, Vietnam.
5	DN Holdings Co.,Ltd.	8700	Japan	DN Holdings Co.,Ltd. engages in the construction consulting and geological survey businesses in Japan. The company is involved in the design of bridges and road structures; and research, design, and supervision of resilience, environmental impact reduction, and sustainable town development of compact plus network from the perspectives of road, town, and environment fields. It also engages in the development of organizations capable of responding to intense natural disasters against the background of the increased awareness of environments in society; land suitability investigation where the suitability of strata for underground storage of CO2; and provision of ground investigation and analysis technology. The company was founded in 1963 and is headquartered in Tokyo, Japan.
6	Dohwa Engineering Co., Ltd.	8711	South Korea	Dohwa Engineering Co., Ltd. operates as an engineering consulting company in South Korea, Iran, Vietnam, Indonesia, Peru, and Nepal. The company provides planning, feasibility studies, design, analysis, testing, supervision, commissioning, evaluation/assessment, consulting, and training services in various areas of engineering, such as water supply and wastewater treatment, water resources management, urban planning, road traffic, structures, harbour and ports, rail, energy, environmental engineering, etc. It is also involved in the design of constructions, procurement and supply of materials, construction works, commissioning, permits and licenses, etc. The company was formerly known as Dohwa Consulting Engineers Co., Inc. and changed its name to Dohwa Engineering Co., Ltd. in 2011. Dohwa Engineering Co., Ltd. was founded in 1957 and is headquartered in Seoul, South Korea.

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No.	Company Name	Primary SIC Code	Country	Business Description
7	DT&C.Co.,Ltd	8700	South Korea	DT&C.Co.Ltd provides testing and certification services. It offers services in the areas of electrical safety, energy efficiency, electronic electromagnetic compatibility (EMC) testing, automotive EMC, basic industry EMC, RF/SAR, and reliability test. DT&C.Co.Ltd was founded in 2000 and is headquartered in Yongin, South Korea.
8	Global Testing Corporation Limited	8734	Taiwan	Global Testing Corporation Limited, an investment holding company, provides semiconductor testing services in Taiwan, China, Japan, the United States, Singapore, Thailand, and internationally. The company offers testing services, such as wafer sorting and final testing for logic and mixed signal semiconductors used in consumer electronics and communication devices. It also provides test program development, conversion, and optimization services; and load board and probe card design services, as well as leases its testers to its customers for trial and pilot testing purposes on an ad hoc basis. Global Testing Corporation Limited was founded in 1998 and is headquartered in Hsinchu City, Taiwan.
9	HCT Co., Ltd	8734	South Korea	HCT Co., Ltd provides test and calibration services in South Korea and internationally. The company offers test services, including testing, inspection, and certification of the devices and equipment of various industries, such as mobile, environment, shipbuilding, energy, and machinery. It also provides calibration services for measuring equipment; and management services for clean room. The company was founded in 2000 and is headquartered in Icheon-si, South Korea.
10	Khoon Group Limited	8711	Singapore	Khoon Group Limited, an investment holding company, operates as a mechanical and electrical service provider that specializes in providing electrical engineering solutions in Singapore. Its electrical engineering services primarily comprise customization and/or installation of electrical systems; assisting to obtain statutory approvals; and testing and commissioning. The company offers its electrical engineering services to new building developments, redevelopment, repair, additions, and alterations works to existing buildings and structures, as well as upgrading projects for residential, commercial, and industrial buildings. The company was incorporated in 2018 and is headquartered in Singapore. Khoon Group Limited is a subsidiary of Lead Development Investment Limited.

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No.	Company Name	Primary SIC Code	Country	Business Description
11	Progressive Impact Corporation Berhad	8711	Malaysia	Progressive Impact Corporation Berhad, an investment holding company, provides environmental consulting, monitoring, monitoring equipment and systems integration, environmental data management and laboratory testing services, and wastewater treatment solutions in Malaysia, Indonesia, and Saudi Arabia. It operates through three segments: Environmental Monitoring, Consultancy and Services; Laboratory Testing Services; and Wastewater Treatment and Solutions. The company offers environmental monitoring services, such as air quality management, continuous particulate monitoring, continuous and predictive emission monitoring systems, stack monitoring, water resource management, and ocean data monitoring services, as well as environmental training services. It also provides environmental data management and GIS services, including advanced statistical analysis and modelling, data mining, dispersion models, trend analysis and forecasting services, and GIS-based modelling of environmental phenomena. In addition, the company offers analytical testing services comprising soil, sediment, and solid waste testing; water testing; air and water quality sampling and testing; stack emission sampling and analysis; food testing; and tribology and minerals services, as well as sewerage and solid waste management systems; and engages in the property investment activities. It provides its services to oil and gas, energy, petrochemicals, food manufacturing, industrial and manufacturing, property developers, and construction sectors, as well as governmental bodies. Progressive Impact Corporation Berhad was incorporated in 1991 and is headquartered in Shah Alam, Malaysia.
12	Rich Honour International Designs Co., Ltd.	8700	Taiwan	Rich Honour International Designs Co., Ltd. operates as an interior designing company in China, the United States, Europe, the Middle East, and Asia Pacific. It offers branding services; research and development services, such as strategy, technology, coordination, master planning, operation, and project management planning services; and design services, including feasibility studies, programming, space planning, decoration, color and material, project management, design supervision, and design bible. The company also provides technology services comprises of IRS, IT, accessories, M.E.P., shop drawings, technical integration, technical management, and cost estimation services; production services; construction services; and project management services, including interiors, PCM, and consultant services. It serves hotel and restaurant, commercial and retail, workplace, and civic and public industries. Rich Honour International Designs Co., Ltd. was founded in 1977 and is based in Taipei, Taiwan.
13	Vimta Labs Limited	8731	India	Vimta Labs Limited provides contract research and testing services in India and internationally. It offers product discovery/development, post approval/marketing, preclinical/early development/study, clinical research and development, drug life cycle management support, bioanalytical, analytical, central lab, genetically modified organisms testing, clinical diagnostics, environment testing, preclinical research and testing, food testing and analytical development, and EMI/EMC testing services, as well as IND/505 (b)(2) enabling/studies; IVPT, IVRT, and IVBE studies; and testing services for dioxins and furans, trace heavy metals, label claims, radioactive isotopes, vitamins and minerals, packaging, and shelf life. The company provides solutions to agriculture, electricals and electronics, medical devices, speciality chemicals, biologics and biosimilars, environment, health and safety, nutraceuticals, water and beverages, crop care, food, packaging, clinical diagnostics, home and personal care, and pharmaceuticals industries. Vimta Labs Limited was founded in 1984 and is headquartered in Hyderabad, India.

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ABIST Co.,Ltd.				(USD Millions)
	Sep-20	**Sep-21**	**Sep-22**	**3-Year Weighted Average**
Sales-Net	87.8	80.9	64.7	77.8
LIFO Adjusted Restated Cost of Goods Sold	65.5	63.4	49.1	59.3
Gross Profit	22.3	17.5	15.7	18.5
Total Operating Expenses	14.4	13.5	10.6	12.8
Operating Profit	7.9	3.9	5.1	5.6
Total Costs	80.0	76.9	59.6	72.2
Net Cost Plus Markup	**9.9%**	**5.1%**	**8.5%**	**7.8%**

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ALS Limited				(USD Millions)
	Mar-21	**Mar-22**	**Mar-23**	**3-Year Weighted Average**
Sales-Net	1,340.6	1,464.3	1,528.3	1,444.4
LIFO Adjusted Restated Cost of Goods Sold	946.8	998.9	1,023.5	989.8
Gross Profit	393.8	465.4	504.8	454.7
Total Operating Expenses	176.0	180.9	191.5	182.8
Operating Profit	217.8	284.5	313.3	271.9
Total Costs	1,122.8	1,179.8	1,215.0	1,172.5
Net Cost Plus Markup	**19.4%**	**24.1%**	**25.8%**	**23.2%**

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China Leon Inspection Holding Limited				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Sales-Net	83.8	105.0	121.1	103.3
LIFO Adjusted Restated Cost of Goods Sold	48.1	60.6	68.6	59.1
Gross Profit	35.7	44.4	52.5	44.2
Total Operating Expenses	24.2	30.0	36.7	30.3
Operating Profit	11.5	14.5	15.8	13.9
Total Costs	72.3	90.6	105.2	89.4
Net Cost Plus Markup	**15.9%**	**16.0%**	**15.1%**	**15.6%**

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CIC39 Corporation				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Sales-Net	27.5	22.6	24.2	24.8
LIFO Adjusted Restated Cost of Goods Sold	22.1	19.4	21.6	21.0
Gross Profit	5.4	3.2	2.6	3.7
Total Operating Expenses	1.7	2.0	1.7	1.8
Operating Profit	3.7	1.1	0.9	1.9
Total Costs	23.8	21.4	23.3	22.8
Net Cost Plus Markup	**15.7%**	**5.2%**	**4.1%**	**8.4%**

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DN Holdings Co.,Ltd.				(USD Millions)
	Jun-20	**Jun-21**	**Jun-22**	**3-Year Weighted Average**
Sales-Net	153.1	165.2	236.3	184.9
Cost of Goods Sold	99.8	109.9	165.5	125.1
LIFO Adjusted Restated Cost of Goods Sold	99.8	109.9	165.5	125.1
Gross Profit	53.3	55.3	70.9	59.8
Total Operating Expenses	38.3	39.0	54.9	44.1
Operating Profit	15.0	16.3	15.9	15.7
Total Costs	138.1	148.9	220.4	169.1
Net Cost Plus Markup	**10.9%**	**10.9%**	**7.2%**	**9.3%**

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Dohwa Engineering Co., Ltd.				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Sales-Net	528.3	484.7	442.0	485.0
LIFO Adjusted Restated Cost of Goods Sold	3.0	2.9	3.7	3.2
Gross Profit	525.3	481.8	438.3	481.8
Total Operating Expenses	503.2	465.0	434.8	467.7
Operating Profit	22.1	16.8	3.5	14.1
Total Costs	506.2	468.0	438.5	470.9
Net Cost Plus Markup	**4.4%**	**3.6%**	**0.8%**	**3.0%**

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DT&C.Co.,Ltd				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Sales-Net	77.6	82.1	87.9	82.5
LIFO Adjusted Restated Cost of Goods Sold	55.2	56.8	59.9	57.3
Gross Profit	22.4	25.3	28.0	25.2
Total Operating Expenses	22.5	23.7	24.4	23.5
Operating Profit	-0.1	1.6	3.6	1.7
Total Costs	77.7	80.5	84.3	80.8
Net Cost Plus Markup	**-0.2%**	**2.0%**	**4.3%**	**2.1%**

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Global Testing Corporation Limited				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Sales-Net	22.9	38.7	46.4	36.0
LIFO Adjusted Restated Cost of Goods Sold	19.1	26.7	30.1	25.3
Gross Profit	3.8	12.0	16.2	10.7
Total Operating Expenses	3.2	4.3	4.3	3.9
Operating Profit	0.6	7.7	12.0	6.8
Total Costs	22.3	31.0	34.4	29.2
Net Cost Plus Markup	**2.6%**	**24.8%**	**34.9%**	**23.1%**

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HCT Co., Ltd				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Sales-Net	49.0	53.1	53.4	51.8
LIFO Adjusted Restated Cost of Goods Sold	27.1	30.2	32.9	30.1
Gross Profit	21.9	22.9	20.5	21.8
Total Operating Expenses	12.3	13.6	15.3	13.8
Operating Profit	9.6	9.3	5.1	8.0
Total Costs	39.5	43.8	48.2	43.8
Net Cost Plus Markup	**24.3%**	**21.2%**	**10.6%**	**18.3%**

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Khoon Group Limited				(USD Millions)
	Jun-20	**Jun-21**	**Jun-22**	**3-Year Weighted Average**
Sales-Net	27.2	19.6	16.6	21.1
LIFO Adjusted Restated Cost of Goods Sold	22.3	17.9	15.5	18.6
Gross Profit	4.9	1.7	1.0	2.5
Total Operating Expenses	2.2	2.0	2.1	2.1
Operating Profit	2.7	-0.3	-1.1	0.4
Total Costs	24.4	19.9	17.7	20.7
Net Cost Plus Markup	**11.2%**	**-1.6%**	**-6.3%**	**2.1%**

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Progressive Impact Corporation Berhad				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Sales-Net	21.9	22.1	20.6	21.5
LIFO Adjusted Restated Cost of Goods Sold	14.8	15.8	15.5	15.3
Gross Profit	7.1	6.3	5.1	6.2
Total Operating Expenses	4.6	4.8	4.9	4.8
Operating Profit	2.5	1.5	0.2	1.4
Total Costs	19.4	20.6	20.4	20.1
Net Cost Plus Markup	**12.8%**	**7.4%**	**1.2%**	**7.1%**

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Rich Honour International Designs Co., Ltd.				(USD Millions)
	Dec-20	**Dec-21**	**Dec-22**	**3-Year Weighted Average**
Sales-Net	111.0	149.2	165.9	142.0
LIFO Adjusted Restated Cost of Goods Sold	81.6	117.3	132.2	110.4
Gross Profit	29.3	31.9	33.7	31.7
Total Operating Expenses	16.7	19.5	19.4	18.5
Operating Profit	12.6	12.5	14.3	13.1
Total Costs	98.3	136.8	151.6	128.9
Net Cost Plus Markup	**12.8%**	**9.1%**	**9.4%**	**10.2%**

Cambridge Industries USA Inc.
YE 2022 U.S. Transfer Pricing Documentation Report
Engineering Services Analysis - Asia-Pacific
Comparable Company Financial Data

Vimta Labs Limited				(USD Millions)
	Mar-21	**Mar-22**	**Mar-23**	**3-Year Weighted Average**
Sales-Net	28.8	36.7	38.8	34.8
LIFO Adjusted Restated Cost of Goods Sold	8.4	11.9	10.6	10.3
Gross Profit	20.5	24.8	28.2	24.5
Total Operating Expenses	16.3	17.2	20.3	18.0
Operating Profit	4.2	7.6	7.9	6.6
Total Costs	24.7	29.1	30.9	28.2
Net Cost Plus Markup	**17.0%**	**26.1%**	**25.6%**	**23.3%**

Cambridge Industries USA Inc.
YE 2022 U.S. Transfer Pricing Documentation Report
Engineering Services Analysis - Asia-Pacific
Summary Financial Statistics

Unadjusted Net Cost Plus Markup

	2020	2021	2022	3-Year Weighted Average
Comparable Companies				
Vimta Labs Limited	17.0%	26.1%	25.6%	23.3%
ALS Limited	19.4%	24.1%	25.8%	23.2%
Global Testing Corporation Limited	2.6%	24.8%	34.9%	23.1%
HCT Co., Ltd	24.3%	21.2%	10.6%	18.3%
China Leon Inspection Holding Limited	15.9%	16.0%	15.1%	15.6%
Rich Honour International Designs Co., Ltd.	12.8%	9.1%	9.4%	10.2%
DN Holdings Co.,Ltd.	10.9%	10.9%	7.2%	9.3%
CIC39 Corporation	15.7%	5.2%	4.1%	8.4%
ABIST Co.,Ltd.	9.9%	5.1%	8.5%	7.8%
Progressive Impact Corporation Berhad	12.8%	7.4%	1.2%	7.1%
Dohwa Engineering Co., Ltd.	4.4%	3.6%	0.8%	3.0%
Khoon Group Limited	11.2%	-1.6%	-6.3%	2.1%
DT&C.Co.,Ltd	-0.2%	2.0%	4.3%	2.1%
Interquartile Range				
Upper Quartile	15.9%	21.2%	15.1%	18.3%
Median	12.8%	9.1%	8.5%	9.3%
Lower Quartile	9.9%	5.1%	4.1%	7.1%

SECTION 9

APPENDICES

TESTED PARTY DATA



Cambridge Industries USA Inc.
YE 2022 U.S. Transfer Pricing Documentation Report
Engineering Services Analysis - Asia-Pacific
Tested Party Data

Cambridge Photonics Japan Limited	(USD Millions)
	Dec-22
Revenue	19.3
Total Services Costs	18.0
Operating Profit	1.3
Net Cost Plus Markup	**7.2%**

Cambridge Shanghai Co., Ltd	(USD Millions)
	Dec-22
Revenue	6.2
Total Services Costs	6.2
Operating Profit	-
Net Cost Plus Markup	**-**

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CAMBRIDGE INDUSTRIES USA INC.

U.S. TRANSFER PRICING DOCUMENTATION

For the financial year ended December 31, 2023

DECEMBER 6, 2024

STRICTLY PRIVATE AND CONFIDENTIAL

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SECTION 1

GLOSSARY



GLOSSARY

Abbreviation	Meaning
BDO, we, our, us	BDO USA, P.C. (f/k/a BDO USA, LLP)
CIG-US or Company	Cambridge Industries USA Inc.
CIG-SH	CIG Shanghai Co., Ltd
CIG-Japan	Cambridge Photonics Japan Limited
CIG or Group	Cambridge Industries USA Inc. and its foreign affiliates
Period or YE 2023	Financial year ended December 31, 2023
U.S. or US	United States
IRC §	Internal Revenue Code Section
Treas. Reg.	Treasury Regulation Section
PoE	Power over Ethernet
APs	Wireless Access Points
LTE	Long-Term Evolution
OLT	Optical Line Termination
DSLAM	Digital subscriber line access multiplexer
CMTS	Cable modem termination system
ONT	Optical network terminal
DSL	Digital subscriber line
DOCSIS	Data over cable service interface specification
TOSA	Transmitter optical sub-assembly
ROSA	Receiver optical sub-assembly
IP	Intellectual Property

Abbreviation	Meaning
R&D	Research and Development
RPM	Resale Price Method
PSM	Profit Split Method
CPM	Comparable Profits Method
IRS	Internal Revenue Service
IRC	Internal Revenue Code
OM	Operating Margin
NCP	Net Cost Plus
OM	Operating Margin
PLI	Profit Level Indicator
CPLM	Cost Plus Method
CUP	Comparable Uncontrolled Price
CEO	Chief Executive Officer
CFO	Chief Financial Officer
G&A	General and Administrative
HR	Human Resources
CNY	Chinese Yuan
JPY	Japanese Yen
IT	Information Technology
FAR	Functions, Assets, Risks
COGS	Cost of Goods Sold

GLOSSARY

Abbreviation	Meaning
S&P	Standard and Poor's
SIC	Standard Industrial Classification
SCM	Service Cost Method
CUSP	Comparable Uncontrolled Service Price
GSMM	Gross Service Margin Method
CSPLM	Cost of Service Plus Method
AI	Artificial Intelligence
YE 2022	Financial year ended December 31, 2022

SECTION 2

SCOPE AND LIMITATIONS



SCOPE AND LIMITATIONS

BDO was engaged by CIG-US to evaluate the arm's length nature of the intercompany transactions that occurred between CIG-US and its foreign affiliates, CIG-SH during the Company's YE 2023.[1] Our evaluation was guided by the U.S IRC § 482 and the regulations thereunder.

The purpose of this documentation report is to (i) evaluate, document and conclude whether the intercompany transactions between CIG US and its foreign affiliates were conducted in accordance with the arm's length standard during YE 2023, and (ii) present the information and economic analyses that supports these conclusions.

The scope of our analysis includes the following intercompany transactions ("Covered Transactions") for YE 2023:

- CIG-US purchases tangible goods from CIG-SH for resale in the U.S. market ("Transaction 1")[2]; and
- CIG-SH provides management services to CIG-US.

All other transactions fall outside the scope of this report.

[1] A controlled transaction meets the arm's length standard if the results of the transaction are consistent with the results that would have been realized if uncontrolled taxpayers had engaged in the same transaction under the same circumstances (i.e., arm's length result).
[2] CIG-US also engages CIG-SH and CIG-Japan to perform contract engineering services with respect to products that it sells in the North American market. Previously CIG-US's third-party customers would request engineering services from CIG-US and compensated CIG-US separately for such services. CIG-US would then contract these engineering services to CIG-Japan and CIG-SH. However, during YE 2023 the compensation for such engineering services was included in the price of the products sold to CIG-US's customers and not separately paid by CIG-US customers. The engineering services were contracted to CIG-Japan and CIG-SH to be performed at cost and the expenses were included in the profitability calculation for the distribution of products.

SCOPE AND LIMITATIONS

To conduct this analysis, we relied on factual and financial information contained from the CIG's financial records, as well as information furnished by its management. No independent verification was sought to corroborate this information; thus, BDO makes no assurances as to the accuracy of this information. The conclusions expressed in this report are therefore subject to the general qualification that the information provided by the Company's management is accurate and reliable, as it was used to develop various analytical assumptions and conclusions for the analyses presented herein. BDO also is not responsible for updating this report for changes in tax legislation, regulations, or rulings made subsequent to the issuance of this report.

The IRC § 482 and the regulations thereunder grant the Internal Revenue Service the authority to allocate income or deductions between related entities if it determines that such allocations are necessary to prevent the avoidance of taxes or to clearly reflect the income of such related entities. Treas. Reg. § 1.482 states that the arm's length standard is the standard against which any transaction between related parties will be evaluated. This report presents our analysis of the intercompany transactions under the guidance of IRC § 482 and the regulations thereunder.

The conclusions reached in this report represent and are based upon our best judgement regarding the application of the U.S. tax laws, judicial decisions, administrative regulations, published rulings, and other tax authorities existing as of the date thereof. The analysis is not binding on the IRS, any other taxing authority, or the courts, and there is no assurance or guarantee that the IRS or any other taxing authority will not successfully assert a contrary position. Also, no exceptions (except the reasonable cause exception) are available for any federal or state penalties imposed if any portion of a transaction is determined to lack economic substance or fails to satisfy any similar rule of law, and our advice will not protect you from such penalties.

BDO is also not responsible for updating the report beyond the date of issue for changes in tax legislation, regulations, or rulings made subsequent to the issuance of this report. No assurance can be given that future legislative or administrative changes, on either a prospective or retroactive basis, would not adversely affect the accuracy of the conclusions stated herein. BDO takes no responsibility to advise CIG or anyone else of any new developments in the application or interpretation of the applicable tax laws.

Under IRC § 6662, an accuracy-related penalty may be imposed on an underpayment of tax unless it can be shown that there was reasonable cause for the underpayment and the taxpayer acted in good faith with respect to the underpayment. Under Treas. Reg. §1.6662-6, contemporaneous documentation may be relied on to establish reasonable cause. This document is intended to serve as contemporaneous documentation as contemplated by such regulation.

BDO recommends that this analysis and report be reviewed and updated on a periodic basis. Unless specifically requested by CIG, BDO will not automatically update the analysis and conclusions contained herein to incorporate subsequent changes or modifications to the applicable laws and regulations or to the judicial and administrative interpretations thereof, or to reflect changes in the CIG business. Thus, we recommend that CIG - monitor intercompany pricing and adjust as necessary, at least on an annual basis. CIG's management has reviewed the factual materials presented in this report to ensure that they fairly reflect the nature of intercompany functions, risks, and transactions, due to the importance of the functional and risk analysis in selecting an appropriate transfer pricing method to evaluate the intercompany transactions.

This analysis has been prepared pursuant to an engagement between BDO and CIG and is intended solely for the use and benefit of CIG, and not for the reliance by any other person or entity. This analysis and report may not be relied upon in any other matter or transaction.

This analysis supersedes and replaces any and all prior written or oral advice (including, without limitation, electronic communications) with respect to the issues addressed herein and all such prior communications, if any, should not be relied upon by any other party to the transactions or matters described herein for any purpose whatsoever.

SUMMARY AND LOCATION OF PRINCIPAL DOCUMENTS

Documentation Requirement Item	Included in Report	Reference
Section 6662-6 of the Treasury Regulations describes the recommended required elements to be included in transfer pricing documentation. Subsection (d)(2)(iii) outlines the documentation requirements including:		
1. An overview of the taxpayer's business, including an analysis of the economic and legal factors that affect pricing of its products or services.	Yes	Business Overview, Industry Analysis, Functional Analysis
2. A description of the taxpayer's organizational structure, including all related parties whose activities are relevant to transfer pricing.	Yes	Business overview
3. Any document explicitly required by the Treas. Reg. § 1.482	N/A	Included throughout report as appropriate
4. A description of the method selected and the reason why it was selected.	Yes	Economic Analysis
5. A description of the alternative methods that were considered and an explanation of why they were not selected.	Yes	Economic Analysis
6. A description of the Controlled Transaction (including terms of sale) and any internal data used to analyze them.	Yes	Economic Analysis
7. A description of the comparables used, how comparability was evaluated, and what adjustments were made.	Yes	Economic Analysis, Appendices
8. An explanation of the economic analysis and projections relied upon in developing the method.	Yes	Economic Analysis
9. A description or summary of any relevant data that the taxpayer obtains after the end of the year and before filing a tax return.	N/A	Included throughout report as appropriate
10. A general index of principal and background documents.	Yes	Scope and Limitation

SECTION 3

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

Description of Business

Headquartered in Shanghai, China, CIG operates as a communications equipment manufacturing company. CIG was founded in 2006 with a focus on engineering and manufacturing capabilities and in 2010, CIG expanded its operations to the U.S. and established CIG-US. The Group markets its products globally and has locations in China, the U.S., Hong Kong, Japan, Malaysia, and Germany.

Results

The table below summarizes the results of the transfer pricing analysis:

Transaction Type	Description of Transaction	Method / PLI	2023 Comparable IQR (*The public companies selected to develop the IQR perform functions comparable to the tested party functions for its respective intercompany transaction*)			Transfer Pricing Result and Conclusion
			Lower Quartile	Median	Upper Quartile	
Distribution	CIG-US purchases tangible goods from CIG-SH for resale in the U.S. market	CPM/OM	2.2%	4.5%	5.4%	During FY 2023, CIG US earned an OM of 2.5 percent which falls within the 2023 IQR and would therefore be considered as an arm's length result

Transaction Type	Description of Transaction	Method / PLI	2023 Comparable IQR (*The public companies selected to develop the IQR perform functions comparable to the tested party functions for its respective intercompany transaction*)			Transfer Pricing Result and Conclusion
			Lower Quartile	Median	Upper Quartile	
Services	CIG-SH provides management services to CIG-US	SCM	-	-	-	During FY 2023, CIG-SH charged approximately $4.3 million to CIG-US for its provision of management services. The costs incurred by CIG-SH were charged to CIG-US without any markup and would therefore be considered as an arm's length result

SECTION 4

BUSINESS OVERVIEW



BUSINESS OVERVIEW

Business Overview

CIG is headquartered in Shanghai, China and operates as a communications equipment manufacturing company. It primarily provides engineering and manufacturing services to the Information and Communication Technology industry. In addition, CIG develops, manufactures, and sells fiber-to-the-home[2] and other telecommunication broadband terminals, wireless network equipment, and smart home gateway products. CIG also offers carrier-grade Ethernet switches; home networking products; and light emitting and detecting devices for optical communications. CIG markets its products globally and has locations in China, the U.S., Hong Kong, Japan, Malaysia, and Germany.

Company History

CIG was founded in 2006 with a focus on engineering and few manufacturing capabilities. In 2011, the company expanded its engineering and manufacturing operations to support building-volume carrier-grade networking products and solutions. In 2010, CIG expanded its operations to the U.S. and established CIG-US. In 2014, the Group's headquarters and engineering center relocated to a larger, more advanced 300,000 square feet manufacturing facility in the Pudong area, Shanghai. The sales and engineering center was moved to the Silicon Valley in 2016. CIG-SH established the first-generation automated production line in 2016, which was subsequently upgraded to increase production volume. The Group's initial public offering was completed in November 2017 when they were listed on the Shanghai Stock Exchange (SHA: 603083). In 2018, CIG completed an acquisition of MACOM product line. As part of its expansion, CIG formed wholly owned subsidiaries, CIG-Japan in Tokyo, Japan and CIG-SAG in Sagamihara, Japan. CIG-Japan and CIG-SAG are responsible for manufacturing of some of the Group's products. CIG also established wholly-owned subsidiaries, CIG Photonics SDN. BHD, in Malaysia, CIG Optics Limited in Hong Kong, and an entity in Thailand for manufacturing services along with the acquisition of Lumentum Holdings' Datacom transceiver product lines in 2019. In 2020, CIG also invested additional capital in its fully owned subsidiary, Shanghai Cambridge Communication Equipment Co., Ltd. In 2021, CIG's subsidiary in Japan, Cambridge Hachioji was merged into CIG-SAG.

During the YE 2022, CIG further expanded its global footprint by establishing presence in Malaysia after collaborating with Malaysian partners for several years. The new manufacturing center in Malaysia is responsible for manufacturing various products offered by the Group including wired and wireless access products and optical modules. Further during YE 2022, CIG-US also acquired Actiontec, a company which offers high-speed Internet products as a strategic move towards its commitment towards future growth in the U.S. market.

During YE 2023, CIG announced to expand its manufacturing facility in the renowned China-Singapore Jiashan Modern Industrial Park. The facility will be fully functional by the end of 2025.

Products and Services

CIG provides engineering and manufacturing services to clients globally. It also designs and develops telecommunication equipment with a focus in the following categories:

- Wireless Access
- Wired Access
- Switch Equipment (Carrier Ethernet)
- Edge Computing and AI (Home Networking)
- Optical Modules (Photonics)

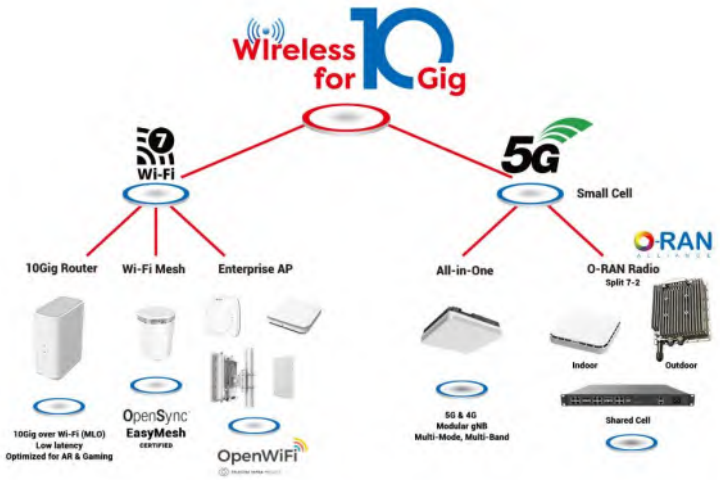
A brief description of each category is provided in the following sections.

[2] "Fiber-to-the-home is the installation and use of optical fiber from a central point directly to individual buildings such as residences, apartment buildings and businesses to provide unprecedented high-speed internet access.

BUSINESS OVERVIEW

1) Wireless Access

A typical network consists of routers or gateways, data switches with PoE, APs, Alternating Current controllers, and LTE 4G/5G Small Cells. CIG wireless network products include indoor APs, outdoor customer premises equipment, and 4G/5G Small Cells. The main function and applications of the wireless APs are to provide wireless access and interconnection to devices including mobile phones, tablets, laptops, cameras, and others. These products are widely deployed in offices, hotels, public locations, and residences around the world. The figure below, illustrates the signal flow used by CIG's wireless products.



2) Wired Access

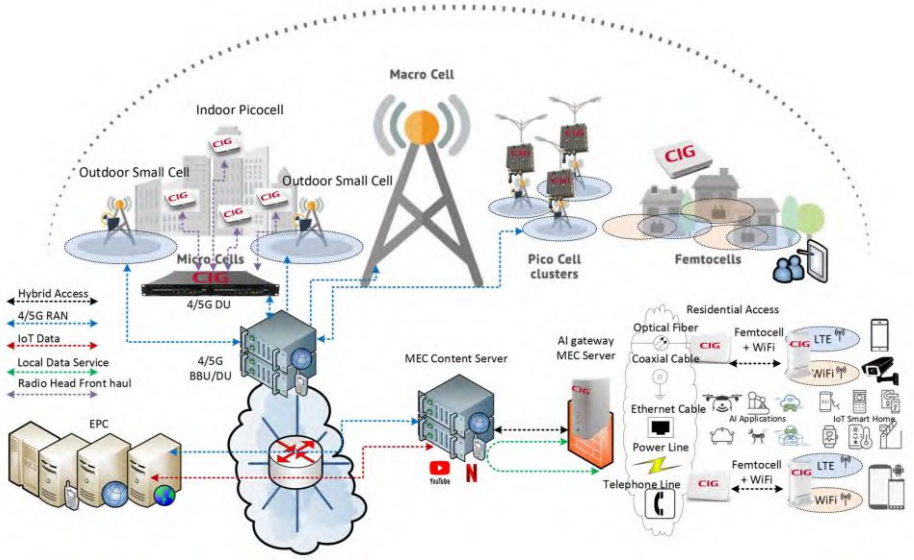
A Wired Access Network connects the subscribers (residential or enterprise customers) to a specific service provider through the carrier network to other networks such as the Internet. A typical access network topology includes an OLT, a DSLAM, a CMTS at central office or remote terminal, an ONT, a DSL modem or a DOCSIS modem at the customer premise. The figure below illustrates the signal flow and the products offered by CIG's wired segment.



BUSINESS OVERVIEW

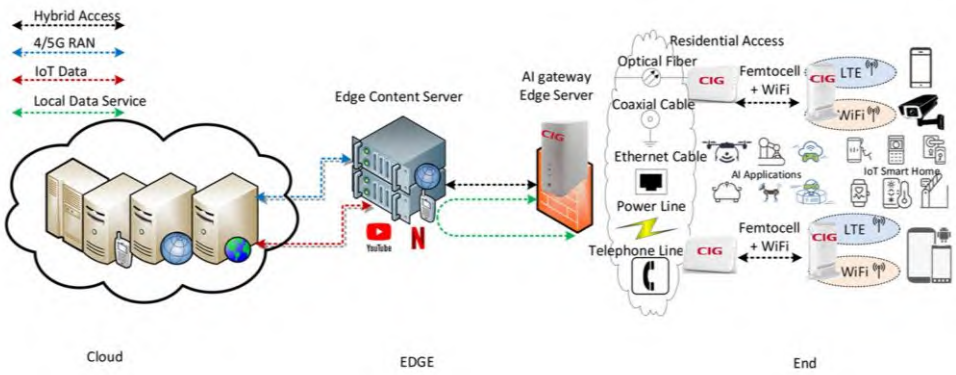
3) Switch Equipment (Carrier Ethernet)

CIG's carrier-grade Ethernet Switches offer advanced architecture and features to provide small and medium businesses, enterprises, and service providers with high-performance and high-availability networking solutions. CIG switches are developed to meet the demands of many markets: port combinations, PoE options, comprehensive security features, robust multicast control, and advanced quality of service. CIG switches allow internet service providers to offer their end-customers a reliable network, "layer 2" virtual private networks and advanced operations, as well as administration and maintenance. The figure below represents Carrier Ethernet products offered by CIG.



4) Edge Computing and AI (Home Networking)

CIG's mesh-networking solutions using multiple APs spread across a home or office. It is a natural alternative and complement to traditional home routers specifically for larger homes where a single router may not be able to provide adequate and reliable internet connection. The total network throughput can reach above 500 megabits per second to one gigabit per second. The figure below illustrates the home networking systems with the use of CIG's products.



BUSINESS OVERVIEW

5) Optical Modules (Photonics)

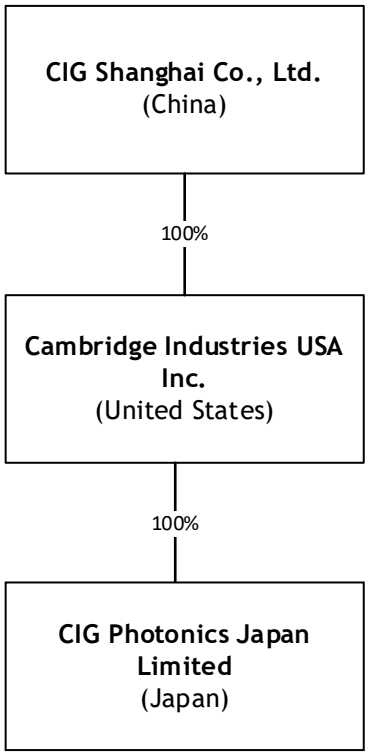
Fiber optic transceivers are key components of fiber optic transmission network. They are designed in small form-factor with some integrated optical sub-assemblies which can be suitable for high-density network. The major cost components of a transceiver module are the TOSA, which converts an electrical and the ROSA. CIG produces a full portfolio of optical transceiver products along with both, TOSA and ROSA devices for optical communications Including linear pluggable optics and next-generation data rates (200G per wavelength). The figure below shows an optical sub-assembly produced by the Group.



BUSINESS OVERVIEW

Organization of the entities

The figure below, presents the CIG's abbreviated legal entity organization structure, relevant to the intercompany transactions under review.



CIG-SH

CIG-SH is the parent company of the Group. It operates as a communications equipment manufacturing company. It develops, manufactures, and sells telecommunications broadband terminals, wireless network equipment, and smart home gateway products. The entity was founded in 2006 and is based in Shanghai, China. During YE 2023, CIG-SH employed 1,104 personnel.

CIG-US

CIG-US is a wholly owned subsidiary of CIG-SH that was established in 2010 and is currently located in Santa Clara, CA. CIG-US is a distributor of CIG's products with some engineering capacities for products localization in the U.S. During YE 2023, CIG-US employed 30 personnel.

CIG-Japan

CIG-Japan is a wholly owned subsidiary of CIG-SH that was acquired in 2019 and is currently located in Tokyo, Japan. CIG-Japan is a manufacturer of CIG's products with some engineering capabilities dedicated to TOSA and ROSA devices. During YE 2023, CIG-Japan employed 73 personnel.

SECTION 5

INDUSTRY OVERVIEW

ELECTRONIC PART & EQUIPMENT WHOLESALING IN THE US



Source: Unless otherwise noted, information found in this section is sourced from the following: IBIS World US Industry (NAICS) Report 42369: Electronic Part & Equipment Wholesaling in the US, November 2023

INDUSTRY OVERVIEW

Treas. Reg. §1.482-1(d)(3)(iv) mentions the importance of understanding the industry that affects comparability and documentation requirements, including an analysis of the economic and legal factors that affect the pricing of property or services being analyzed. This section provides the necessary background for understanding the economic environment in which CIG-US operates.

Background

Companies in the Electronic Part & Equipment Wholesaling industry sell electronic parts and equipment.[3] These products include antenna, broadcasting equipment, communications equipment, computer chips and boards, radio and radar equipment, electronic condensers and connectors, integrated circuits, modems and navigational equipment.

Industry operators primarily distribute components to manufacturers who use these goods to produce finished electronics. Wholesalers have benefited from a surge in demand as technological advancements have encouraged more end market purchases. The rising prominence of e-commerce has also driven demand from retailers, enhancing the need for new devices and equipment. Over the next five years, industry revenue rose at an annualized rate of 0.4 percent to USD 486.9 billion.

In relation to CIG, communication equipment is one of the Industry's fastest growing segments considering the demand for these products is driven by the spending of communication service providers. The technological advances experienced by this sector over the last few years also caused a lot of businesses to switch from the traditional wire infrastructure to high-speed services such as 4G, LTE and 5G wireless networks. Investments in these new services increased demand for communications component and equipment wholesalers. Additionally, the percentage of online business execution is anticipated to increase over the next five years to 2028, boosting up the demand for industry products.

In addition, governments and businesses have become more concerned with network reliability and security. This compels communication service providers to offer a wider range of services and applications. In addition, companies all around the world have increased their in-house expansion, which increases the need for better and more reliable communication software and equipment.

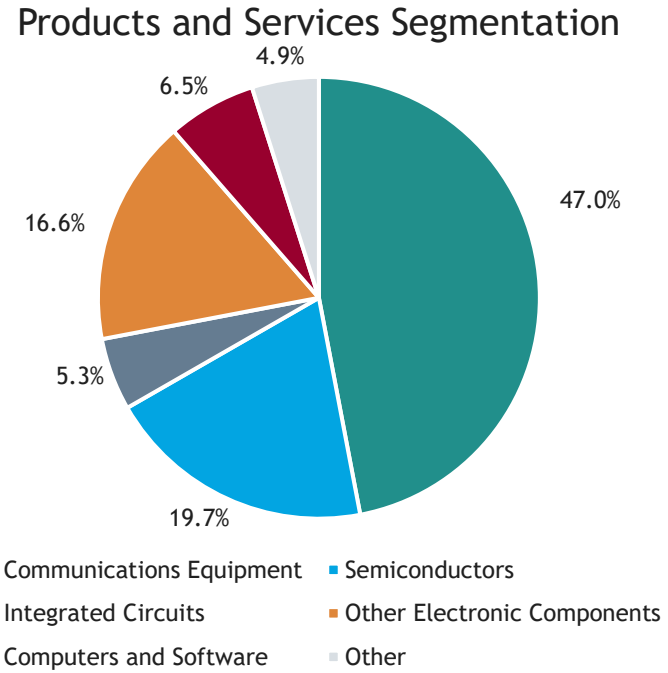
The Industry has also experienced a change in the number of companies. The number of Industry establishments is estimated to increase slightly, at an annualized rate of 0.4 percent to 11,430 over the five years to 2023 primarily due to an increase in business conducted online and a rise in consumer's purchase of electronic devices.

[3] We will refer to the Electronic Part & Equipment Wholesaling industry as the ("the Industry").

INDUSTRY OVERVIEW

Product Segmentation

The Iindustry's product and services are outlined in the figure below.



The telecommunications equipment segment is the largest segment of the Industry. It accounts for 47.0 percent of total revenue. It includes telephones, routers, fax machines, modems, navigational equipment, and wireless phones. As a producer of telecommunications equipment, CIG falls within this segment. The short development cycles for mobile phones push consumers to upgrade regularly, bolstering sales for this segment.

In addition, the corporate profit levels remained high over the past five years which allowed companies operating in this segment, such as CIG, to benefit from the increase in demand.

Semiconductors account for 19.7 percent of revenue while integrated circuits generate 5.3 percent. Other electronic equipment generates an estimated 16.6 percent of revenues. The other electronic equipment segment includes capacitors, resistors, wiring, connectors, rectifier and switches. These three segments represent intermediate goods that are usually sold to manufacturers who use them to assemble other electronics and systems. Although the demand for electronic components has increased over the last five years, the price of semiconductors and electronic components has increased at an annualized rate of 1.2 percent over the five years to 2023 and is expected to decline over the next five years due to continuous improvements in production efficiency enabling manufacturers to create more powerful circuits at a lower cost. Meanwhile, the increased competition in the market has also caused the prices to decrease.

The industry's "other" segment largely encompasses intermediate electronic components. It also includes equipment purchased by service providers for use in network upgrades. This segment is dependent on consumer demand which is why it benefited from the increased popularity of mobile phones. The products in this segment are expected to remain in relatively high demand.

Key External Drivers

There are five key external drivers affecting the Industry. The first of which are the demand from the electrical equipment manufacturing sector and corporate profit. Specifically, the downstream market purchases wholesale components from the industry and also sells electronic parts and components to wholesalers. The increased demand is beneficial for wholesalers. Demand from electrical equipment manufacturing remained steady in 2023, posing a potential threat to wholesalers. The performance of the industry depends the levels of corporate profit. When the profits are strong, businesses are more likely to upgrade their communications equipment and expand their operations. Corporate profit increased in 2023 and has overall remained high in the last five years, presenting a potential opportunity for the industry.

INDUSTRY OVERVIEW

Per capita disposable income is also a key external driver. This relates to the amount of disposable income households have. The higher the disposable income rate, the more likely it is that households will spend money on goods and services, including home electronics and similar products. Per capita disposable income grew in 2023. Furthermore, the percentage of households with at least one computer is slightly increased in 2023 and is another key external driver for this industry.

The price of semiconductor and electronic components has remained steady due to technological advances. This makes goods less expensive to produce. These prices are expected to remain low going forward, thus, improving profit and presenting a potential opportunity for the industry.

Basis of Competition

The industry has a low-level market share concentration, with no company accounting for a significant share of the industry revenue. In addition, the industry consists of mostly small, local, and regional operators. According to U.S. Census data, 82.0 percent of these companies have less than 20 employees. Comparatively, only 0.6 percent of companies have more than 500 employees. Nevertheless, market share concentration is expected to increase. This increase is mostly due to consolidation as operators merge to reduce costs. Additionally, the global nature of the electronics manufacturing, and distribution industry gives larger companies an advantage. The larger companies have access to sufficient resources, which allows them to procure products from all around the world. Improved inventory management systems have contributed to increased investments in electronic components.

Operators in the industry experience high competition with other industry players due to large number of companies serving specific markets. Price is a key basis for competition within the industry. Wholesalers have different pricing strategies. Some of them sell products at cost to either increase prices or margins on other products, or to gain extra revenue and profit from repairs or other services. Some wholesalers are limited on their ability to compete based on price due to pricing restrictions that may be included in the terms of distribution licenses with manufacturers.

Product range, availability, and quality are also important factors that affect this industry. Some companies stock a wide variety of products to become a one-stop shop for their customers. Another factor that these companies can compete on is delivery promptness. The ability to deliver products in a timely manner is an important factor for customers who want to minimize cost and make sure that there are no stock outs. Product quality also affects sales, returns, satisfaction, and the reputation of the wholesaler. Another strategy that a lot of wholesalers have adopted is to provide value-added services, such as replenishing, testing, assembly, and supply chain and materials management. Competition is expected to increase as manufacturers enter the wholesaling industry.

The Group develops and maintains a wide range of electronic communication equipment which allows CIG-US to operate as a one-stop shop for its customers. Offering the wide array of products allows CIG-US to remain competitive in the market.

Barriers to Entry

The barriers to entry in this industry can be characterized as low and steady. The large number of companies in this industry reflects the ease of entry to this market. In addition, there are minimal licensing requirements, government regulations, or resource constraints that are large enough to keep companies from entering this market. However, some companies have deterred from entering this industry because of the costs necessary to open distribution facilities, build relationships with suppliers and customers, source skilled labor, and fund stock in an appropriate manner. The ability to build a sales base is highly affected by the reputation of the company and the strength of its brand. The costs to opening distribution facilities and competing with bigger companies that have a stronger sales presence has deterred new companies from entering and succeeding in the Industry. Companies attempting to enter this industry are also deterred by the exclusive distribution contracts between manufacturers and existing wholesalers. Since the barriers to entry are low, CIG-US faces significant competition in the U.S. market.

INDUSTRY OVERVIEW

Industry Outlook

Revenue in the industry is expected to grow in conjunction with expanded corporate profit, downstream growth, and increased demand for electronic products and components. Large wholesalers will also continue to consolidate providing the most savings possible. However, continued competition through e-commerce and direct-from-manufacturer purchasing may hamper the industry profit but not significantly enough to prevent growth. Furthermore, as domestic manufacturers anticipate to contend with more pressure from imports, independent wholesaler will struggle to compete with vertically integrated manufacturers. This rise in import cost will continue growing as labor abroad is cheaper than in the United States. These import costs will ultimately weigh on profit for the industry. It is expected that the Industry's revenue will increase at an annualized rate of 2.7 percent to reach USD 555.3 billion over the next five years.

Furthermore, CHIPS and Science Act aims to lower the U.S. reliance on imported semiconductor and other components, boosting domestic production and lowering prices by offering tax incentives to manufacturers. In addition, greater investment to new technologies will likely provide opportunities for service providers to reduce costs and expand their range of services. Communication service providers are intended to increase high speed data services availability as more financial opportunity open doors to supportive government policies. Over the next five years, large wholesalers are expected to make more efficient purchases to lower costs and complexity and to enable serving in multiple locations. Decreasing demand for electronic equipment, low barriers to entry and a larger number of new companies entering the Industry can increase competition for CIG-US. In addition, as the economy eases up, the increase in prices for electronic parts and communication equipment will have a positive impact on Group's profitability. Therefore, with the expansion of the Group's product line coupled with its global presence, CIG can expect reap benefits on the back of positive industry trends and remain competitive in the Industry.

SECTION 6

FUNCTIONAL ANALYSIS



FUNCTIONS

A functions, assets and risks ("FAR") analysis provides a factual foundation for establishing a transfer pricing methodology consistent with the arm's length standard under Treas. Reg. § 1.482. It is a means of organizing facts about the related companies (with respect to specific transactions) in terms of their functions performed, risks assumed, and assets (intangibles and tangibles) developed or used. A FAR analysis is essential to evaluate the arm's length nature of intercompany transactions for the following reasons:

- The economic return generated for the functions undertaken by each related party correlates with the risks borne and the assets employed;
- The functions, risks, and intangible assets associated with a related party's operations usually have a significant effect on its profitability; and
- A FAR analysis provides the information and insights necessary to: (i) determine which transactions (or entity) to evaluate, (ii) establish the best method to evaluate the transactions (or entity), and (iii) develop comparability characteristics to assist in identifying comparable, independent transactions (or companies) against which to determine the appropriate arm's length pricing level of the controlled transaction.

By describing the FARs and their location within a corporate group, the FAR analysis provides the first step in evaluating the relative profit contributions of various related companies, and the appropriate pricing of intercompany transactions. These contributions are identified in the subsequent paragraphs of this report.

In this section, we present the respective functions performed, assets employed, and risk borne by CIG-US, and CIG-SH (including CIG-Japan). This descriptive account provides the basis for supporting an economic analysis that evaluates the intercompany transactions.

FUNCTIONS

Functional Analysis

The following section discusses the relevant functions of the entities engaged in the intercompany transactions mentioned above.

Engineering

Engineering activities are undertaken to generate innovations that form the basis for new products and product improvements. To meet the increasingly sophisticated needs of their customers and address potential new markets, companies continually strive to enhance existing product functionality and add new product features. CIG-SH performs the majority of the engineering activities related to the development of the telecommunication equipment. The CIG engineering center employs engineers who engage in hardware design and development of software and product integration platforms. CIG-SH has extensive engineering expertise to develop complex products and systems, and large-scale operations that ensures optimal information sharing and precise process control. CIG-SH has historically funded all engineering activities related to creation of the core CIG products; therefore, it owns the IP related to core product know-how, design guidance, and engineering specifications. Upon request from CIG-US, CIG-SH makes certain modifications to its core telecommunication products to meet the requirements of the local U.S. market. These modifications are required to meet the needs of the local CIG-US customers. These engineering activities do not lead to creation of the new product or any stand-alone IP. These engineering activities are necessary for CIG-US to sell the products in its market. It is the Group's strategy that CIG-US starts developing its own products in the U.S., therefore the Company has been growing its Engineering team to perform engineering activities in-house in the U.S. However, in YE 2023, CIG-US did not develop any non-routine or valuable IP in relation to the products it sold in the U.S. market. Any expenses incurred by CIG US on these in-house R&D activities were not considered a part of the related party distribution transaction and was therefore not included in our analysis.

CIG-US requests contract engineering services from CIG-SH and CIG-Japan. These services are requested to meet unique requests from CIG-US's customers. In this scenario, upon receipt of a request from a customer regarding specific modifications to a particular product, CIG-US passes the request specifications on to CIG-SH and CIG-Japan. CIG-SH and CIG-Japan then takes on the contract engineering functions and coordinate between themselves to develop the customer requested modification to an existing product. Any IP developed during the above process is owned by the CIG-US customer and for FY 2023, the ultimate sale price of the product to the US customer includes these contract R&D costs and is therefore analyzed as a part of the related party distribution transaction.

Manufacturing

Manufacturing processes comprise of process design, production, and quality control measures. Manufacturing process design activities are undertaken to determine the most efficient and cost-effective means of manufacturing a company's products. These activities include testing the manufacturing line, using comparative statistics to seek efficiencies, and subsequently adjusting the process to optimize the use of labor and capital. In addition, it includes optimization of production schedules and inventory control to determine the type and quantity of product lines to be manufactured in order to meet customer delivery requirements.

Production scheduling and inventory activities involve determining the type and quantity of product lines to be manufactured in order to meet customer delivery requirements. In addition, quality control involves testing and analyzing raw materials and other material inputs, work in progress, and finished goods. Quality control can be pursued by employing a combination of automated quality control equipment and qualified inspectors.

CIG-SH is solely responsible for the manufacturing process of the telecommunication products, including the procurement of raw materials and quality control. To perform the manufacturing functions, CIG-SH employs an automation technology team, an operation team, and a quality control team. The automation technology team is responsible for the creation and application of technology to monitor and control the production and delivery of products and services. This team also handles manufacturing technology advancement and production technical support.

The operation team designs and implements lean processes and is responsible for the factory's daily operation and delivery. It is responsible for ongoing process of monitoring and improving production.

Lastly, the quality control team maintains standards in manufactured products by testing a sample of the output against the specification. This team ensures that the quality systems are implemented in the entire manufacturing operation and process.

CIG-US and CIG-Japan do not perform any manufacturing activities in relation to the transactions under review. As mentioned previously, although CIG Japan performs certain contract engineering functions at the request of CIG-US's customers, the manufacturing functions are solely undertaken by CIG-SH.

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Marketing and Advertising

Marketing and advertising strategy activities involve defining a company's goals with respect to presence and position in the marketplace. Such activities may include developing plans for launching and positioning new products or developing plans for targeting certain segments of the market that have the greatest profit potential for a company. Successful strategic marketing requires an understanding of the factors affecting demand for a company's products. Tactical marketing and advertising activities involve the development of brand awareness in the marketplace and the creation and implementation of product-specific advertising campaigns.

CIG's marketing and advertising activities focus on evaluating demand in the global market to identify new customers, as well as maintaining its existing relationships with current customers.

CIG-SH, CIG-US and CIG-Japan all perform marketing activities within their respective territories. CIG-SH, CIG-US and CIG-Japan reach out to potential clients and capture any information necessary to develop an understanding of potential client needs. The Group displays its products and services at trade shows and exhibits, hosts webinars, video and publishes written blogs, to educate potential customers on the Group's product offerings. As part of the education process, CIG provides comprehensive overview of the products and services on the Group's website and social media. This strategy maintains and increases awareness of the products offered by CIG.

Pricing

Sales and pricing activities relate to balancing strategic and tactical aspects of competitive pricing to meet a company's strategic goals.

Pricing guidelines, including appropriate volume discounts, are set by both CIG-US and CIG-SH. CIG-US monitors the market conditions in the U.S. and provides recommendations regarding the prices to CIG-SH. Based on these recommendations, CIG-SH sets an appropriate pricing for CIG products in the U.S.

CIG-Japan does not perform any pricing functions with regards to the transactions under review.

Transportation, Logistics, and Invoicing

Transportation and logistics activities relate to the administration of the shipment of goods from a company to a purchaser. These activities generally include planning and scheduling the transportation of products from the company to the location designated by the purchaser. This location could be the purchaser's warehouse, production site, or its end-use location. Some issues involved in coordinating the movement of products from a supplier to an unrelated party or related-party's processing or distribution facilities include warehousing, determining freight terms, assigning shipping responsibilities, and establishing delivery schedules. Invoicing pertains to creating a commercial document that identifies a transaction between a buyer and a seller. If goods or services were purchased on credit, the invoice usually specifies the terms of the sale and the available methods of payment.

After the manufacturing process is completed, products are transferred and stored in a 10,000 square foot warehouse operated and owned by CIG-SH. Products are subsequently drop shipped from this warehouse to CIG-US's customers. Once the orders are shipped to the customer, CIG-SH issues the invoices to CIG-US, which in its turn, issues the invoices to its customers.

CIG-Japan does not perform any transportation, logistics or invoicing functions with regards to the transactions under review.

After Sales Support

Customer support refers to the range of services geared towards assisting customers in making informed decisions on product usage. These services generally include assistance in planning, installing, troubleshooting, maintaining, and upgrading a product.

CIG-US provides after-sales and technical support to its customers. These activities typically involve addressing questions or complaints associated with the CIG-SH's products and taking measures to resolve any customer-related issues. CIG-US is responsible for responding promptly to customer requests and making regular reports to CIG-SH regarding its customer support activities.

CIG-US's technical support capabilities can be categorized into three levels. Level one, or first line support, is done by telecommunications operators or by CIG-US's direct customers. This includes basic telephone support services to answer technical questions and is provided by CIG-US's sales personnel. If an issue cannot be resolved by a level one operator, the service ticket is escalated to level two, or second line support. The second line support operators follow documented

FUNCTIONS

processes to identify and resolve the issue. They may also collaborate with other supporting groups if the issue involves other support personnel. More complex issues are managed by level three support or third line support. This includes more sophisticated support for customers experiencing technical problems with a product. This level of support is usually handled CIG-SH as it is more technical in nature and as the developed of the product, they have the knowledge to resolve such issues.

CIG-Japan does not perform any after sales support functions with regards to the transactions under review.

Strategic Management

Corporate strategic planning activities provide vision and direction for a firm by examining the competitive state of the industry, determining factors that are critical to a company's success, and tailoring a strategy to fit its core competencies. Corporate strategy provides the basis for selecting lines of business, choosing organizational structure and operating procedures, analyzing and undertaking acquisitions and divestitures, as well as responding to competitors and to market forces.

CIG-SH performs the strategic management function within the Group and houses the executive management team of CIG. CIG-SH employs the Group's executive management team, including the CEO, CFO, and the General counsel. The management team is responsible for setting the Group's strategy, choosing organizational structure and operating procedures, and analyzing and undertaking acquisitions and divestitures. The strategic management function also includes making decisions regarding market penetration, expansion opportunities, product management and planning, and budget formulations. CIG-SH is responsible for planning and managing the strategic direction and future operations of CIG.

In addition to the strategic management services, CIG-SH provides strategic support and management direction for the Group, which include marketing support, sales and technical training, technical support, and general operational support.

Accounting and Finance

Accounting & Finance functions are related to the process of keeping and maintaining financial records. Accounting is important to businesses since it analyzes cash flows, financial transactions, and other financial metrics. Having proper accounting practices helps businesses track their financial standing and plan future operations accordingly.

While CIG-US performs its accounting and finance functions, its also receives support from CIG-SH with managing collections & payroll, accounts receivable, accounts payable and accruals. In addition, CIG-SH also assists CIG-US with monthly closing of the US financial statements and related compliance activities. This is primarily performed to realize administrative efficiencies within the Group and to further centralize Group functions, resulting in an overall increase in corporate controllership and reducing the operational burden for CIG-US.

CIG-Japan performs its own accounting & finance functions.

IT

IT services consist of information systems administration, operations support, infrastructure services, cyber security, telecommunications, and enterprise architecture.

CIG-SH's IT department is responsible for performing the day-to-day IT functions for the CIG Group, along with managing enterprise systems such as the financial systems, and network and telecommunications systems. The technology department is also responsible for setting standards and policies, and for compliance and risk mitigation. This includes the definition of corporate information security policies, consumer data protection, and related mandates.

Sourcing

Sourcing services encompass supply chain activities through planning and monitoring of vendor relationships, material selection, and stock keeping unit optimization and collaboration with subsidiary management to evaluate needs.

CIG-SH sets Group's sourcing policies and provides internal guidance as it relates to sourcing functions of CIG-US. CIG-SH also assists CIG-US with contract negotiations with vendors and agreeing to contractual terms, material selection, supplier negotiations, and acquiring goods, services, or works from external sources. Purchasing decisions include factors such as price, payment terms, quality, delivery and handling, and origin of supply. By managing a large portion of these functions centrally for CIG-US, CIG-SH employees secure optimal prices and payment terms for CIG-US. CIG-Japan is not involved with sourcing of materials/ products.

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G&A

G&A activities relate to the day-to-day tasks required to maintain and manage the offices and business operations, such as accounting, treasury, human resources, legal and regulatory affairs, information technology, personnel management and training. This includes back-office activities such as: scheduling meetings, ordering office supplies, designating office space for a variety of business purposes, fielding and routing information, managing employee schedules, and other day to day functions.

CIG-US and CIG-Japan perform their own G&A functions as it relates to the transactions under review, however, CIG-SH assists CIG-US with the performance of G&A functions as needed.

HR

HR activities relate to the personnel or employee concerns of business. Typical HR activities include hiring or screening potential employees, resolving compensation issues, performing basic administrative function, etc.

CIG-SH, CIG-US and CIG-Japan perform their own HR functions, however, CIG-SH assists CIG-US with the performance of HR and recruitment matters as needed.

Legal

The legal department is responsible for matters such as drafting and reviewing contracts and handling legal disputes that may arise from business operations. The proper legal expertise can also provide invaluable business insight to new fields of expansion and avoid regulatory battles in the future.

CIG-SH, CIG-US and CIG-Japan are responsible for their own legal matters, however, CIG-SH assists CIG-US with the performance of legal matters as needed.

ASSETS

Fixed Assets

Fixed assets refer to tangible property that is purchased for long-term use and is not easily consumed or liquidated into cash. This includes, but is not limited to, land, buildings, machinery, and equipment.

CIG-SH owns all of the manufacturing facilities, including: 10,000 square feet production center; 17,000 square feet test, assembly, and packaging center; and 10,000 square feet warehouse. CIG-SH also owns building and equipment used for engineering services.

The tangible assets of CIG-US consist of office furniture and business equipment such as computers, and telephones.

The tangible assets of CIG-Japan consist of office furniture, engineering lab equipment, manufacturing equipment which has been consigned to the Group's contract manufacturer in Malaysia and business equipment such as computers and telephones.

Intangible Assets

IP is a company's most important asset. A company's brand name, for example, embodies its identity and defines a customer's perception of the value of the products offered. IP can also include patents, copyrights, trademarks, trade names, and know-how. The necessary functions related to managing intangible assets include holding and protecting the IP against potential infringement.

Two types of IP are deemed most relevant in this analysis: (i) marketing intangibles (e.g., trademark and trade names), and (ii) technical know-how.

Within the Group, the major sources of IP are patents and technology designs related to telecommunication products, as well as certain product trademarks and trade names. CIG-SH owns technical IP such as the rights, title, interest to patents, and other proprietary rights on the core telecommunication products that it created through the engineering and product design process. CIG-SH funds and performs all primary engineering and product design activities with respect to telecommunication products, and thus owns the associated IP.

During YE 2023, CIG-US and CIG-Japan did not own any significant or non-routine valuable IP. It is, however, the Group's strategic plan that CIG-US continues to ramp up its in-house development of certain products in the future, and, therefore will own the corresponding IP.

RISKS

A risk analysis provides an overview of the risks assumed by each entity with respect to the controlled transactions being analyzed. Developing an understanding of which entity bears certain risks is important since, generally, over the long term, the greater the assumption of risk, the greater the economic return generated by a company. The following sections outline factors relative to: (i) engineering risk, (ii) market risk, (iii) inventory risk, (iv) credit and collection risk, (v) foreign currency, (vi) product warranty risk and (vii) product liability risk.

Engineering Risk

Engineering risk pertains to the success or failure of engineering activities and, consequently, the potential development of product and process IP. Engineering expenditure can lead to potential products and enhance a company's existing IP portfolio; however, in the event that no commercially viable product is created, the engineering expenditure may not be recuperated.

When CIG-SH develops products for its own customers, it assumes the majority of the engineering risk considering it bears all the costs related to the creation of new products. On the contrary, when CIG-SH and CIG-Japan performs contract engineering on behalf of CIG-US's customers, the engineering risks are passed on to those customers as they requested and funded the engineering services as part of their product purchases.

During YE 2023, CIG-US engaged in certain ad-hoc engineering activities in relation to the intercompany transactions on behalf of its customers, therefore, CIG-US did not directly undertake the engineering risk.

Market Risk

Market risks pertain to a firm's exposure to fluctuations in product or raw materials cost, market demand, product and competitive pricing, and inventory management issues. These risks are generally shared, to some extent, between affiliated parties since intercompany transactions normally represent different segments of the value chain in bringing a product to market as outlined in the functional analysis.

CIG-US bears the market risk arising from demand and pricing fluctuations for the telecommunication products distributed as well as the engineering services provided to customers in the U.S. market. As the volumes of the purchase orders for CIG-SH from CIG-US can fluctuate based on the demand in the U.S. market, CIG-SH is also exposed to the market risk. CIG-Japan does not assume any market risk with regards to the transactions under review.

Inventory risk

Inventory risk pertains to damage or obsolescence of inventory. Damage to inventory may occur while products are in transit, and obsolescence may occur from the introduction of new products into the market.

With respect to transaction 1, CIG-SH bears the initial inventory risk associated with its raw materials and work-in-progress. It also bears the associated risks of storing and transporting finished goods to CIG-US's customers.

The products are usually dropped shipped from CIG-SH directly to the customers, and CIG-US only holds limited amount of sample inventory. Therefore, CIG-US does not assume any inventory risk. CIG-Japan does not assume any inventory risk with regards to the transactions under review.

Credit and Collection Risk

When a company provides products or services to customers in advance of receiving payment, the company is exposed to the potential risk that the customer may fail to pay its debt, thereby assuming credit and collection risk. These risks can generally be mitigated through prudent credit policies, such as performing regular credit checks of customers and following timely collection controls.

With respect to CIG-US's distribution of telecommunications products to third party customers, CIG-US is responsible for negotiating and executing contracts with third-party customers. Therefore, it bears the credit and collection risk for both transactions.

CIG-SH issues the intercompany invoices to CIG-US, which in turn issues the invoices to customers once the orders are shipped or the contract engineering services are provided to the customers. Therefore, CIG-SH does not bear credit and collection risk. CIG-Japan also does not assume any credit and collection risk with regards to the transactions under review.

Foreign Currency Exchange Risk

Foreign currency exchange risk refers to the risk that arises when there is a discrepancy between the relative values of currencies in which an entity earns its revenues and incurs its expenses. Fluctuation in exchange rates may be detrimental to one party while simultaneously benefit the other party.

RISKS

CIG-SH generates expenses in CNY but sells products and services to CIG-US in USD. Therefore, CIG-SH is exposed to foreign exchange risk. CIG-Japan generates expenses in JPY but sells services to CIG-US in USD. Therefore, CIG-Japan is exposed to foreign exchange risk with respect to the intercompany transaction.

As CIG-US purchases products and pays for the contract engineering services, from and to CIG-SH in USD, CIG-US does not bear foreign exchange risk.

Product Warranty Risk

Product warranty risk refers to the risk of having to bear the cost of repairing or replacing a faulty product.

CIG-US assumes the product warranty risk for the products that it distributes to its customers. This risk is mitigated by CIG-SH providing a warranty to CIG-US on the manufactured products. Therefore, CIG-SH ultimately bears the product warranty risk. CIG-Japan does not assume any product warranty risk with regards to the transactions under review.

Product Liability Risk

Product liability risk pertains to legal claims arising from damages caused to consumers due to product defects or safety issues.

CIG-US assumes the product liability risk for the products that it distributes to its customers. However, this risk is ultimately passed on to CIG-SH, as a manufacturer of the products. Therefore, CIG-SH ultimately bears the product liability risk. CIG-Japan does not assume any product liability risk with regards to the transactions under review.

IP Infringement Risk

IP is a company's most important asset with high risks associated with its protection against infringement, deterioration, or lapse. Companies protect their IP through a myriad of legal means, including patents, copyrights, trademarks, trade names, and similar legal barriers used to hinder encroachment of their intangible assets. A company's brand name, for instance, embodies its identity and defines a customer's perception of the value of the products offered.

CIG-SH is the legal and economic owner of the communications technology IP and thus is responsible for and bears risks associated with the telecommunications equipment technology IP. These risks include the risk of not receiving a patent, the cost of defending against IP infringement by competitors, and the risk that a competitor will develop new products that will render CIG-SH's IP obsolete. Therefore, CIG-SH is exposed to significant IP risk.

CIG-US and CIG-Japan do not own any non-routine valuable IP associated with the intercompany transactions under review, therefore, they are not exposed to IP infringement risk.

SECTION 7

INTERCOMPANY TRANSACTIONS



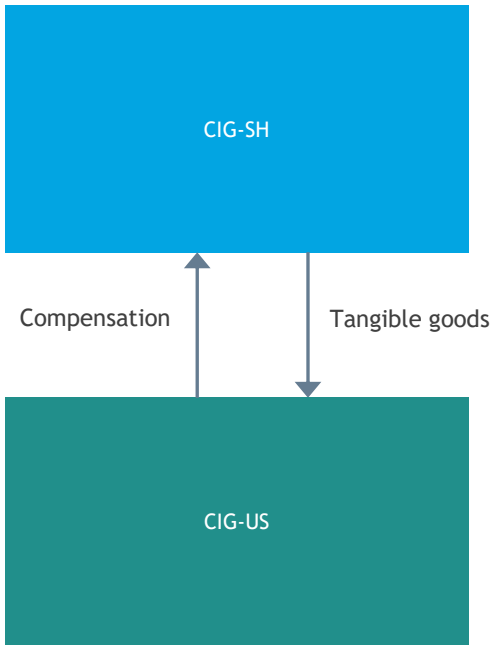
INTERCOMPANY TRANSACTIONS

Transaction Summary

Transaction 1 – Distribution of tangible goods

CIG-US purchased tangible goods from CIG-SH for resale in the U.S. market. During YE 2023, CIG-US paid approximately USD 166.5 million to CIG-SH for the telecommunication products purchased from CIG-SH.

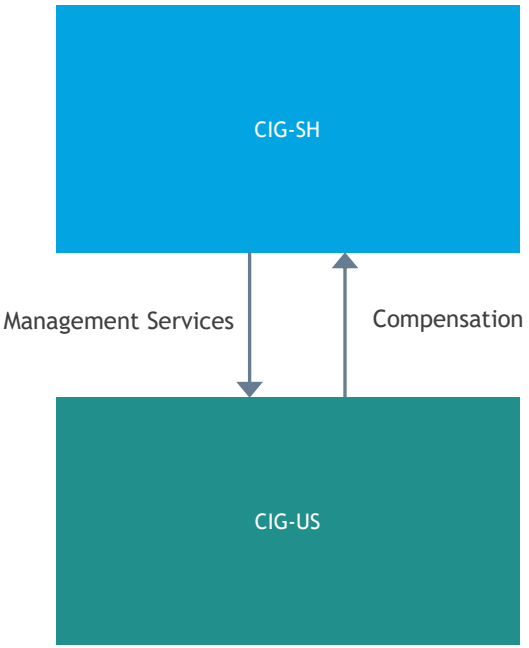
The transaction flows are illustrated in the figure below.



Transaction 2 – Provision of management services

CIG-SH provided management services to CIG-US. CIG-US compensated CIG-SH for the costs it incurred for the provision of these services without any markup. During YE 2023, CIG-US paid approximately USD 4.3 million to CIG-SH as compensation for the provision of management services.

The transaction flows are illustrated in the figure below.



SECTION 8

ECONOMIC ANALYSIS



ECONOMIC ANALYSIS

Transaction Summary

This section presents the methods used to evaluate the arm's length nature of the intercompany transactions under review. Evaluating the arm's length nature of a transfer pricing policy requires the following procedures:

- Selecting the best method among the specified methods under Treas. Reg. § 482, and determining the appropriate transaction(s) or entity(ies) to benchmark an arm's length range of results;
- Identifying comparable independent transactions or companies to use in applying the best method; and
- Analyzing the financial and economic outcomes of the controlled transactions against comparable third-party price or profit benchmarks that, if necessary, incorporate appropriate adjustments for differences between the tested party and the comparable companies.

We evaluated the intercompany transactions in accordance with IRC § 482 and the regulations thereunder.

TRANSACTION 1 – DISTRIBUTION OF TANGIBLE GOODS

Selection of Best Method

CIG-SH Sells Tangible Goods to CIG-US

This section presents the methods under Treas. Reg. § 1.482-3 to benchmark the arm's length nature of the prices charged by CIG-SH for the sale of tangible goods to CIG-US.

Transfer Pricing Methods for Tangible Goods Transactions

Treas. Reg. § 1.482-3 provide specified methods for the analysis of the transfer of tangible property. Treas. Reg. § 1.482 also contains the best method rule, which stipulates that the taxpayer should select the best method among the various specified methods that provides the most reliable measure of an arm's length result in analyzing controlled transactions. In order to determine the best method, Treas. Reg. § 1.482 directs taxpayers to consider (i) the degree of comparability between the controlled transaction or taxpayer and any uncontrolled comparables and (ii) the quality of the data and assumptions used in the analysis. The specified methods are:

- CUP method, which evaluates the arm's length character of a controlled transaction by comparing the price charged in the controlled transaction to the amount charged in a comparable uncontrolled transaction;
- RPM, which compares the gross profit margin earned in the controlled transaction with the gross profit margin realized in comparable uncontrolled transactions;
- CPLM, which compares the gross profit markup realized in a controlled transaction with that earned in comparable uncontrolled transactions;
- CPM, which evaluates the arm's length character of a controlled transaction based upon objective measures of profitability (known as profit level indicators) derived from uncontrolled taxpayers that engage in similar business activities under similar circumstances;
- PSM, which determines an arm's length division of the combined operating profit or loss from one or more controlled transactions based on the relative value of each controlled taxpayer's contribution to that combined operating profit or loss; and
- Unspecified Method, consists of any method, other than those listed above, used to evaluate the intercompany transaction that takes into account the general principle that uncontrolled taxpayers evaluate the terms of a transaction by considering the realistic alternatives to the transaction.

Selection of the Best Method

According to Treas. Reg. § 1.482-1, the best method used to establish the arm's length intercompany transfer price is the one which provides the most reliable information on the prices that would have been charged if the same transaction had taken place between unrelated parties.

The selection of the best method depends on a number of factors, such as: (i) the availability of complete and reliable data; (ii) the degree of comparability between controlled and uncontrolled transactions (or companies); and (iii) the number, magnitude, and accuracy of adjustments necessary to apply the method. Identifying comparable transactions (or companies) involves evaluating the functions performed, risks assumed, contractual terms, economic conditions, and the types of property or services being exchanged among the affiliated entities engaged in intercompany transactions. Each factor should be evaluated to determine its potential impact on the pricing method, and depending on the pricing method chosen, one factor may be more important than another in establishing comparability. Documentation of these analyses (i.e., functional analysis, risk analysis, and an assessment of contractual agreements) is required to support the best pricing method.

In many instances, transactions between related parties will not be comparable to transactions between unrelated parties in several respects. For example, product specifications, payment terms, shipping terms, and other relevant transaction and economic factors may differ. These differences should be taken into account and adjustments should be made based on commercial practices, economic principles, or statistical analyses, to evaluate the controlled transactions on terms comparable to those of the uncontrolled transactions. Material or non-quantifiable adjustments may preclude the use of one pricing method and require a taxpayer to consider other methods in order to determine the best method to evaluate the arm's length nature of the intercompany transactions.

TRANSACTION 1 - DISTRIBUTION OF TANGIBLE GOODS

Selection of Best Method

In selecting the best method, the functions performed, risks assumed, and the assets employed by CIG-SH and CIG-US with respect to the intercompany transaction were reviewed. The CPM, as detailed under Treas. Reg. § 1.482-5, was selected as the best method for the evaluation of the purchase of finished goods by CIG-US from CIG-SH, as the comparability thresholds of the other specified methods under Treas. Reg. § 1.482-3 were not sufficiently met.

The following subsection describes in greater detail why the comparability thresholds of the other methods were not met.

Alternative Methods Considered but not Selected

CUP Method

Under Treas. Reg. § 1.482, the CUP method compares the price charged in a controlled transaction with that charged in an uncontrolled transaction between (i) the tested party and a third party, which is an internal uncontrolled transactions, or (ii) between two third parties, which is an external uncontrolled transaction. Treas. Reg. § 1.482 indicates that similarity of products generally will have the greatest effect on comparability under this method. In addition, because even minor differences in contractual terms or economic conditions could materially affect the amount charged in an uncontrolled transaction, comparability under this method depends on close similarity with respect to these factors, or adjustments to account for any differences. Treas. Reg. § 1.482 states that if there are material product differences for which reliable adjustments cannot be made, this method ordinarily will not provide a reliable measure of an arm's length result.[4]

Although both CIG-US and CIG-SH sell products to third-party customers, differences in product offerings, geographic region, market, volume of product sold as well as terms and conditions make the CUP method unreliable. In addition, external uncontrolled transactions that meet the high comparability thresholds required by the CUP were not identified. Therefore, the CUP was not selected as the best method.

RPM

Under Treas. Reg. § 1.482, the RPM evaluates whether intercompany prices met the arm's length standard by reference to the gross profit margin (i.e., gross profit divided by revenue) earned in a controlled transaction in comparison to the gross profit margin earned in one or more comparable uncontrolled transactions between (i) the tested party and a third party, which is an internal uncontrolled transaction, or (ii) between two third parties, which is an external uncontrolled transaction. The RPM is ordinarily used to test a distributor that purchases products from related-party and third-party suppliers and resells these products to third-party customers. Treas. Reg. § 1.482 indicates that, if possible, appropriate gross profit margins should be derived from comparable uncontrolled purchases and sales of the reseller involved in the controlled sale.[5]

Since CIG-US does not purchase items for resale from third-party suppliers, the internal RPM was not applied. In addition, comparable external transactions between third-parties that meet the high comparability criteria of the RPM could not be identified due to the lack of readily available and specific information necessary to determine the functional and product comparability of third-party companies to CIG-US. Furthermore, the inconsistencies in accounting practices between CIG-US and the uncontrolled comparable companies can materially affect the gross profit margin. Therefore, the RPM was not selected as the best method.

CPLM

Under Treas. Reg. § 1.482, the CPLM evaluates whether intercompany prices meet the arm's length standard by reference to the gross profit markup (i.e., gross profit divided by cost of goods sold) realized in the controlled transactions in comparison to those earned in one or more comparable uncontrolled transactions between (i) the tested party and a third party, which is an internal uncontrolled transaction, or (ii) between two third parties, which is an external uncontrolled transaction. The CPLM is ordinarily used to test intercompany transactions in which one entity is engaged in the manufacturing, assembly, or other production of products, which it then sells to related parties. As with the RPM, this gross profit level comparison can potentially be performed using either internal or external comparable uncontrolled transactions.[6]

[4]Treas. Reg. § 1.482-3(b).
[5]Treas. Reg. § 1.482-3(c).
[6]Treas. Reg. § 1.482-3(d).

TRANSACTION 1 - DISTRIBUTION OF TANGIBLE GOODS

Selection of the Tested Party

Although both CIG-US and CIG-SH sell products to third-party customers, differences in product offerings, geographic region, market, volume of product sold as well as terms and conditions make application of the CPLM method unreliable. In addition, external uncontrolled transactions that meet the high comparability thresholds required by the CPLM were not identified. In addition, there is insufficient information regarding uncontrolled comparable companies' cost structure related to tangible goods transactions. The use of gross margin data of external comparable companies would not be reliable due to the potential differences in accounting methods used by the comparable companies that would impact the classification of COGS. Due to the lack of publicly available data, we would not be able to reliably verify and adjust for these differences. Since sufficiently comparable internal uncontrolled transactions could not be identified, and external uncontrolled transactions will not provide the most reliable analysis, the CPLM was not selected as the best method.

PSM

The PSM is a profit-based method that attempts to split profits between two holders of different valuable intangible assets when they are both involved in the same transaction. The PSM assumes that premium profits (for example, returns above a competitive market return) or loss from a particular venture are attributable to the existence of intangible assets employed in a transaction, and that the taxpayer must determine how to split the premium profit (or loss) based on functions performed and risks assumed by the related parties.

With respect to the intercompany transaction, all of the non-routine IP and associated risks was owned and undertaken by CIG-SH. CIG-US did not own any non-routine IP or undertake any non-routine risks and therefore did not qualify to receive any of the premium profits. In addition, no comparable profit split transactions could be identified to apply the comparable PSM. Therefore, PSM was not selected as the best method.

Unspecified Methods

As with any method, an unspecified method is not to be applied unless it provides the most reliable measure of an arm's length result under the principles of the best method rule. No unspecified method was found to provide a more reliable result than the CPM. Therefore, we did not select any unspecified method as the best method.

Application of the CPM

The application of the CPM requires the selection of a tested party, an appropriate PLI, and comparable third-party companies.

Selection of the Tested Party

Treas. Reg. § 1.482 stipulates that the tested party is generally the entity involved in the controlled transaction whose profitability can be verified using the most reliable data and requiring the fewest and most reliable adjustments. This entity, in most cases, will be the least complex of the controlled taxpayers and will not own valuable IP or unique assets relating to the transaction that distinguish it from potential uncontrolled comparable companies. Once a tested party is selected, data from comparable companies can then be used to evaluate its profitability.

With respect to the intercompany transaction, the functions performed, risks assumed, and assets employed by CIG-US in its distribution functions are routine in nature and can be readily tested against independent companies. CIG-SH owns the IP and performs the majority of functions with respect to the intercompany transaction. Relative to CIG-SH, CIG-US is the least complex entity with respect to the intercompany transaction. Therefore, CIG-US was selected as the tested party.

TRANSACTION 1 – DISTRIBUTION OF TANGIBLE GOODS

Comparable Search

PLI Selection

PLIs can generally be divided into two categories:

- Rates of return, which measure profits (a flow) relative to some measure of assets (a stock); and
- Margin ratios, which measure profit (a flow) as a percentage of another flow, such as sales, cost of sales, or operating expenses.

Rates of return are generally used when there are significant differences in turnover among comparable companies and are best used to compare firms operating in different industries or performing different functions with varying asset requirements. Margin ratios are generally used when there is confidence that turnover ratios are relatively similar within the set of comparable companies (or reliable adjustments can be made to reflect any differences) and when there are concerns about the ability to measure or allocate asset values accurately. Margin measures may also be used when the functions are not that reliant on the entities' balance sheet assets.

Given that the comparable companies and CIG-US carries out standard distribution functions, margin measures are more appropriate than rate of return measures as CIG-US's distribution functions are not particularly dependent on the assets employed. CIG-US purchases products from CIG-SH, which means that CIG-US's COGS is the controlled variable associated with the controlled transaction. As such, any margin ratios that are derived from COGS, such as the markup on total costs, would not provide for a reliable analysis. Therefore, we selected the OM, defined as operating profit divided by sales, as the most appropriate PLI.

Identification of Comparable Companies

To identify comparable companies that perform distribution activities comparable to those performed by CIG-US, we searched S&P CapitalIQ database. S&P's CapitalIQ database contains fundamental financial, economic, and market information on over 79,000 publicly held companies, including over 45,000 active companies, in more than 130 countries worldwide. The database offers over 5,000 financial and supplemental data items in over 100 currencies. As a point-in-time database, S&P's CapitalIQ captures all instances of a company's filings from press releases, initial filings, and all subsequent filings. We included two and three-digit SIC codes in our search strategy. The selection of two-digit SIC codes includes, by default, all three and four-digit SIC codes that fall under that Industry Group. The selection of three-digit SIC codes includes, by default, all four-digit SIC codes that fall under that Industry Group. As such, in order to arrive at a search strategy that only included the SIC codes listed below, we applied the 'And Not' filter to manually exclude the four-digit SIC codes that were not selected.

We searched for North American companies that were not acquired, liquidating, reorganizing, out of business, or operating subsidiaries and classified under the primary SIC codes. This search was conducted in October 2024.

TRANSACTION 1 – DISTRIBUTION OF TANGIBLE GOODS

Comparable Search

Comparable Search Strategy	
Geographic Region	North America
Years Under Analysis	2021-2023
Company Type	Public
Database Used	S&P CapIQ
Selection of PLI	OM
SIC Codes	5040 - Professional And Commercial Equipment And Supplies 5041 - Sporting and recreational goods and supplies - wholesale 5042 - Toys and hobby goods and supplies - wholesale 5043 - Photographic Equipment and Supplies, Wholesale Trade 5044 - Office Equipment 5045 - Computers and Computer Peripheral Equipment and Software 5046 - Commercial Equipment, not elsewhere classified 5047 - Medical, Dental, and Hospital Equipment and Supplies 5048 - Ophthalmic Goods, Wholesale Trade 5049 - Professional Equipment and Supplies, Not Elsewhere Classified 5060 - Electrical Goods 5099 - Durable Goods, not elsewhere classified

The initial search identified 64 potentially comparable companies located in North America. The potentially comparable company were further screened for (i) accuracy of financial data, (ii) development or ownership of intangible assets, and (iii) functional comparability. A description of the quantitative and qualitative review processes are described below.

1) Quantitative Review Process

Adequacy of Financial Data

The first step in the search process involved eliminating companies that did not have sufficient financial data by examining the companies' income statements to ensure that the companies in the sample had three years of financial data. This screening criterion is used to eliminate development-stage and inactive companies, provide sufficient historical data to even out one-year aberrations in financial results, and normalize the effects of product or business cycles. As such, we rejected companies that were determined to raise substantial doubt about their ability to continue as a "going concern."[7]

Development or Ownership of Intangible Assets

The set of potentially comparable companies was then examined to determine to what extent, if any, these companies owned significant intangible assets, such as proprietary products or processes, or valuable brands and trademarks or technology. Companies that devoted significant resources to develop, acquire, or own such assets were rejected from the sample because we believe that investments made in IP are inherently risky, and therefore, are likely to yield more variable returns. The difference in risk reduces the reliability of using their financial results to establish arm's length profit levels for routine service providers. The extent to which a company develops or owns intangible assets was evaluated using both quantitative and qualitative screening criteria.

As a qualitative screen, we examined the potentially comparable companies' SEC Form 10-K to determine whether a company disclosed that intangible assets were material to its business. We employed the following quantitative screens to evaluate the extent to which companies owns or develops intangible assets.

[7]Going concern issues were evaluated with respect to, for instance, bankruptcy filings (or notification of filings), third-party auditor's opinion presented in the annual report, and consecutive years of negative shareholder's equity.

TRANSACTION 1 - DISTRIBUTION OF TANGIBLE GOODS

Comparable Search (cont.)

Advertising Expense-to-Sales Ratio

Advertising expense-to-sales ratio measures the effectiveness of an advertising campaign by dividing total advertising expenses by sales. This ratio is designed to show whether the resources a firm spends on an advertising campaign helped generate new sales. Higher advertising-to-sales ratios indicate that high advertising expenses may have resulted in creation or development of an intangible asset that generated sales. Therefore, we rejected companies that generated adverting-to-sales ratios in excess of three percent.

2) Qualitative Review Process

To develop a reliable set of comparable companies, the business descriptions generated from S&P's CapitalIQ's database were reviewed to assess comparability. We rejected companies for differences in functionality, market level, and product offerings. The following subsections detail each rejection reason.

Functional Comparability

Functional comparability refers to economically significant activities carried out by the tested party. The functions performed by the CIG-US are identified and compared to those undertaken by each comparable, third-party company. Consideration must also be given for the risks undertaken in relation to functions performed. The allocation of risk ultimately influences the conditions of the transactions between related parties. Entities that take more risks should be compensated by an increase in expected return depending upon the degree to which such risk is realized. Therefore, the functions performed and risks assumed by the tested party are analyzed against each comparable, third-party company.

With respect to the intercompany transaction, CIG-US operates as a wholesale distributor with minimal value-added functions. Therefore, companies that performed significantly different functions, such as R&D or manufacturing, were eliminated from the set.

Market Level Comparability

Market level comparability refers to the types of buyers and sellers that the goods and services are being provided to and received from. Some examples of transaction classifications by market level include manufacturer-to-wholesaler, wholesaler-to-wholesaler, wholesaler-to-retailer, or direct-to-a-third-party consumer. Market prices vary greatly depending upon the ultimate recipient and location of the consumer. Buyers or sellers may operate at certain market levels that allow them to negotiate volume discounts or price reductions. Comparable, third-party companies must operate at the same market level within the same or similar economic environments as the tested party. Differences in market level can lead to material differences that make a company not comparable to the tested party.

With respect to the intercompany transaction, CIG-US distributes at the wholesale market level. Therefore, companies that distribute at the retail market level were rejected

Product Comparability

Product comparability refers to the types of goods and services that are being bought or sold, and the factors associated with product differences that affect a company's profitability. Companies that produce or sell durable products with longer economic life may differ in cost structures and profit potential than companies that produce or sell perishable or non-durable goods with significantly shorter economic life. Therefore, if material product differences are identified in comparable companies, the reliability of the analysis may be directly affected.

CIG-US distributes telecommunication products. As such, companies that distribute significantly different products, were eliminated from the set.

Other Rejection Reasons

Other reasons for rejecting companies not encompassed by the function, market level, and product screens include differences in geographic presence, company status (i.e. if they are a subsidiary), or if they operate in an unrelated industry, etc.

Detailed Review

After completing the business description review, we completed a more detailed review of the potentially comparable companies' SEC Form 10-Ks and annual reports to determine whether the companies performed functions, assumed risks, and employed assets comparable to CIG-US. This comprehensive assessment increased the probability that the final set of comparable companies faced similar market and business risks, and that the sample would produce reliable economic results consistent with those generated by CIG-US.

TRANSACTION 1 - DISTRIBUTION OF TANGIBLE GOODS

Comparable Search (cont.)

Results of the CPM Analysis

The final review of the companies left 12 wholesale distributors in North America that perform functions, employ assets, and assume risks comparable to those of CIG-US.

Use of Multiple-Year Data

Since circumstances unrelated to transfer pricing could create short-term variations in the financial performance of independent companies, Treas. Reg. § 1.482-1 states that it may be appropriate to establish a range derived from the average results of uncontrolled comparable companies over a multiple-year period. Accordingly, the following analysis examines three-year averages over the comparable companies' most recent years for which data was available (e.g., 2021 to 2023).

Range of Acceptable Results

To increase the reliability of the analysis, the arm's length ranges presented in the following subsections represent the interquartile range of margins earned by the comparable, independent companies in accordance with Treas. Reg. § 1.482-1, which states that the reliability of an analysis can be increased "…by adjusting the range through an application of a valid statistical method to the results of all of the uncontrolled comparables…".[8] The median results for the comparable companies are also presented for completeness.

[8]The reliability of the analysis is increased when statistical methods are used to establish a range of results in which the limits of the range will be determined such that there is a 75 percent probability of a result falling above the lower end of the range and a 75 percent probability of a result falling below the upper end of the range. The range thus defined is termed the "interquartile range."

Treas. Reg. § 1.482-1(e)(2)(iii)(B).

TRANSACTION 1 - DISTRIBUTION OF TANGIBLE GOODS

Results

Results

The table below, presents the unadjusted OMs generated by comparable wholesale distributors in North America.

Comparable Companies	2021 OM	2022 OM	2023 OM	3-Year Weighted Average
Surge Components, Inc.	7.9%	9.1%	4.2%	7.3%
EACO Corporation	3.1%	8.3%	8.6%	6.9%
WESCO International, Inc.	5.4%	7.1%	6.6%	6.4%
Climb Global Solutions, Inc.	4.3%	5.9%	5.4%	5.2%
Arrow Electronics, Inc.	4.5%	5.6%	4.5%	4.9%
Insight Enterprises, Inc.	3.5%	4.0%	4.7%	4.1%
Avnet, Inc.	1.9%	4.0%	4.6%	3.6%
ScanSource, Inc.	2.3%	3.5%	3.6%	3.2%
Owens & Minor, Inc.	4.6%	2.0%	2.2%	2.9%
TD SYNNEX Corporation	2.3%	2.0%	2.2%	2.2%
Forward Industries, Inc.	-2.0%	-2.9%	0.4%	-1.6%
ADDvantage Technologies Group, Inc.	-15.0%	1.2%	-[9]	-5.1%
Range of Results	**2021 OM**	**2022 OM**	**2023 OM**	**3-Year Weighted Average**
Upper Quartile	4.6%	6.5%	5.4%	5.8%
Median	3.3%	4.0%	4.5%	3.9%
Lower Quartile	2.1%	2.0%	2.2%	2.5%

Summary of Results

Based on the results presented on the left, the YE 2023 interquartile range of the OMs earned by the comparable NA distributors ranged from 2.2 percent at the lower quartile to 5.4 percent at the upper quartile, with a median of 4.5 percent. During the same period, on its distribution of telecommunication products, CIG-US earned an OM of 2.5 percent, which falls within the YE 2023 interquartile range of results. Therefore, during YE 2023, it can be concluded that CIG-US transacted with CIG-SH in a manner consistent with the arm's length standard.

[9]ADDvantage Technologies Group, Inc. did not have YE 2023 financial data available at the time of the analysis.

TRANSACTION 2 - PROVISION OF MANAGEMENT SERVICES

Selection of the Best Method

Arm's Length Standard

A controlled transaction meets the arm's length standard if the results of the transaction are consistent with the results that would have been realized if uncontrolled taxpayers had engaged in the same transaction under the same circumstances (arm's length result).

Evaluation of whether a controlled transaction produces an arm's length result requires the following:

- Selecting the best method under Treas. Reg. §1.482.
- Identifying comparable independent transactions or companies to use in applying the best method.
- Analyzing the financial and economic outcomes of the controlled transactions against comparable third-party price or profit benchmarks. These third-party comparisons may include appropriate adjustments, for example, to account for differences between the tested and comparable transactions.

As state and local transfer pricing guidelines generally align with IRC §482, we evaluated the intercompany transactions in accordance with IRC §482 and the regulations thereunder.

Best Method

To determine the best method, Treas. Reg. §1.482-1(c) directs taxpayers to consider (i) the degree of comparability between the controlled transaction or taxpayer and any uncontrolled comparables and (ii) the quality of the data and assumptions used in the analysis.

Methods to Analyze Intercompany Services

Treas. Reg. §1.482-9(a) provides specified methods from which the best method must be selected to analyze the provision of intercompany services:

- SCM, which evaluates the arm's length nature of the transaction by reference to the total cost of providing the service with no additional charge or markup;
- CUSP, which evaluates the arm's length nature of a controlled services transaction by comparing the price charged in the controlled transaction to the amount charged in a comparable uncontrolled transaction;
- GSMM, which compares the gross profit margin (calculated as gross profit over sales) earned in the controlled transaction with the gross profit margin realized in a comparable uncontrolled transaction;
- CSPLM, which compares the gross services profit markup (calculated as gross profit over cost of sales) realized in a controlled transaction with that earned in comparable uncontrolled transactions;
- CPM, which evaluates the arm's length nature of a controlled transaction based upon objective measures of profitability (known as profit level indicators) derived from uncontrolled taxpayers that engage in similar business activities under similar circumstances;
- PSM, which determines an arm's length division of the combined operating profit or loss from one or more controlled service transactions based on the relative value of each controlled taxpayer's contribution to that combined operating profit or loss; and
- Unspecified methods, which consists of any method, other than those listed above, used to evaluate the intercompany transaction that takes into account the general principle that uncontrolled taxpayers evaluate the terms of a transaction by considering the realistic alternatives to the transaction.

TRANSACTION 2 - PROVISION OF MANAGEMENT SERVICES

Selection of the Best Method

Intercompany Provision of Services

The functions performed and risks assumed by CIG-SH with respect to its intercompany provision of management services to CIG-US were reviewed in accordance with Treas. Reg. § 1.482-9. The Group elected to utilize the SCM with regards to the expenses charged from CIG-SH to CIG-US. Therefore, the transfer pricing policy and application thereof was reviewed to determine whether it meets the stipulations outlined under the SCM as outlined in Treas. Reg. § 1.482-9.

Overview of the SCM

Treas. Reg. §1.482-9 stipulates that eligibility to elect the SCM is dependent on the services in question meeting four defined requirements:

i. The service is a covered service;

ii. The service is not an excluded activity;

iii. The service is not precluded from constituting a covered service by the business judgment rule; and

iv. Adequate books and records are maintained.

- **Covered Services**[10]

Treas. Reg. §1.482-9 indicates that a covered service is a specified covered service, or a low-margin covered service. Specified covered services are services specified by the IRS under Revenue Procedure 2007-13 ("Rev. Proc. 2007-13"), which includes a list of 101 service activities that may be covered by the SCM. Treas. Reg. § 1.482-9 defines low margin covered services as controlled services transactions for which the median comparable markup on total services costs is less than or equal to seven percent. That is, if a set of uncontrolled companies for the service in question exhibited a median markup on total services costs of seven percent or less, the service would be eligible to apply the SCM, thus the service provider could charge total services costs without a markup.

- **Excluded Service Activities**[11]

Treas. Reg. §1.482-9 cites a number of service activities that are specifically excluded from applying the SCM. The types of activities indicated are: manufacturing; production; extraction, exploration, or processing of natural resources; construction; reselling, distribution, acting as a sales or purchasing agent (or acting under a commission or other similar arrangement); research, development, or experimentation; engineering or scientific; financial transactions (including guarantees); and insurance or reinsurance.

- **Business Judgment Rule**[12]

The Business Judgment Rule, under Treas. Reg. §1.482-9, stipulates that services eligible for the SCM may not be services that contribute significantly to the fundamental risks of business success or failure. The taxpayer must reasonably conclude that, in its business judgment, the service in question does not contribute significantly to key competitive advantages, core capabilities, or fundamental risks of success or failure in the trade or business of the controlled group.

The management services provided by CIG-SH pass the business judgment test as it has been concluded by the management of the CIG Group that these services do not contribute significantly to the competitive advantages, core capabilities, or fundamental risks of success of the CIG-US's business.

[10] Treas. Reg. § 1.482-9(b)(3).

[11] Treas. Reg. § 1.482-9(b)(4).

[12] Treas. Reg. § 1.482-9(b)(5)

TRANSACTION 2 - PROVISION OF MANAGEMENT SERVICES

Selection of the Best Method

Additional Considerations - Intercompany Provision of Services

Prior to an intercompany charge for services being warranted amongst Group Affiliates, a Group member must have performed services for the benefit of another Group Affiliate, or for the benefit of all Group Affiliates.

Under current regulations, activities are considered to provide a benefit to the recipient(s) if the activity directly results in a reasonably identifiable increment of economic value that enhances the commercial position of the recipient(s) or is reasonably anticipated to do so. Activities are considered beneficial if given the existing facts and circumstances, an uncontrolled taxpayer situated in comparable circumstances as the service recipient(s) would be willing to pay an uncontrolled party to perform the same or highly comparable activities on a fixed or contingent fee basis, or if the service recipient(s) would have otherwise performed the same or similar activities for themselves. Additional considerations taken into account when determining whether a charge for intercompany services is appropriate are detailed below.

- **Indirect or remote benefit** – Activities are not considered beneficial to a service recipient if, at the time the activity is performed, the present or reasonably anticipated benefit from such activity is indirect or remote to the extent that the recipient(s) would not be willing to pay an unrelated party to perform the same or similar activities on a fixed or contingent fee basis and would also not be willing to perform such activities themselves.
- **Duplicative activities** – Activities performed by a controlled taxpayer that duplicate an activity that is performed, or that is reasonably anticipated to be performed by another controlled taxpayer or for themselves, the activity is typically not considered beneficial to the service recipient(s) unless performance of the activity itself provides additional benefit to the service recipient(s).
- **Shareholder activities** – Activities in which the sole effect is intended to protect the service providers capital investment in the service recipient(s) or other members of the controlled group, or to facilitate compliance by the service provider with respect to financial reporting, legal, or regulatory requirements applicable specifically to the service provider are considered shareholder activities and are not considered to provide a benefit to the service recipient(s).
- **Passive association** – Controlled taxpayers generally will not be considered to be receiving a benefit in cases where it results from the controlled taxpayer's status as a member of a controlled group. However, a controlled taxpayer's status as a member of a controlled group may be taken into account to evaluate comparability between controlled and uncontrolled transactions.

Identification of Services Cost Base

When the SCM, the CPM, or the PSM are applied, the costs associated with the service provided must be identified according to specific rules outlined in Treas. Reg. §1.482-9. For the SCM and the profit-based methods, the costs identified with the service directly influence the intercompany charge.

The proper cost base for applying these methods is "the total services costs" borne by the services provider. Treas. Reg. §1.482-9 states that total services costs "include all costs in cash or in kind (including stock-based compensation), that, based on analysis of the facts and circumstances, are directly identified with or reasonably allocated. Costs for this purpose should comprise provision for all resources expended, used, or made available to achieve specific objectives for which the service is rendered. Directly identifiable (or reasonably allocated) stock-based compensation may now also be included in this cost base. Total services costs do not include interest expense, foreign income taxes, or domestic income taxes."

During the YE 2023, CIG-SH bore costs pertaining to the provision of management services for CIG-US.

TRANSACTION 2 - PROVISION OF MANAGEMENT SERVICES

Benefit Test

Benefit Test & Determination of Total Allocable Costs

- **Benefit Test**

The taxpayer should begin its evaluation of the pricing related to intercompany services by performing the benefit test. Under the benefit test a transfer price must be charged whenever an entity is performing services that provide a benefit to a related party or are intended to do so. The test is based on the assumption that an independent company would not be willing to pay for services if it had not expected to benefit from them. An activity provides a benefit to the recipient if it "directly results in a reasonably identifiable increment of economic or commercial value that enhances the recipient's commercial position or is reasonably anticipated to do so."

As detailed in the previous section, activities that are duplicative or ancillary do not warrant an intercompany charge. In addition, services that are of a stewardship nature, which one group member performs solely because of its ownership interest in one or more other group members (i.e., in its capacity as shareholder), would not justify any charge. Also, if the benefit is obtained through passive association with another controlled taxpayer, an intercompany charge is not permitted.

Based on the information presented in the functional analysis, we have concluded that CIG-SH' provision of management services provide a direct benefit to CIG-US.

Further, the management of the Company represented that even though CIG USA's operations team is growing consistently, it has not kept pace with the growth of the business due to high labor costs, shortage of suitable human resources, the time required for recruitment, and the time needed for personnel training. As such, CIG-US benefits from the management services provided by CIG-SH.

Additionally, had these services not been provided, CIG-US would have engaged a third party and paid the appropriate costs for the services provided or incurred the costs of performing the services internally. Furthermore, the services are not considered to be related to stewardship/shareholder activities and are not duplicative in nature.

Covered Transactions - Intercompany Services[13]

Service Type	Covered Services	Business Judgement Test
Accounting, Tax and Auditing	Rev. Proc. 2007-13 #28-44	✓
IT Services	Rev. Proc. 2007-13 #87-94	✓
Purchasing & Procurement	Rev. Proc. 2007-13 #100-101	✓

Benefit Test & Determination of Total Allocable Costs, continued

As displayed in the table above, management services provided by CIG-SH to the CIG-US qualify as covered services under Rev. Proc. 2007-13. These services are not cited on the excluded services list and pass the business judgment test because it has been concluded by CIG-SH that these services do not contribute to the competitive advantages, core capabilities, or fundamental risks of success of the CIG-US's business. CIG-SH also diligently tracks their costs associated with the services provided to CIG-US and maintains accurate, up-to-date books and records outlining the allocation of costs.

These services, therefore, qualify for the application of the SCM, and associated expenses may be appropriately charged out at cost, without a markup.

ECONOMIC ANALYSIS
Services Analysis

Benefit Test & Determination of Total Allocable Costs, continued

- **Determination of Total Allocable Costs – Management Services**

Total Allocable Costs refer to the entire cost of rendering services, considering all resources expended, used, or made available to achieve the specific service objective. The costs associated with rendering management services primarily consist of salaries related to the professionals and specific management teams housed in CIG-SH.

During YE 2023, CIG-SH incurred approximately $14.2 million in general & administrative costs, within this, four departments specifically IT, Finance, Sourcing, and Logistics work for the overall CIG group, with a total personnel cost of $7.7 million. During YE 2023, CIG-US was allocated $4.3 million without any profit markup using the proportion of gross margins generated from third-party sales as the most appropriate allocation key.

Therefore, application of the SCM and allocation of costs without a profit markup is reasonable from a U.S. transfer pricing perspective for YE 2023.

SECTION 9

APPENDICES



SECTION 9

APPENDICES

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS



APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Arm's Length Standard

The arm's length standard

IRC §482 gives the IRS authority to allocate income or deductions between related entities if it determines that such allocation is necessary to prevent evasion of taxes or clearly to reflect the income of such related entities. The §1.482 Regulations state that:

[T]he purpose of Section 482 is to ensure that taxpayers clearly reflect income attributable to controlled transactions, and to prevent the avoidance of taxes with respect to such transactions.1

The regulations go on to state that the standard against which any transaction between related parties will be judged, is that of the same or similar transaction carried out by a taxpayer dealing at arm's length with an uncontrolled taxpayer.

A controlled transaction meets the arm's length standard if the result of the transaction is consistent with the results that would have been realized if uncontrolled taxpayers had engaged in the same transaction under the same circumstances. 2

The key concept underlying the application of the arm's length standard is comparability between the controlled transaction and transactions that occur between independent unrelated parties. In this regard, taxpayers must compare the results of the related-party transaction in question to the results of comparable transactions between uncontrolled parties under comparable circumstances. Set forth below are the general guidelines developed by the IRS for use in applying the arm's length standard.

No: 1
Source: Treas. Reg. §1.482-1(a)(1)
No: 2
Source: Treas. Reg. §1.482-1(b)(1)

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Best Method

Selection of transfer pricing method

Treas. Reg. §1.482-1 requires that the best method be employed to determine arm's length pricing for intercompany transactions. The best method is defined as the method that produces the most reliable measure of an arm's length result for the controlled transaction in question, considering the facts and circumstances of the transaction.

There are two primary concepts that are to be considered in order to determine which method is "best." The first consideration is the degree of comparability between the controlled transaction and the uncontrolled transaction. According to Treas. Reg. §1.482-1(d)(1), the five factors that should be considered when determining the degree of comparability are:

- Functions performed,
- Contractual terms,
- Risk borne,
- Economic conditions experienced, and
- Nature of the property or services.

A functional analysis conducted for a transfer pricing study is important to determine the extent to which these five factors relate to the transactions (or entities) under review. It is an approach to find and organize facts about a business in terms of its functions, risks, and intangibles in order to identify how these characteristics are divided among the companies involved in the relevant transactions. The purpose of the functional analysis is to ascertain the value-added activities undertaken by a company in order to identify comparable transactions (or companies) that establish an arm's length range of prices. Thus, the functional analysis provides a factual foundation for establishing transfer pricing methods consistent with the arm's length standard set forth in Treas. Reg. §1.482-1.

The second concept in determining the best method is the quality of the data and assumptions used in the analysis. Again, there are several factors to consider in assessing the quality of the data and assumptions, including:

- Completeness and accuracy of data,
- Reliability of assumptions, and
- Sensitivity of the results to deficiencies in data and assumptions.

For each transaction under study, the method that combines the greatest degree of comparability and reliability will be considered the best pricing method. Any other method that can be used to provide an arm's length result of the transaction under study but is judged to be less reliable than the best method, may be used as a corroborative method to support the results arrived through the application of the best method. Before such an assessment can be made, however, it is necessary to understand the business activities conducted, resources employed, and risks borne in association with each intercompany transaction.

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Methods for Evaluating the Transfer of Tangible Property

The §1.482 Regulations include six methods for establishing arm's length pricing for tangible property: 1) comparable uncontrolled price, 2) resale price method, 3) cost plus method, 4) comparable profits method, 5) profit split methods, and 6) unspecified methods.

Comparable Uncontrolled Price Method

The comparable uncontrolled price method provides that the arm's length price for the transfer of tangible property is the actual price charged between unrelated parties for the sale of comparable tangible property. The §1.482 Regulations indicate that an analysis under the comparable uncontrolled price method will generally be more reliable (and, therefore, be the best method) than an analysis by other methods, assuming the analysis is based on appropriate comparable uncontrolled transactions.

The comparable uncontrolled price method evaluates whether a price charged between related parties is arm's length by reference to a price charged by the seller to an unrelated party for the same (or highly similar) product. Thus, the primary factor affecting whether the comparable uncontrolled price method may be used to analyze intercompany transfers of tangible property is the degree of comparability of transactions between related parties and those among unrelated parties.

Additional factors determining comparability are:

- Nature of the property or services.
- Quality of the product,
- Contractual terms (e.g., scope and terms of warranties provided, sales or purchase volume, credit terms, transport terms),
- Level of the market (i.e., wholesale or retail),
- Geographic market in which the transaction takes place,
- Date of the transaction,
- Intangible property associated with the sale, and
- Alternatives realistically available to the buyer and seller. [1]

Minor differences are acceptable if adjustments can be made for such differences, and these adjustments have a reasonable ascertainable effect on the product price.

Resale Price Method

The resale price method tests the arm's length nature of a transfer price in a controlled transaction by reference to the gross profit margin (i.e., gross profit divided by net sales) realized in a comparable uncontrolled transaction. This method is ordinarily appropriate in cases involving the purchase and resale of tangible property in which the buyer/reseller (i.e., distributor) does not add substantial value to the goods by physically altering them or using marketing intangibles. A distributor's gross profit provides both compensation for the performance of the distribution functions and a return on the capital invested and risks assumed by the distributor. Thus, under the resale price method, comparability is primarily dependent upon the similarity of the functions performed and the risks assumed by the controlled and uncontrolled distributors and is less dependent on the similarity of the tangible goods bought and resold relative to the comparable uncontrolled price method.

Cost Plus Method

The cost plus method determines the arm's length nature of a transfer price in a controlled transaction by reference to the mark-up on the cost of sales (i.e., gross profit divided by costs of goods sold) that the seller realized in a comparable uncontrolled transaction. The cost plus method measures the value of functions performed and is ordinarily appropriate in cases involving the manufacture or assembly of tangible goods that are sold to a related party. The gross profit mark-up provides both compensation for the performance of manufacturing and/or assembly functions and a return on capital invested and risks assumed by the manufacturer. Thus, under the cost plus method, comparability is primarily dependent upon the similarity of the functions performed and the risks assumed by the controlled and uncontrolled manufacturers and is less dependent on the similarity of the tangible goods produced relative to the comparable uncontrolled price method.

No: 1
Source: Treas. Reg. §1.482-3(b)(ii)(B)

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Methods for Evaluating the Transfer of Tangible Property

Comparable Profits Method

The comparable profits method relies on the general principle that similarly situated taxpayers will tend to earn similar returns over a reasonable period of time. According to the Treas. Reg. §1.482-5(a), "[T]he comparable profits method evaluates whether the amount charged in a controlled transaction is arm's length based on objective measures of profitability (i.e., profit level indicators) derived from uncontrolled taxpayers that engaged in similar business activities under similar circumstances."

Because differences in functions performed are often reflected in relative values of operating expenses, companies that perform different functions may have similar operating margins although their prices or gross margins differ substantially. In addition, similarity of products is not as important to a reliable comparable profits method result as it is to the results under the other transactional methods, such as a comparable uncontrolled price, resale price method, or cost plus method. While differences in product markets may generate significant differences in prices or gross margins, they are less likely to generate differences in operating margins. [1]

The comparable profits method is also a more generally applicable method for evaluating transfer prices than other specified methods, since the standards of functional comparability between the controlled company and the uncontrolled companies that provide the profit benchmarks are relaxed, and only similarity in product market is required. Under the comparable profits method, the arm's length result is determined by the amount of operating profit the related party would have earned on the controlled transaction if its profit level indicator was equal to that of an uncontrolled, comparable company.

Profit level indicators measure the relationship between profits and sales, costs incurred, or resources employed. A variety of indicators may be used in a given analysis. The choice between the measures depends on: 1) the activities of the entity under evaluation, 2) the reliability of the data for comparable uncontrolled companies, and 3) the extent to which the indicator will produce a reliable measure of an arm's length result. These indicators include the rate of return on capital employed and various "financial ratios."

The rate of return on capital employed is defined as the ratio of operating profit to operating assets (i.e. return on assets). The greater the role of operating assets in generating operating profits for both the tested party and the comparable, uncontrolled companies, the more reliable is this measure of profitability. In addition, the reliability of this measure depends on the similarity across the tested party and comparable companies' operating asset composition.

Financial ratios measure the relationship between profits and revenues or costs. Financial ratios are more sensitive to functional differences than the return on assets; therefore, closer functional comparability is normally required when applying a financial ratio. Financial ratios that may be employed in a comparable profits method analysis include, among others, the ratio of operating profit to net sales (defined as an operating margin), the ratio of gross profits to operating expenses (referred to as a Berry ratio), and the ratio of operating profit to costs (referred to as a mark-up on total costs ratio).

No: 1
Source: Treas. Reg. §1.482-5(c)

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Methods for Evaluating the Transfer of Tangible Property

Profit Split Method

The profit split method allocates combined profit or loss from a business activity in a manner that reflects the relative value of each taxpayer's contribution to the combined profit or loss. Compared to the other prescribed methods, the profit split method is more easily subject to manipulation, as it relies heavily on data internal to a company and is highly subjective.

According to the preamble to the final §1.482 Regulations, "[T]he basic approach of a profit split method is to estimate an arm's length return by comparing the relative economic contributions that the parties make to the success of a venture and dividing any 'excess' returns from that venture between them on the basis of the relative value of such contributions."

Treas. Reg. §1.482-6 provides two profit split methods: 1) the comparable profit split method, and 2) the residual profit split method. The preamble to the regulations states that:

[T]he comparable profit split rule ... essentially may be applied only if it is possible to locate two unrelated parties that are each comparable to one of the controlled taxpayers and that deal with one another in a comparable manner. In such a case the combined operating profit from the relevant business activity is divided among the controlled taxpayers in the same percentage as it was divided among the unrelated parties.

[T]he residual allocation rule ... consists of two basic steps. First, using other methods ... market returns for routine functions are estimated and allocated to the parties that performed them. The remaining, residual amount then is allocated between the parties on the assumption that this residual is attributable to intangible property contributed to the activity by the controlled taxpayers. Based on this assumption, the residual is divided based on the estimate of the relative value of the parties' contributions of such property.

Unspecified Methods

When none of the other methods can reasonably be applied, any other reasonable method may be used to the extent the method provides a reliable reflection of an arm's length result.

No: 1
Source: Treas. Reg. §1.482-3(b)(ii)(B)

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Methods for Evaluating Intercompany Services

On July 31, 2009, the Department of the Treasury finalized the temporary regulations issued on August 4, 2006, which provide guidance regarding the treatment of controlled services transactions under §1.482 Regulations.

Benefit Test

The taxpayer should begin its evaluation of the pricing related to intercompany services by performing the benefit test. [1] Under the benefit test a transfer price must be charged whenever an entity is performing services that provide a benefit to a related party or are intended to do so. The test is based on the assumption that an independent company would not be willing to pay for services if it had not expected to benefit from them. An activity provides a benefit to the recipient if it "directly results in a reasonably identifiable increment of economic or commercial value that enhances the recipient's commercial position, or is reasonably anticipated to do so." [2]

Activities that are duplicative or ancillary do not warrant an intercompany charge. In addition, services that are of a stewardship nature, which one group member performs solely because of its ownership interest in one or more other group members (i.e., in its capacity as shareholder), would not justify any charge. [3] Also, if the benefit is obtained through passive association with other controlled taxpayer, an intercompany charge is not permitted.

Costs Applicable to an Intercompany Service Charge

Any test of intercompany services using a transactional method – that is, a test that compares the price, margin, or mark-up associated with a third-party transaction with that of a related-party transaction – implicitly includes a recovery of the costs associated with providing the service, plus a profit component. The profit-based methods, or the services cost method, require that the costs of services be more specifically defined.

Using a profit-based method, an intercompany service that passes the benefit test requires a corresponding intercompany charge of at least the total services costs borne by the service provider. [4] The §1.482 Regulations state that total services costs "include all costs in cash or kind (including stock-based compensation), that, based on analysis of the facts and circumstances, are directly identified with or reasonably allocated…to the services." This means that both direct costs, such as the salaries of the personnel that provided the services, and indirect costs, such as rent and office overhead, should be included in the intercompany charge. Directly identifiable (or reasonably allocated) stock-based compensation must now also be included in this cost base, which is a departure from the previous services regulations.

No: 1
Source: Treas. Reg. §1.482-9(l)(3)
No: 2
Source: Treas. Reg. §1.482-9(l)(3)(i)
No: 3
Source: Treas. Reg. §1.482-9(l)(3)(iii) and §1.482-9(l)(3)(iv)
No: 4
Source: Treas. Reg. §1.482-9(j)

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Methods for Evaluating Intercompany Services

Service Cost Method and the Business Judgment Rule

The previous service regulations required the integral test to determine whether the transfer pricing for an intercompany service required the inclusion of a profit component in the amount charged for services. Under the §1.482 Regulations, if the taxpayer would like to simply charge the costs related to the intercompany provision of services with no profit mark-up, which is referred to as the services cost method, a similar evaluation is required. When the intercompany charge for services equals the total services costs, with no profit mark-up, the taxpayer is said to be using the services costs method. To use this method the taxpayer must perform a qualitative test using the business judgment rule and consider certain qualifying and disqualifying factors.

It should be noted that the services cost method is elective – the taxpayer may decide to include a profit component on any intercompany service charge that is warranted under the benefits test.

Business Judgement Rule

To determine whether an intercompany service qualifies for the services cost method, a taxpayer must first evaluate the service using the business judgment rule. The business judgment rule states that the taxpayer must evaluate, in its own judgment, whether "the covered services…contribute significantly to key competitive advantages, core capabilities, or fundamental risk of success or failure in one or more trade or business of the renderer, the recipient, or both." [1] If the services do not contribute significantly to these factors, the costs associated with the intercompany services may be eligible to be charged out with no profit component using the services cost method. Otherwise an arm's length profit component must be included in the charge.

Covered Services Assessment

Following the business judgment rule assessment, certain additional factors must be considered before the services cost method can be used as the best method. First, the §1.482 Regulations contain a list of specific services that are ineligible for the services cost method. Under no circumstances do services that are substantially similar in nature to the description of an ineligible service qualify for the services cost method.

If the services under evaluation pass the business judgment assessment and do not match the description of any of the ineligible services, they qualify for the services cost method if they meet either one of the following two requirements:

- The services match the description of any of the specified covered services under the services cost method; [2] or
- The services qualify as low-margin covered services – that is, an analysis of the services using the comparable profits method results in an arm's length range of net cost plus mark-ups with a median of 7 percent or less. [3]

Unless the services cost method is selected under the various steps described above, analysts are required to consider the other methods described in the regulations and select a method under the "best method rule" described earlier in the regulations and applicable to the situations where multiple methods may be available. [4]

No: 1
Source: Treas. Reg. §1.482-9(b)(2)
No: 2
Source: Treas. Reg. §1.482-9(b)(2)
No: 3
The net cost plus ratio is defined as operating profit divided by total operating costs.
No: 4
Source: Treas. Reg. §1.482-1(c)

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Specific Methods for Evaluating Intercompany Services

Comparable Uncontrolled Services Price Method

The comparable uncontrolled service price evaluates whether the amount charged in a controlled services transaction is arm's length by reference to the amount charged in a comparable uncontrolled services transaction. The comparable uncontrolled service price is ordinarily used where the controlled services are either identical to or have a high degree of similarity to the services in the uncontrolled transaction.

Gross Services Margin Method

The gross services margin method compares the gross profit margin earned in the controlled services transaction with the gross profit margin realized in comparable uncontrolled services transactions. This method ordinarily is used in cases where a controlled taxpayer performs services or functions in connection with an uncontrolled transaction between a member of the controlled group and an uncontrolled taxpayer.

Cost of Services Plus Method

The cost of service plus method evaluates whether the amount charged in a controlled service transaction is arm's length by reference to the gross services profit mark-up realized in a controlled transaction with that earned in comparable uncontrolled transactions. This method is ordinarily not used in cases where the controlled services transaction involves a contingent- payment arrangement.

Comparable Profits Method

The comparable profits method evaluates the arm's length character of a controlled transaction based upon objective measures of profitability (profit level indicators) derived from uncontrolled taxpayers that engage in similar business activities under similar circumstances.

Profit Split Method

The profit split method determines an arm's length division of the combined operating profit/loss from one or more controlled transactions based on the relative value of each controlled taxpayer's contribution to that combined operating profit or loss. The relative value of each controlled taxpayer's contribution is determined in a manner that reflects the functions performed, risks assumed, and resources employed by such controlled taxpayer in the relevant business activity. The residual profit split method is ordinarily used in controlled services transactions involving a combination of non-routine contributions by multiple controlled taxpayers.

Unspecified Methods

Unspecified methods can be applied if such method is likely to produce more reliable measures of arm's length prices than the specified methods.

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Applicable Services Covered Under Rev. Proc. 2007-13

Overview of Covered Services

The table below details the services performed by the DN Group specifically covered under Rev. Proc. 2007-13.

Services Analysis - Overview of Specified Covered Services

Service Type	Detail of Specifically Covered Services*
Payroll	1. Compiling and posting employee time and other information needed to calculate periodic compensation to employees. Computing employees' time worked, production, and commissions. Computing and posting wages and deductions to appropriate accounting records. Preparing paychecks, travel reimbursement and expense reimbursement. 2. Preparing payroll tax forms (such as the preparation of Forms 940, 941 and W-2 in order to comply with U.S. requirements or similar requirements under another country's laws). 3. Administering garnishment and other wage withholding orders. 4. Other activities similar to those specified in paragraphs (1) through (3).
Accounts Receivable	7. Compiling, analyzing and recording current credit data and other financial information regarding individuals or firms (including preparing reports with this information for use in decision making). 8. Compiling and recording billing, accounting and other numerical data for billing purposes. Preparing billing invoices for services rendered or for delivery or shipment of goods. 9. Locating and notifying customer(s) of delinquent accounts by mail (either electronic or otherwise) or telephone to solicit payment. Receiving payment from customers and posting payment to customer accounts. If customer fails to respond, preparing statements to credit department, initiating repossession proceedings or service disconnection. Keeping records of collection activities and status of accounts. 10. Other activities similar to those specified in paragraphs (7) through (9).
Accounts Payable	11. Compiling information and records to draw up purchase orders for procurement of materials and services. 12. Making payment to vendors and posting payment to status of accounts. 13. Other activities similar to those specified in paragraphs (11) and (12).

*As defined in Rev. Proc. 2007-13.

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Applicable Services Covered Under Rev. Proc. 2007-13

Overview of Covered Services, continued

Services Analysis - Overview of Specified Covered Services

Service Type	Detail of Specifically Covered Services
General Administrative	14. Performing clerical and administrative functions such as drafting correspondence, scheduling appointments, and organizing and maintaining paper and electronic files. 15. Performing data entry through use of a keyboard or scanning device, including verifying data and preparing materials for printing. 16. Using a word processor/computer or typewriter to generate (without substantial modification) letters, reports, forms, or other material from another person's rough draft, corrected copy, or voice recording. 17. Performing duties relating to office management systems and procedures, such as answering telephones, bookkeeping, typing, word processing, office machine operation, and filing. 18. Operating any of the following office machines: photocopying, scanning and facsimile machines. 19. Providing interoffice service/document delivery, including mailroom services, document management, and graphics, video, and website preparation. 20. Other activities similar to those specified in paragraphs (14) through (19).
Corporate and Public Relations (External Affairs)	21. Planning and executing a public relations program or corporate communication policy, including the distribution of internal and external corporate communications, but not to include specific advertising and/or marketing of a product or service. 22. Other activities similar to those specified in paragraph (21).
Accounting & Auditing	28. Gathering and reviewing information in accounting records for use in preparing financial statements. 29. Computing, classifying, and recording numerical data to maintain accurate and complete financial records, performing any combination of calculating, posting, and verifying duties to obtain primary financial data for use in maintaining accounting records, checking the accuracy of figures, calculations, and postings pertaining to business transactions recorded by other workers; and calculating investment performance and net asset values of investments. 30. Consolidating legal entity financial results per country for use in statutory financial statements and tax returns and consolidating worldwide results by business area for use in management accounting.

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Applicable Services Covered Under Rev. Proc. 2007-13

Overview of Covered Services, continued

Services Analysis - Overview of Specified Covered Services

Service Type	Detail of Specifically Covered Services
Accounting & Auditing, continued	31. Developing a company-wide accounting manual that prescribes accounting policies and methods to be used and providing related advice. 32. Performing operational and financial internal audits. 33. Preparing government census and related forms required by a service recipient's home country. 34. Preparing reports required by escheat laws required by a service recipient's home country. 35. Completing import/export documentation and arranging for customs payment. 36. Overseeing audits by customs authorities. 37. Other activities similar to those specified in paragraphs (28) through (36).
Tax	38. Processing tax payments according to prescribed laws and regulations. 39. Gathering information from accounting records and including that information in the preparation of income, property, sales/use, VAT, excise and other tax returns. 40. Overseeing audits conducted by tax authorities. 41. Providing tax advice to businesses to ensure compliance with tax laws, including access to electronic research and tax compliance software. 42. Reviewing local country tax provisions for purposes of inclusion in the consolidated world-wide provision and preparation of the world-wide tax provision. 43. Negotiating advance pricing agreements and other local incentives that benefit the consolidated organization. 44. Other activities similar to those specified in paragraphs (38) through (43).

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Applicable Services Covered Under Rev. Proc. 2007-13

Overview of Covered Services, continued

Services Analysis - Overview of Specified Covered Services

Service Type	Detail of Specifically Covered Services
Budgeting (Financial Planning & Analysis)	53. Compiling data for use by cost estimators in determining cost projections and in preparing budget estimates, including verifying information for completeness, accuracy, and conformance with internal procedures and regulations. 54. Compiling data to prepare budget and accounting reports for management. 55. Other activities similar to those specified in paragraphs (53) and (54).
Staffing & Recruiting (Human Resources)	62. Providing staffing support that includes creating job announcements, determining eligibility, evaluating qualifications of candidates, conducting background checks on final candidates, verifying references, developing performance evaluation procedures and forms, and conducting exit interviews for departed employees. 63. Coordinating with temporary employment agencies, applicants, and management throughout the recruiting process. 64. Providing information to applicants regarding open positions, the application and recruiting process, and employment policies. 65. Providing administrative support that includes sourcing and processing resumes, arranging interview schedules for open positions, preparing offer letters, and entering new employee information into the human resource system. 66. Establishing and maintaining employee files relating to payroll, performance and other personnel issues. 67. Assisting with new employee orientations and paperwork. 68. Implementing recruiting plan and locating potential candidates by working with professional search firms, colleges, universities and professional associations. Organizing and attending job fairs and other recruitment events. 69. Developing recruiting and marketing materials and assisting in developing and maintaining content for recruiting website. 70. Analyzing recruiting data and review all job analysis, promotion and placement products. 71. Posting job opening advertisements in appropriate markets through publications, journals and other media. 72. Managing company-wide job postings and employee referral program. 73. Administering a compensation policy, including grading and determining salary ranges for positions. 74. Other activities similar to those specified in paragraphs (62) through (73).

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Applicable Services Covered Under Rev. Proc. 2007-13

Overview of Covered Services, continued

Services Analysis - Overview of Specified Covered Services

Service Type	Detail of Specifically Covered Services
Training & Employee Development (Human Resources)	75. Assisting in training of personnel including assessing development and training needs, creating and conducting internal development and training programs and communicating training opportunities to personnel. 76. Arranging for management training on employment law compliance, employer liability avoidance, interviewing, hiring, terminations, promotions, performance reviews, safety, and sexual harassment. 77. Developing and implementing plans regarding career-development and succession. 78. Developing and implementing a job evaluation process including procedures and forms. 79. Other activities similar to those specified in paragraphs (75) through (78).
Benefits (Payroll & Benefits)	80. Developing and implementing employee compensation and benefits including healthcare, life insurance, 401(k), pension, worker's compensation, unemployment, dental, profit sharing, employee incentive compensation, and employee assistance programs. 81. Providing benchmarking studies for compensation and other benefit programs. 82. Providing guidance and direction to employees regarding elections for benefits, applications for benefits and receipt of benefits (including providing assistance to employees in completing all necessary forms). 83. Arranging annual benefit enrollment meetings and employee benefit seminars. 84. Processing employee benefits inquiries and complaints, and reconciling billing issues. 85. Coordinating with hospitals, physicians, insurers, employees, and beneficiaries to facilitate proper and complete utilization of benefits for all employees. 86. Other activities similar to those specified in paragraphs (80) through (85).

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Applicable Services Covered Under Rev. Proc. 2007-13

Overview of Covered Services, continued

Services Analysis - Overview of Specified Covered Services

Service Type	Detail of Specifically Covered Services
IT Services	87. Supporting company-wide computer systems including those used in connection with operations, accounting, manufacturing, customer service, human resources, payroll, and email. 88. Formulating guidelines with respect to the use of IT systems. 89. Maintaining and repairing IT systems. 90. Providing telecommunications facilities. 91. Providing technical assistance and training to users of computer systems and other information technology devices. Answering questions or resolving technical problems relating to computer systems and other information technology devices in person, via telephone or from remote location. Providing assistance concerning the use of computer hardware and software, including printing, installation, word processing, electronic mail, and operating systems, as well as disaster recovery back-up services. 92. Maintaining and testing existing computer databases (including implementing security measures to safeguard computer databases), but not to include analyzing user needs or developing hardware or software solutions (such as systems integration, website design, writing computer programs, modifying general applications software, or recommending the purchase of commercially available hardware or software). 93. Supporting an organization's existing local area network (LAN), wide area network (WAN), and Internet system or a segment of a network system, regular maintenance of network hardware and software, monitoring network to ensure network availability to all system users and performing necessary maintenance to support network availability, supervising other network support and client server specialists (including implementing network security measures), but not to include analyzing user needs or developing hardware or software solutions (such as systems integration, website design, writing computer programs, modifying general applications software, or recommending commercially available software). 94. Other activities similar to those specified in paragraphs (87) through (93).

APPENDIX I - OVERVIEW OF U.S. TRANSFER PRICING REGULATIONS

Applicable Services Covered Under Rev. Proc. 2007-13

Overview of Covered Services, continued

Services Analysis - Overview of Specified Covered Services

Service Type	Detail of Specifically Covered Services
Legal Services	95. General legal services performed on behalf of the taxpayer by in-house legal counsel, including but not limited to, drafting, negotiating and review of contracts or agreements, legal documents, and opinions, representation and advocacy before courts, administrative agencies, arbitrators, legislatures, or other bodies, preparing advice in respect of structuring and reorganization, acquisition, and divestment transactions, and maintaining corporate books and records. Support and administrative functions associated with the above activities (legal research, secretarial, filing and document retrieval, etc.). 96. Other activities similar to those specified in paragraph (95).
Insurance Claims Management (Insurance & Risk Management)	97. Securing insurance coverage for general, product, and worker's compensation liability, property loss, business interruption, and other business risks. 98. Coordinating with third party insurers, with respect to insurance policies, including preparing claims for submission to such third party insurers. 99. Other activities similar to those specified in paragraphs (97) and (98).
Purchasing (Purchasing & Procurement)	100. Planning and executing procurement of services and material pursuant to company standard for support functions. 101. Other activities similar to those specified in paragraph (100).

SECTION 9

APPENDICES

APPENDIX II - TRANSACTION 1 COMPARABLES ANALYSIS – NA DISTRIBUTION



Cambridge Industries USA Inc.
YE 2023 U.S. Transfer Pricing Documentation Report
Distribution Analysis - North America
Rejection Matrix

No.	Company Name	Primary SIC	Country	Insufficient Sales Data	Ad Expense/ Sales is not between 0% and 3%	Business Description Review	Detailed Review	Function	Market Level	Product	Other	Accept	Reject
1	ABCO ENERGY, INC.	5065	United States	x									x
2	ADAPTHEALTH CORP.	5047	United States			x		x					x
3	ALLIANCE ENTERTAINMENT HOLDING CORPORATION	5099	United States	x									x
4	ARROW ELECTRONICS, INC.	5065	United States			x	x					x	
5	AVNET, INC.	5065	United States			x	x					x	
6	BIOTECH MEDICS, INC.	5047	United States	x									x
7	BRAILLE ENERGY SYSTEMS INC.	5063	Canada	x									x
8	BRAVATEK SOLUTIONS, INC.	5045	United States	x									x
9	CDW CORPORATION	5045	United States			x		x					x
10	CLIMB GLOBAL SOLUTIONS, INC.	5045	United States			x	x					x	
11	CORETAG, INC.	5099	United States	x									x
12	EACO CORPORATION	5065	United States			x	x					x	
13	ECHO DEFENSE PROJECTS INC.	5099	United States	x									x
14	EDGETECH INTERNATIONAL, INC.	5065	United States	x									x
15	ENTERRA CORPORATION	5065	United States	x									x
16	EPLUS INC.	5045	United States			x		x					x
17	EV TECHNOLOGY GROUP LTD.	5040	Canada	x									x
18	FIRST AMERICA RESOURCES CORPORATION	5063	United States	x									x
19	FORWARD INDUSTRIES, INC.	5047	United States			x	x					x	
20	FUSE MEDICAL, INC.	5047	United States			x		x					x
21	GLOBAL RESOURCE ENERGY, INC.	5063	United States	x									x
22	GREENLANE HOLDINGS, INC.	5099	United States			x		x					x
23	HAWKEYE SYSTEMS, INC.	5047	United States	x									x
24	HEALTH-CHEM CORPORATION	5047	United States	x									x
25	HENRY SCHEIN, INC.	5047	United States			x		x					x
26	HYPERCHARGE NETWORKS CORP.	5063	Canada	x									x
27	IMAGEXPRES CORP.	5065	United States	x									x
28	INSIGHT ENTERPRISES, INC.	5045	United States			x	x					x	
29	JACO ELECTRONICS INC.	5065	United States	x									x
30	JUMA TECHNOLOGY CORP.	5065	United States	x									x
31	MEDIRECT LATINO, INC.	5047	United States	x									x
32	MULTICORP INTERNATIONAL, INC.	5047	United States	x									x
33	NATURE'S MIRACLE HOLDING INC.	5063	United States	x									x
34	NYLE INTERNATIONAL CORP.	5047	United States	x									x
35	OWENS & MINOR, INC.	5047	United States			x	x					x	
36	PARAGON TECHNOLOGIES, INC.	5045	United States			x		x					x
37	PATTERSON COMPANIES, INC.	5047	United States			x		x					x
38	PC CONNECTION, INC.	5045	United States			x		x					x
39	PHONEX HOLDINGS, INC.	5065	United States	x									x
40	PREMIUM BEVERAGE GROUP, INC.	5063	United States	x									x
41	PROTO SCRIPT PHARMACEUTICAL CORP.	5047	United States	x									x
42	QUARTA-RAD, INC.	5065	United States	x									x

Cambridge Industries USA Inc.
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Distribution Analysis - North America
Rejection Matrix

No.	Company Name	Primary SIC	Country	Insufficient Sales Data	Ad Expense/ Sales is not between 0% and 3%	Business Description Review	Detailed Review	Function	Market Level	Product	Other	Accept	Reject
43	RESIDEO TECHNOLOGIES, INC.	5065	United States			x		x					x
44	RICHARDSON ELECTRONICS, LTD.	5065	United States			x		x					x
45	SCANSOURCE, INC.	5045	United States			x	x					x	
46	SEKUR PRIVATE DATA LTD.	5045	Canada	x									x
47	SKY440, INC.	5045	United States	x									x
48	SOFTCHOICE CORPORATION	5045	Canada			x		x					x
49	SOLAR ENERGY INITIATIVES, INC.	5065	United States	x									x
50	SOUTHERN HOME MEDICAL, INC.	5047	United States	x									x
51	SOYO GROUP, INC.	5045	United States	x									x
52	STINGER SYSTEMS, INC.	5099	United States	x									x
53	SURGE COMPONENTS, INC.	5065	United States			x	x					x	
54	SURGLINE INTERNATIONAL, INC.	5047	United States	x									x
55	SYSOREX, INC.	5045	United States	x									x
56	TAITRON COMPONENTS INCORPORATED	5065	United States			x		x					x
57	TD SYNNEX CORPORATION	5045	United States			x	x					x	
58	TREND EXPLORATION, INC.	5047	United States	x									x
59	TURBO GLOBAL PARTNERS, INC.	5045	United States	x									x
60	VASO CORPORATION	5047	United States			x		x					x
61	VMS REHAB SYSTEMS, INC.	5047	Canada	x									x
62	WEEDHIRE INTERNATIONAL, INC.	5045	United States	x									x
63	WESCO INTERNATIONAL, INC.	5063	United States			x	x					x	
64	WIRELESS XCESSORIES GROUP, INC.	5063	United States	x									x

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Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
1	ADDvantage Technologies Group, Inc.	5065	United States	ADDvantage Technologies Group, Inc., through its subsidiaries, operates as a communications infrastructure services and equipment provider in the United States and internationally. It operates through two segments, Wireless Infrastructure Services and Telecommunications. The Wireless Infrastructure Services segment provides turn-key wireless infrastructure services for U.S. wireless carriers, communication tower companies, national integrators, and original equipment manufacturers. Its services primarily include the installation and upgradation of technology on cell sites; and construction of new small cells for 5G. The Telecommunications segment provides central office equipment that include optical transport, switching, and data center equipment for communication networks; customer premise equipment, such as integrated access devices, channel banks, Internet protocol private branch exchange phones, and routers; and decommissioning services for surplus and obsolete telecom equipment. The company was formerly known as ADDvantage Media Group, Inc. and changed its name to ADDvantage Technologies Group, Inc. in December 1999. ADDvantage Technologies Group, Inc. was incorporated in 1989 and is headquartered in Carrollton, Texas. On January 31, 2024, ADDvantage Technologies Group, Inc. along with its affiliates, filed a voluntary petition for liquidation under Chapter 7 in the U.S. Bankruptcy Court for the Eastern District of Texas.
2	Arrow Electronics, Inc.	5065	United States	Arrow Electronics, Inc. provides products, services, and solutions to industrial and commercial users of electronic components and enterprise computing solutions in the Americas, Europe, the Middle East, Africa, and the Asia Pacific. The company operates in two segments, Global Components and Global Enterprise Computing Solutions. The Global Components segment markets and distributes electronic components comprising semiconductor products and related services; interconnect, passive, and electromechanical products, including capacitors, resistors, potentiometers, power supplies, relays, switches, and connectors; and computing and memory products, as well as other products and services. The Global Enterprise Computing Solutions segment offers computing solutions, such as datacenter, cloud, security, and analytics solutions. This segment also provides access to various services, including engineering and integration support, warehousing and logistics, marketing resources, and authorized hardware and software training. The company serves original equipment manufacturers, value-added resellers, managed service providers, contract manufacturers, and other commercial customers. Arrow Electronics, Inc. was founded in 1935 and is based in Centennial, Colorado.

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Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
3	Avnet, Inc.	5065	United States	Avnet, Inc., distributes electronic component technology. The company operates through two segments, Electronic Components and Farnell. The Electronic Components segment markets, sells, and distributes semiconductors; interconnect, passive, and electromechanical components; and other integrated components from electronic component manufacturers. It also offers design chain support that provides engineers with technical design solutions; engineering and technical resources to support product design, bill of materials development, and technical education and training; and supply chain solutions that provide support, warehousing, and logistical services to original equipment manufacturers, electronic manufacturing service providers, and electronic component manufacturers. In addition, this segment provides embedded solutions, such as technical design, integration, and assembly of embedded products, systems, and solutions, as well as embedded display solutions comprising touch and passive displays; and develops and manufactures standard board and industrial subsystems, and application-specific devices that enable it to produce systems tailored to specific customer requirements. This segment serves various markets, such as automotive, medical, defense, aerospace, telecommunications, industrial, and digital editing. The Farnell segment distributes kits, tools, and electronic and industrial automation components, as well as test and measurement products to engineers and entrepreneurs. It has operations in the Americas, Europe, the Middle East, Africa, and Asia. Avnet, Inc. was founded in 1921 and is headquartered in Phoenix, Arizona.
4	Climb Global Solutions, Inc.	5045	United States	Climb Global Solutions Inc. operates as a value-added information technology (IT) distribution and solutions company in the United States, Canada, Europe, the United Kingdom, and internationally. It operates in two segments, Distribution and Solutions. The company distributes technical software to corporate and value-added resellers, consultants, and systems integrators under the name Climb Channel Solutions; and provides cloud solutions and resells software, hardware, and services under the name Grey Matter. It also resells computer software and hardware developed by others, as well as provides technical services to end user customers. In addition, the company offers a line of products from various software vendors; and tools for virtualization/cloud computing, security, networking, storage and infrastructure management, application lifecycle management, and other technically sophisticated domains, as well as computer hardware. It markets its products through its own web sites, local and on-line seminars, events, webinars, and social media, as well as direct email and printed materials. The company was formerly known as Wayside Technology Group, Inc. and changed its name to Climb Global Solutions Inc. in October 2022. Climb Global Solutions Inc. was incorporated in 1982 and is headquartered in Eatontown, New Jersey.

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Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
5	EACO Corporation	5065	United States	EACO Corporation, through its subsidiary, Bisco Industries, Inc., distributes and sells electronic components and fasteners in the United States, Asia, Canada, and internationally. It offers electronic components, such as spacers and standoffs, card guides and ejectors, component holders and fuses, circuit board connectors, and cable components, as well as various fasteners and hardware products. The company also provides customized services and solutions for various production needs, including special packaging, bin stocking, kitting and assembly, bar coding, electronic requisitioning, integrated supply programs, and others. It supplies parts used in the manufacture of products to a range of industries, including aerospace, circuit board, communication, computer, fabrication, instrumentation, industrial equipment, and marine. The company sells its products primarily to the original equipment manufacturers through its sales representatives and distribution centers. EACO Corporation was founded in 1973 and is headquartered in Anaheim, California.
6	Insight Enterprises, Inc.	5045	United States	Insight Enterprises, Inc., together with its subsidiaries, provides information technology, hardware, software, and services in the United States and internationally. The company offers modern platforms/infrastructure that manages and supports cloud and data platforms, modern networks, and edge technologies; cybersecurity solutions automates and connects modern platform securely; data and artificial intelligence modernizes data platforms and architectures, and build data analytics and AI solutions; modern workplace and apps; and intelligent edge solutions that gathers and utilizes data for real-time decision making. It also provides software maintenance solutions that offers clients to obtain software upgrades, bug fixes, help desk, and other support services; vendor direct support services contracts; and cloud/software-as-a-service subscription products. In addition, the company designs, procures, deploys, implements, and manages solutions that combine hardware, software, and services to help businesses. It serves construction, esports, financial services, health care and life sciences, manufacturing, retail and restaurant, service providers, small to medium business, and travel and tourism industries. Insight Enterprises, Inc., was founded in 1988 and is headquartered in Chandler, Arizona.

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Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
7	ScanSource, Inc.	5045	United States	ScanSource, Inc. engages in the distribution of technology products and solutions in the United States, Canada, and Brazil. It operates through two segments, Specialty Technology Solutions and Modern Communications & Cloud. The Specialty Technology Solutions segment provides a portfolio of solutions primarily for enterprise mobile computing, data capture, barcode printing, point of sale (POS), payments, networking, electronic physical security, cyber security, and other technologies. This segment offers data capture and POS solutions to automate the collection, processing, and communication of information for commercial and industrial applications, including retail sales, distribution, shipping, inventory control, materials handling, warehouse management, and health care applications. It also provides electronic physical security products, such as identification, access control, video surveillance, and intrusion-related devices; networking products comprising wireless and networking infrastructure products; other software-as-a-service (SaaS) products; and engages in hardware rental activities. The Modern Communications & Cloud segment offers a portfolio of solutions primarily for communications technologies and services comprising voice, video conferencing, wireless, data networking, cybersecurity, cable, unified communications and collaboration, cloud, and technology services, as well as IP networks and other solutions for various vertical markets, such as education, healthcare, and government. The company serves manufacturing, warehouse and distribution, retail and e-commerce, hospitality, transportation and logistics, government, education and healthcare, and other industries. ScanSource, Inc. was incorporated in 1992 and is headquartered in Greenville, South Carolina.
8	Surge Components, Inc.	5065	United States	Surge Components, Inc., together with its subsidiaries, supplies electronic products and components. It offers capacitors, which are electrical energy storage devices; and discrete semiconductor components, such as rectifiers, transistors, diodes, circuit protection devices, and audible components comprising audible transducers, Piezo buzzers, speakers, and microphones. The company also provides resonators, alarms, chimes, filters, and discriminators, as well as fuses, printed circuit boards, and switches. Its products are used in the electronic circuitry of various industries, including automotive, computer, communications, cellular telephones, consumer electronics, garage door openers, security equipment, audio equipment, telecom products, computer related products, power supply products, utility meters, and household appliances. The company sells its products to original equipment manufacturers and distributors through independent sales representatives or organizations in Canada, China, other Asian countries, South America, and Europe. Surge Components, Inc. was incorporated in 1981 and is headquartered in Deer Park, New York.

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No.	Company Name	Primary SIC Code	Country	Business Description
9	TD SYNNEX Corporation	5045	United States	TD SYNNEX Corporation operates as a distributor and solutions aggregator for the information technology (IT) ecosystem. The company offers personal computing devices and peripherals, mobile phones and accessories, printers, supplies, and endpoint technology software; and data center technologies, such as hybrid cloud, security, storage, networking, servers, technology software, and converged and hyper-converged infrastructure, as well as computing components. It also provides systems design and rack integration, build-to-order, and configure-to-order assembly; and thermal testing, power-draw testing, burn-in, and quality and logistics support. In addition, the company offers outsourced fulfillment, virtual distribution, and direct ship to end-users; shipping documents generation, multi-level serial number tracking, and configured products and online order and shipment tracking, as well as turn-key logistics solutions. Further, it provides public cloud solutions in productivity and collaboration, IaaS, or Infrastructure as a Service, PaaS, or Platform as a Service, SaaS, or Software as a Service, security, mobility, IoT, and other hybrid solutions. Additionally, the company offers online services; provides net terms, third party leasing, floor plan financing, and letters-of-credit backed financing and arrangement; and leases products and provides device-as-a-service, as well as offers direct mail, external media advertising, reseller product training, targeted telemarketing campaigns, national and regional trade shows, trade groups, database analysis, print on demand services, and web-based marketing. It serves value-added resellers, corporate resellers, government resellers, system integrators, direct marketers, retailers, and managed service providers. The company was formerly known as SYNNEX Corporation and changed its name to TD SYNNEX Corporation in September 2021. TD SYNNEX Corporation was founded in 1974 and is headquartered in Fremont, California.

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Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
10	WESCO International, Inc.	5063	United States	WESCO International, Inc. provides business-to-business distribution, logistics services, and supply chain solutions in the United States, Canada, and internationally. It operates through three segments: Electrical & Electronic Solutions (EES), Communications & Security Solutions (CSS), and Utility and Broadband Solutions (UBS). The EES segment supplies products and supply chain solutions, including electrical equipment and supplies, automation and connected devices, security, lighting, wire and cable, and safety, as well as maintenance, repair, and operating (MRO) products. This segment also offers contractor solutions, direct and indirect manufacturing supply chain optimization programs, lighting and renewables advisory services, and digital and automation solutions. The CSS segment operates in the network infrastructure and security markets. This segment sells products directly to end-users or through various channels, including data communications contractors, security, network, professional audio/visual, and systems integrators. It also provides safety and energy management solutions. The UBS segment offers products and services to investor-owned utilities; public power companies; and service and wireless providers, broadband operators, and contractors. This segment's products include wire and cables, transformers, transmission and distribution hardware, switches, protective devices, connectors, conduits, pole line hardware, racks, cabinets, safety and MRO products, and point-to-point wireless devices. This segment also offers various service solutions, including fiber project management, high and medium voltage project design and support, pre-wired meters and capacitor banks, meter testing and metering infrastructure installation, personal protective equipment dielectric testing, and tool repair, as well as emergency response, storage yard, materials, and logistics management. The company was founded in 1922 and is headquartered in Pittsburgh, Pennsylvania.
11	Forward Industries, Inc.	5047	United States	Forward Industries, Inc., together with its subsidiaries, designs, manufactures, sources, markets, and distributes carry and protective solutions. The company operates in two segments: OEM Distribution and Design. The OEM Distribution segment sources and distributes carrying cases and other accessories for medical monitoring and diagnostic kits; and various other portable electronic and non-electronic products, such as sporting and recreational products, bar code scanners, GPS location devices, tablets, and firearms. The Design segment provides hardware and software product design and engineering services. The company sells its products to original equipment manufacturers in the United States, China, Germany, Poland, and internationally. Forward Industries, Inc. was incorporated in 1961 and is based in Hauppauge, New York.

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Comparable Company Business Descriptions

No.	Company Name	Primary SIC Code	Country	Business Description
12	Owens & Minor, Inc.	5047	United States	Owens & Minor, Inc., together with its subsidiaries, operates as a healthcare solutions company worldwide. It operates through Products & Healthcare Services and Patient Direct segments. The Products & Healthcare Services segment offers a portfolio of products and services to healthcare providers and manufacturers. Its portfolio of medical and surgical supplies includes branded products and its proprietary products. This segment also offers services to healthcare providers, including supplier management, analytics, inventory management, and clinical supply management; and various programs to provide outsourced logistics and marketing solutions to its suppliers. The Patient Direct segment provides products and services for in-home care and delivery across diabetes treatment, home respiratory therapy, and obstructive sleep apnea treatment. This segment supplies a range of other home medical equipment, patient care products, including ostomy, wound care, urology, incontinence and other products and services. It serves multi-facility networks of healthcare providers, independent hospitals, surgery centers, physicians' practices, and networks of hospitals directly, as well as indirectly through third-party distributors. Owens & Minor, Inc. was founded in 1882 and is headquartered in Mechanicsville, Virginia.

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Comparable Company Financial Data

ADDvantage Technologies Group, Inc.			(USD Millions)
	Sep-21	**Dec-22**	**2-Year Weighted Average**
Restated Sales-Net	62.2	97.0	79.6
LIFO Adjusted Restated Cost of Goods Sold	46.0	69.2	57.6
Restated Gross Profit	16.1	27.8	22.0
Restated SG&A Expense	24.2	25.4	24.8
Restated Depreciation & Amortization	1.2	1.2	1.2
Restated Operating Profit	-9.3	1.1	-4.1
Operating Margin	**-15.0%**	**1.2%**	**-5.1%**

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Comparable Company Financial Data

Arrow Electronics, Inc.				(USD Millions)
	Dec-21	**Dec-22**	**Dec-23**	**3-Year Weighted Average**
Restated Sales-Net	34,477.0	37,124.4	33,107.1	34,902.9
LIFO Adjusted Restated Cost of Goods Sold	30,274.7	32,287.8	28,958.1	30,506.9
Restated Gross Profit	4,202.4	4,836.6	4,149.0	4,396.0
Restated SG&A Expense	2,447.5	2,567.0	2,475.0	2,496.5
Restated Depreciation & Amortization	195.1	187.4	181.1	187.9
Restated Operating Profit	1,559.7	2,082.2	1,492.9	1,711.6
Operating Margin	**4.5%**	**5.6%**	**4.5%**	**4.9%**

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Comparable Company Financial Data

Avnet, Inc.				(USD Millions)
	Jun-21	**Jun-22**	**Jun-23**	**3-Year Weighted Average**
Restated Sales-Net	19,534.7	24,310.7	26,536.9	23,460.8
LIFO Adjusted Restated Cost of Goods Sold	17,162.1	21,243.0	23,272.2	20,559.1
Restated Gross Profit	2,372.5	3,067.7	3,264.7	2,901.7
Restated SG&A Expense	1,874.8	1,994.8	1,961.3	1,943.6
Restated Depreciation & Amortization	131.9	102.3	88.6	107.6
Restated Operating Profit	365.8	970.5	1,214.8	850.4
Operating Margin	**1.9%**	**4.0%**	**4.6%**	**3.6%**

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Climb Global Solutions, Inc.				(USD Millions)
	Dec-21	**Dec-22**	**Dec-23**	**3-Year Weighted Average**
Restated Sales-Net	282.6	304.3	352.0	313.0
LIFO Adjusted Restated Cost of Goods Sold	236.9	250.3	287.8	258.3
Restated Gross Profit	45.7	54.1	64.2	54.7
Restated SG&A Expense	32.1	34.1	42.5	36.3
Restated Depreciation & Amortization	1.5	2.1	2.8	2.1
Restated Operating Profit	12.1	17.9	18.9	16.3
Operating Margin	**4.3%**	**5.9%**	**5.4%**	**5.2%**

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EACO Corporation				(USD Millions)
	Aug-21	**Aug-22**	**Aug-23**	**3-Year Weighted Average**
Restated Sales-Net	238.0	292.6	319.4	283.3
LIFO Adjusted Restated Cost of Goods Sold	175.7	207.6	225.6	202.9
Restated Gross Profit	62.3	85.0	93.8	80.4
Restated SG&A Expense	53.5	59.3	64.9	59.2
Restated Depreciation & Amortization	1.5	1.5	1.4	1.5
Restated Operating Profit	7.3	24.2	27.5	19.7
Operating Margin	**3.1%**	**8.3%**	**8.6%**	**6.9%**

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Insight Enterprises, Inc.				(USD Millions)
	Dec-21	**Dec-22**	**Dec-23**	**3-Year Weighted Average**
Restated Sales-Net	9,436.1	10,431.2	9,175.8	9,681.0
LIFO Adjusted Restated Cost of Goods Sold	7,933.1	8,738.0	7,443.8	8,038.3
Restated Gross Profit	1,503.0	1,693.2	1,732.0	1,642.7
Restated SG&A Expense	1,117.1	1,216.7	1,236.2	1,190.0
Restated Depreciation & Amortization	55.4	56.6	62.5	58.2
Restated Operating Profit	330.4	419.9	433.3	394.5
Operating Margin	**3.5%**	**4.0%**	**4.7%**	**4.1%**

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ScanSource, Inc.				(USD Millions)
	Jun-21	**Jun-22**	**Jun-23**	**3-Year Weighted Average**
Restated Sales-Net	3,150.8	3,529.9	3,787.7	3,489.5
LIFO Adjusted Restated Cost of Goods Sold	2,798.6	3,102.4	3,337.5	3,079.5
Restated Gross Profit	352.2	427.5	450.2	410.0
Restated SG&A Expense	245.1	275.4	284.2	268.2
Restated Depreciation & Amortization	33.5	29.9	28.6	30.7
Restated Operating Profit	73.6	122.2	137.3	111.1
Operating Margin	**2.3%**	**3.5%**	**3.6%**	**3.2%**

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Surge Components, Inc.				(USD Millions)
	Nov-21	**Nov-22**	**Nov-23**	**3-Year Weighted Average**
Restated Sales-Net	39.8	51.9	36.3	42.7
LIFO Adjusted Restated Cost of Goods Sold	28.9	37.6	26.3	31.0
Restated Gross Profit	10.9	14.3	9.9	11.7
Restated SG&A Expense	7.7	9.5	8.3	8.5
Restated Depreciation & Amortization	0.1	0.1	0.1	0.1
Restated Operating Profit	3.2	4.7	1.5	3.1
Operating Margin	**7.9%**	**9.1%**	**4.2%**	**7.3%**

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TD SYNNEX Corporation				(USD Millions)
	Nov-21	**Nov-22**	**Nov-23**	**3-Year Weighted Average**
Restated Sales-Net	31,614.2	62,343.8	57,555.4	50,504.5
LIFO Adjusted Restated Cost of Goods Sold	29,680.4	58,343.8	53,485.5	47,169.9
Restated Gross Profit	1,933.8	4,000.0	4,069.9	3,334.6
Restated SG&A Expense	1,048.8	2,327.8	2,378.8	1,918.5
Restated Depreciation & Amortization	149.6	399.0	406.8	318.4
Restated Operating Profit	735.4	1,273.2	1,284.3	1,097.6
Operating Margin	**2.3%**	**2.0%**	**2.2%**	**2.2%**

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WESCO International, Inc.				(USD Millions)
	Dec-21	**Dec-22**	**Dec-23**	**3-Year Weighted Average**
Restated Sales-Net	18,217.5	21,420.1	22,385.2	20,674.3
LIFO Adjusted Restated Cost of Goods Sold	14,425.4	16,758.8	17,541.5	16,241.9
Restated Gross Profit	3,792.1	4,661.3	4,843.7	4,432.4
Restated SG&A Expense	2,642.1	2,976.8	3,183.9	2,934.3
Restated Depreciation & Amortization	166.5	169.2	179.7	171.8
Restated Operating Profit	983.5	1,515.3	1,480.1	1,326.3
Operating Margin	**5.4%**	**7.1%**	**6.6%**	**6.4%**

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Forward Industries, Inc.				(USD Millions)
	Sep-21	**Sep-22**	**Sep-23**	**3-Year Weighted Average**
Restated Sales-Net	39.0	42.3	36.7	39.3
LIFO Adjusted Restated Cost of Goods Sold	30.6	33.9	28.2	30.9
Restated Gross Profit	8.5	8.5	8.5	8.5
Restated SG&A Expense	8.9	9.4	8.0	8.8
Restated Depreciation & Amortization	0.3	0.3	0.3	0.3
Restated Operating Profit	-0.8	-1.2	0.2	-0.6
Operating Margin	**-2.0%**	**-2.9%**	**0.4%**	**-1.6%**

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Owens & Minor, Inc.				(USD Millions)
	Dec-21	**Dec-22**	**Dec-23**	**3-Year Weighted Average**
Restated Sales-Net	9,785.3	9,955.5	10,334.0	10,024.9
LIFO Adjusted Restated Cost of Goods Sold	8,217.1	8,034.4	8,003.0	8,084.8
Restated Gross Profit	1,568.2	1,921.1	2,331.0	1,940.1
Restated SG&A Expense	1,026.3	1,493.7	1,813.6	1,444.5
Restated Depreciation & Amortization	90.6	228.7	287.4	202.2
Restated Operating Profit	451.4	198.7	230.1	293.4
Operating Margin	**4.6%**	**2.0%**	**2.2%**	**2.9%**

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Summary Financial Statistics

Unadjusted Operating Margin

	2021	2022	2023	3-Year Weighted Average
Comparable Companies				
Surge Components, Inc.	7.9%	9.1%	4.2%	7.3%
EACO Corporation	3.1%	8.3%	8.6%	6.9%
WESCO International, Inc.	5.4%	7.1%	6.6%	6.4%
Climb Global Solutions, Inc.	4.3%	5.9%	5.4%	5.2%
Arrow Electronics, Inc.	4.5%	5.6%	4.5%	4.9%
Insight Enterprises, Inc.	3.5%	4.0%	4.7%	4.1%
Avnet, Inc.	1.9%	4.0%	4.6%	3.6%
ScanSource, Inc.	2.3%	3.5%	3.6%	3.2%
Owens & Minor, Inc.	4.6%	2.0%	2.2%	2.9%
TD SYNNEX Corporation	2.3%	2.0%	2.2%	2.2%
Forward Industries, Inc.	-2.0%	-2.9%	0.4%	-1.6%
ADDvantage Technologies Group, Inc.	-15.0%	1.2%	-	-5.1%
Interquartile Range				
Upper Quartile	4.6%	6.5%	5.4%	5.8%
Median	3.3%	4.0%	4.5%	3.9%
Lower Quartile	2.1%	2.0%	2.2%	2.5%

Cambridge Industries USA Inc.
YE 2023 U.S. Transfer Pricing Documentation Report
Distribution Analysis - North America
Tested Party Data

Cambridge Industries USA Inc.	(USD Millions)
	Dec-23
Sales	198.9
Cost of Goods Sold	166.5
Gross Profit	32.4
Operating Expenses	27.5
Operating Profit	4.9
Operating Margin	**2.5%**

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Grant Thornton

Cambridge Industries USA Inc.

U.S. Transfer Pricing Documentation Report

For the Fiscal Year Ended December 31, 2024

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Glossary

Abbreviation	Definition
CIG	Cambridge Industries Group (the consolidated group, also called "Group", "Client", "Cambridge", or "the Company")
CIG-SH	CIG Shanghai Co., Ltd. (parent company, based in Shanghai, China)
CIG-US	Cambridge Industries USA Inc. (U.S. subsidiary, distributor in Santa Clara, CA)
CIG-SAG	CIG Photonics Japan Limited (subsidiary in Tokyo, Japan, focused on manufacturing and engineering)
IP	Intellectual Property
OM	Operating Margin
CPM	Comparable Profits Method (a transfer pricing method)
CUT	Comparable Uncontrolled Transaction (a transfer pricing method)
SCM	Services Cost Method (a transfer pricing method)
R&D	Research & Development
G&A	General and Administrative (expenses/functions)
PP&E	Plant, Property, and Equipment
SIC	Standard Industrial Classification (code)
PLI	Profit Level Indicator
NA	North America
USD	United States Dollar
SME	Small and Medium-sized Enterprises
AP	Access Point (in wireless networking)
OLT	Optical Line Terminal (in wired access networks)
DSLAM	Digital Subscriber Line Access Multiplexer
CMTS	Cable Modem Termination System
ONT	Optical Network Terminal
TOSA	Transmitter Optical Sub-Assembly (in optical modules)
ROSA	Receiver Optical Sub-Assembly (in optical modules)
PoE	Power over Ethernet
AI	Artificial Intelligence
ERP	Enterprise Resource Planning
CRM	Customer Relationship Management

I. Executive Summary

A. Introduction

Cambridge Industries USA Inc. ("CIG-US") has engaged Grant Thornton Advisors LLC ("Grant Thornton" or "GT Advisors" or "we" or "our") to analyze and document certain intercompany transactions between CIG-US and its affiliates for the fiscal year ended December 31, 2024 ("FY 2024"). For the purposes of this report, CIG-US, together with its affiliates are referred to as "CIG", "Client," "Group," Cambridge," or "the Company." This report analyzes the following intercompany transactions (hereinafter, the "Covered Transactions"):

1. Purchase of tangible goods from CIG Shanghai Co., Ltd ("CIG-SH") by CIG-US;
2. Licensing of Intangible Property ("IP") from Cambridge Photonics Japan Limited in Sagamihara, Japan ("CIG-SAG") (collectively, the "Covered Entities") to CIG-US; and
3. Provision of management services by CIG-SH to CIG-US.

Any intercompany transactions not listed above are outside the scope of this report. The analysis presented in this report was performed in conformance with the rules and regulations promulgated under Section 482 of the Internal Revenue Code ("U.S. Transfer Pricing Regulations").[1]

B. Summary of Results

1. Distribution of Tangible Goods

The comparable profits method ("CPM") was used to analyze the intercompany transaction involving the distribution of tangible goods purchased from CIG-SH by CIG-US. Comparable North American distributors were identified to benchmark the return that CIG-US earned for its distribution activities. Comparable North American distributors generated a three-year (2022 – 2024) weighted average interquartile range of Operating Margins ("OM") that extends from 0.73 percent to 5.18 percent, with a median of 3.33 percent.

In FY 2024, CIG-US earned an OM of 2.23 percent for the distribution of tangible goods, which falls within the three-year weighted average interquartile range derived from the set of comparable, independent distributors. These results indicate that the OM earned by CIG-US is consistent with the arm's length standard under U.S. Transfer Pricing Regulations.

2. Licensing of Intellectual Property from CIG-SAG to CIG-US

The comparable uncontrolled transaction ("CUT") method was used to analyze the intercompany transaction involving the licensing of intellectual property ("IP") by CIG-SAG to CIG-US. Comparable licensing agreements were identified to benchmark the royalty rate earned by CIG-SAG. The interquartile range of royalties from the comparable licensing agreements extends from 5.00 to 40.00 percent, with a median of 12.50 percent.

[1] While Grant Thornton performed its analyses in accordance with the U.S. Transfer Pricing Regulations, the transfer pricing methodologies used and referenced within this report are mostly consistent with the methodologies outlined in the Organisation for Economic Co-operation and Development's Transfer Pricing Guidelines for Multinational Companies ("OECD Guidelines").

In FY 2024, CIG-SAG charged a royalty equal to 30.00 percent of sales, which falls within the arm's-length range generated by comparable licensing agreements. These results indicate that the royalty charged by CIG-SAG is consistent with the arm's length standard under U.S. Transfer Pricing Regulations.

3. Provision of Management Services by CIG-SH to CIG-US

The Services Cost Method ("SCM") was elected to analyze the intercompany transaction involving the management services provided by CIG-SH to CIG-US. As a result, CIG-SH charged the cost of its services to the benefiting CIG-US entity at cost with no additional markup. Under the SCM, the covered service transaction is considered arm's length by reference to the total cost of services with no markup. Therefore, this transaction is considered arm's length under U.S. Transfer Pricing Regulations.

C. Use of the Report

The analysis presented in this report was performed in conformance with the rules and regulations promulgated in the U.S. Transfer Pricing Regulations. This document is intended to satisfy the relevant documentation requirements outlined in the regulations promulgated under §1.6662-6(d)(2) of the Internal Revenue Code. For a summary of the documents required under §1.6662, please refer to **Appendix A**.

The opinions expressed in this report reflect information furnished to Grant Thornton by Company management. Although the data used in this report has not been independently verified in all cases, Grant Thornton considers the information used in these analyses reliable. However, no warranty is given as to the accuracy of such information.

If any changes occur in the business practices of the Company, this report would need to be updated. In any event, no obligation is assumed by Grant Thornton to revise this report to reflect such changes or any other events or conditions that occur after the issue date of this report.

Finally, neither this report nor any portions thereof shall be disseminated to third parties by any means, except as required by law, without prior written consent and approval of Grant Thornton. Neither Grant Thornton, nor any individuals associated with this report, shall be required by reason of this report to provide testimony or to appear in court or at other legal proceedings, unless specific arrangements to do so have been made.

II. Company Overview[2]

CIG operates as a communications equipment manufacturing company. It primarily provides engineering and manufacturing services to the Information and Communication Technology industry. In addition, the Group develops, manufactures, and sells fiber-to-the-home and other telecommunication broadband terminals, wireless network equipment, and smart home gateway products. It also offers carrier-grade Ethernet switches; home networking products; and light emitting and detecting devices for optical communications.

CIG-US, incorporated on April 26, 2010, and based in Santa Clara, California, serves as the overseas headquarters for the CIG Group. CIG-US engages in intercompany transactions with its affiliates in China and Japan. It is a wholly owned subsidiary of CIG-SH, the group's global headquarters.

A. History and Organizational Structure

CIG, founded in 2005, began as an engineering-focused enterprise with limited manufacturing capabilities. Over time, the Group evolved into a vertically integrated multinational company with a global footprint in engineering, manufacturing and sales operations in different geographic markets.

By 2010, CIG expanded into the United States through the formation of CIG-US, a wholly owned subsidiary of CIG-SH. CIG-US functions as the limited-risk distributor and service recipient under its intercompany arrangements. CIG-US purchases tangible goods from CIG-SH for resale in the U.S. market and receives management services from CIG-SH.

In 2017, CIG completed its IPO on the Shanghai Stock Exchange (SHA: 603083), marking a significant milestone in its corporate evolution. Subsequent strategic acquisitions—including MACOM's product line in 2018 and Lumentum Holdings' Datacom transceiver business in 2019—expanded CIG's global manufacturing capabilities.

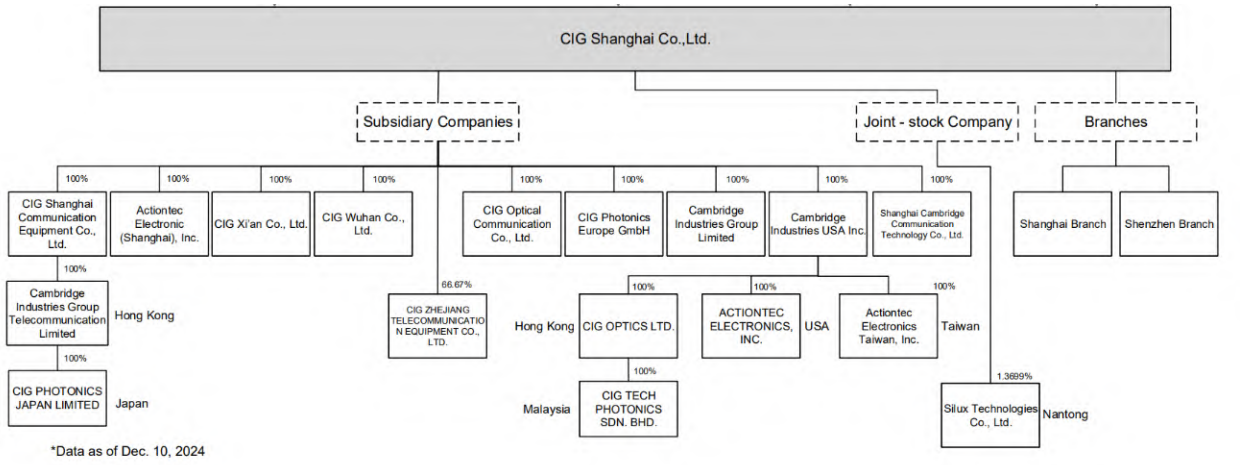
In 2022, CIG-US also acquired Actiontec, a company which offers high-speed Internet products as a strategic move towards its commitment towards future growth in the U.S. market.

CIG's manufacturing network includes CIG Japan and CIG-SAG, as well as wholly owned subsidiaries in Malaysia (CIG Photonics SDN. BHD), Hong Kong (CIG Optics Limited), and Thailand.

[2] Information sourced from the Company's website, https://www.cigtech.com/Company

The following figure shows a simplified organizational chart of the Covered Entities in the Group.

Figure 1: Organizational Chart



1. CIG Shanghai Co., Ltd. (CIG-SH)

CIG-SH is the parent company of the Group. It operates as a communications equipment manufacturing company. It develops, manufactures, and sells telecommunications broadband terminals, wireless network equipment, and smart home gateway products. The entity was founded in 2005 and is based in Shanghai, China. When CIG-SH engages in intercompany transactions, it is primarily considered a contract manufacturer. It also provides management support services for its affiliates. CIG-SH further engages in non-routine R&D activities and owns certain IP such as patents, trademarks, and software copyrights.

2. Cambridge Industries USA Inc. (CIG-US)

CIG-US is a wholly owned subsidiary of CIG-SH that was established in 2010 and is located in Santa Clara, CA. CIG-US primarily engages in the wholesale distribution of telecommunications equipment. It sells goods purchased from CIG-SH and acts as a licensee for goods developed by CIG-SAG. CIG-US also conducts non-routine R&D activities and therefore owns and develops certain intangible assets such as patents and other research activities. CIG-US sources products from both third-party manufacturers and related-party contract manufacturers such as CIG-SH and is in the process of developing its own manufacturing capabilities as well.

3. CIG Photonics Japan Limited (CIG-SAG)

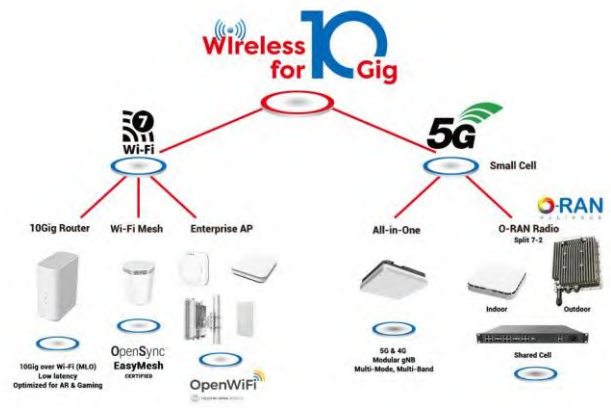
CIG-SAG is an indirectly owned subsidiary of CIG-SH that was acquired in 2019 and is in Japan. CIG-SAG performs non-routine R&D activities. CIG-US sells products that use intellectual property developed by CIG-SAG; thus, CIG-US pays a royalty fee to CIG-SAG as compensation for its use.

B. Products

CIG offers wireless access, wired access, photonics, carrier Ethernet, and home networking products.

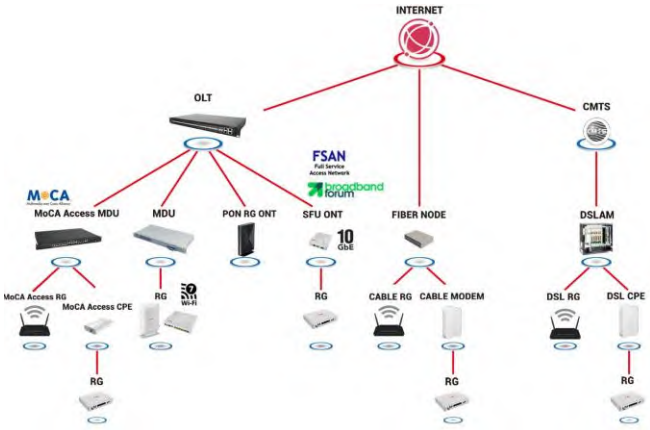
1. Wireless Access

CIG develops a wide range of wireless networking products for both home and enterprise environments. This includes Wi-Fi 6E and Wi-Fi 7 gateways, mesh networking solutions, and fixed wireless access (FWA) CPE devices. CIG also produces enterprise-grade access points and small cell base stations for 4G and 5G networks. Their small cell platforms are compact, energy-efficient, and support multi-mode, multi-frequency operation, making them suitable for both indoor and outdoor deployments in operator and private networks.



2. Wired Access

CIG's wired access solutions focus on both fiber and copper technologies. For fiber, the company offers GPON, EPON, 10G PON (including XGS-PON and NGPON2), and is actively developing 25G/50G PON products. These are available as SFU (Single Family Unit), MDU (Multi-Dwelling Unit), and home gateway devices, enabling high-speed, multi-service broadband for homes and businesses. For legacy copper infrastructure, CIG provides products based on MoCA, VDSL2, G.fast, and G.hn standards, allowing operators to deliver high-speed broadband over existing wiring.



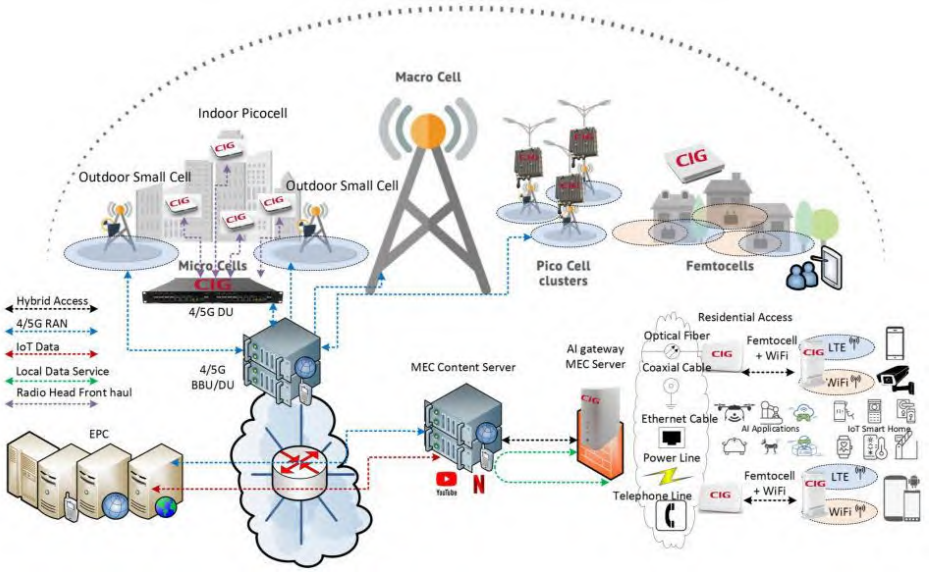
3. Photonics (Optical Modules)

CIG's high-speed optical modules, including 100G, 200G, 400G, 800G, and 1.6T modules, use advanced technologies such as PAM4 modulation, silicon photonics, and EML (Electro-absorption Modulated Laser) to deliver high-density, low-power solutions for data centers, telecom networks, and 5G wireless infrastructure.



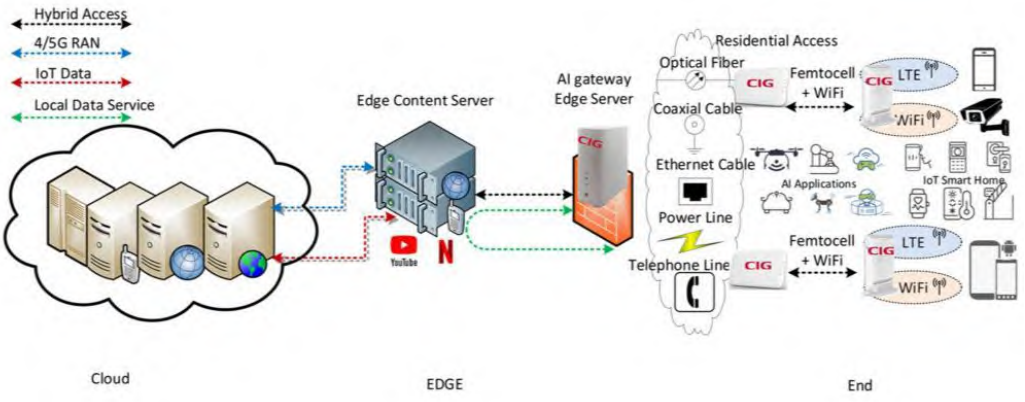
4. Switch Equipment (Carrier Ethernet)

CIG manufactures industrial and enterprise Ethernet switches that are used in backbone networks, data centers, and server rooms. These switches are designed to support high bandwidth and reliable data transmission and are often integrated into edge computing and industrial IoT platforms for robust, scalable networking.



5. Edge Computing and AI (Home Networking)

CIG's edge computing and AI products include 25G edge gateways, embedded servers, and edge DU (Distributed Unit) products for 5G deployments. These devices enable real-time data processing and AI applications at the network edge. CIG also offers industrial IoT products such as industrial access points, AR series routers, and IoT gateways for smart manufacturing and automation. In the home networking space, their latest Wi-Fi 7 gateways incorporate AI-driven features for network optimization, device management, and enhanced security, supporting the growing demand for intelligent, connected homes.



C. Customers[3]

The company's key customers include SMT Technologies Sdn Bhd (a contract electronics vendor), CIG Shanghai Co Ltd. (its parent company), and CIG Shanghai Communication Equipment Co., Ltd. These customers reflect a mix of intra-group transactions and strategic third-party engagements, supporting Cambridge USA's integrated operations across the telecommunications and data center sectors.

D. Competitors[4]

CIG's main competitors include the following.

Segment	Main Competitors
Optical Modules	InnoLight, Eoptolink, Source Photonics, Accelink, Sandstone Technologies, XeL Technology, MACOM, Lumentum, Oclaro
Broadband Access/FTTx	Acconics, Alpha Networks, Zyxel, Gongjin, Foxconn, Baicells, Comba Telecom, Qinglong
Wireless/5G	Comba Telecom, Baicells, Foxconn, Cambridge Broadband Networks
Global Semiconductors	Analog Devices, Microchip Technology, NXP Semiconductors

3 This information is sourced from CAMBRIDGE INDUSTRIES USA, INC. | U.S. Import Activity
4 This information is sourced from Cambridge Industries Group Ltd.'s Competitors, Revenue, Number of Employees, Funding, Acquisitions & News - Owler Company Profile

III. Industry Analysis[5]

A. Industry Overview and Economic Conditions

In accordance with Treas. Reg. §1.482-1(b)(1), this industry analysis considers economic conditions that materially affect pricing, including supply chain dynamics, technological innovation, and regulatory incentives.

The Telecommunications Networking Equipment Manufacturing and Electronic Components Wholesaling industry comprises entities engaged in the production and distribution of communications infrastructure and electronic parts. Key products include Ethernet switches, routers, antennas, modems, integrated circuits, and broadcasting equipment. These components are critical inputs for downstream manufacturers and service providers in the technology and communications sectors.

While the industry has experienced growth due to increased demand from communication service providers, e-commerce platforms, and domestic electronics manufacturers, several challenging headwinds remain. These include rising input costs (e.g., copper prices and semiconductor shortages) and shifts in competing trade policies between the U.S. and China. Industry revenue is projected to grow at a compound annual growth rate (CAGR) of 5.6% through 2025, reaching USD 632.4 billion, with further expansion to USD 693.9 billion by 2030.

B. Key External Drivers

Consistent with Treas. Reg. §1.482-1(d)(3)(iii)(B), the following macroeconomic and sector-specific factors are considered in evaluating comparability and pricing behavior:

1. Rising Price of Inputs

Soaring copper prices and a semiconductor shortage have hiked production expenses, forcing companies to innovate or face shrinking margins.

2. Demand for hardware vs software

While strong manufacturer-wholesaler relationships stabilize supply flows and support consistent revenue generation, demand for traditional hardware faces competition, pushing manufacturers to develop software-driven, cloud-compatible networking solutions.

3. Percentage of household with at least one computer

While historically a growth driver, saturation and slower replacement cycles may temper future demand.

4. U.S. Regulations and Trade Policies

The telecommunications networking equipment industry operates within a complex regulatory environment that materially influences pricing and comparability. U.S. regulations include FCC certification requirements for emissions and safety, the Telecommunications Act of 1996 which promotes infrastructure investment

5 Information contained in this section was obtained from the industry report “Telecommunication Networking Equipment Manufacturing in the US.” Report 33421, April 2025. See also "Electronic Part & Equipment Wholesaling in the US." Report 42369, March 2025. Both are available on www.ibisworld.com.

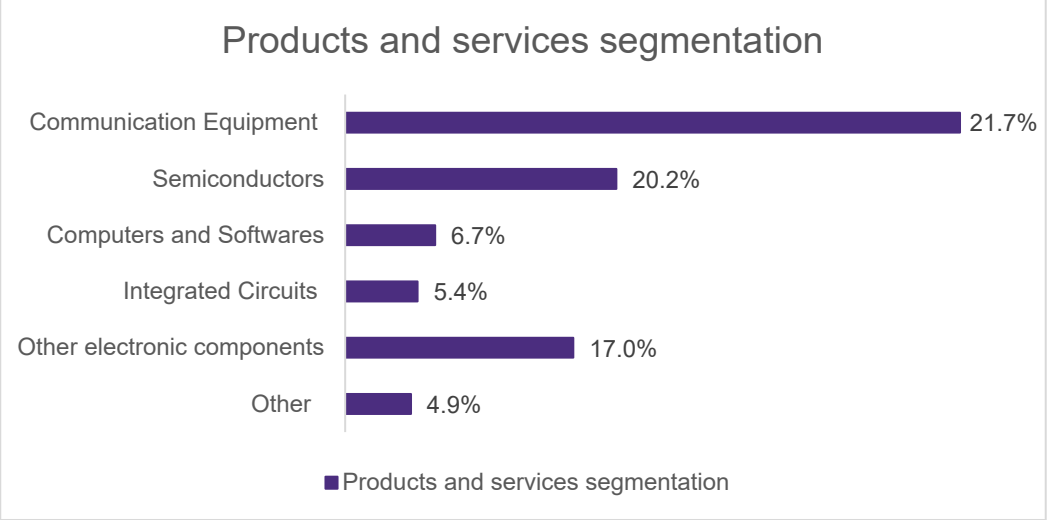
and competition, and export controls under the EAR that restrict technology transfers to certain foreign entities. These regulatory frameworks, along with international data privacy laws like the GDPR, shape the economic conditions and risks that must be considered when evaluating arm's length pricing for intercompany transactions.

Heightened uncertainty and volatility are expected due to competing international trade and tariff policies between the U.S. and other foreign governments.

C. Products and Services

In line with Treas. Reg. §1.482-1(c)(2)(iii), the following product categories are segmented to reflect differences in functions, risks, and asset utilization:

Figure 2: Products and services segmentation



1. Communication Equipment

This includes routers, modems, and mobile devices. Demand is driven by infrastructure upgrades and rapid device replacement cycles.

2. Semiconductors

Central to industrial and AI applications. U.S. policy initiatives (e.g., CHIPS Act) aim to localize production and reduce import reliance.

3. Computers and Software

Hardware demand remains strong, but digital distribution is disintermediating traditional wholesale channels.

4. Integrated Circuits

These foundational components support innovation and are distributed through specialized supply chains.

5. Other Electronic Components

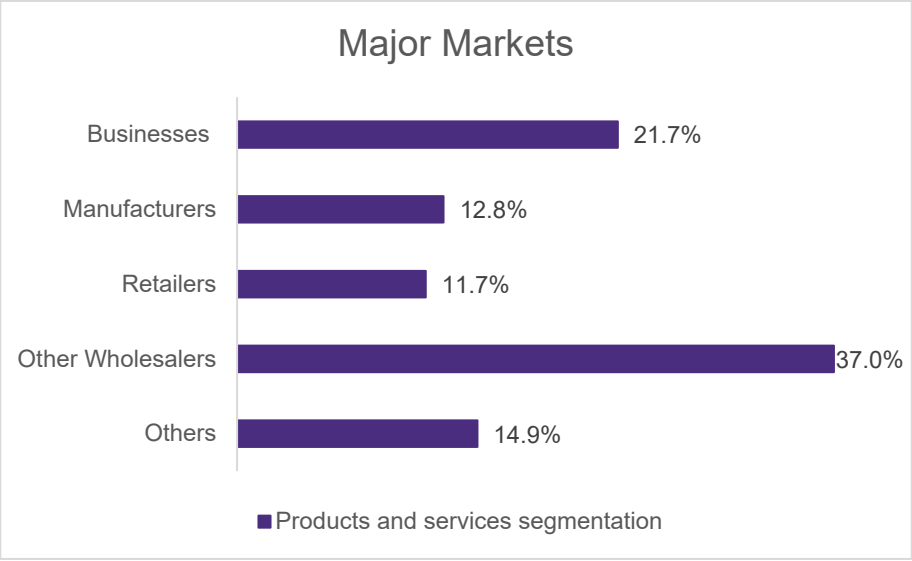
Includes capacitors, resistors, and switches. Pricing pressures necessitate volume-driven strategies and logistics optimization

6. Supplemental Services

These ancillary services support customer retention during economic downturns and contribute modestly to revenue.

D. Major Markets

Figure 3: Major Markets



1. Businesses

Businesses are increasingly bypassing wholesalers by purchasing finished electronics directly, enabled by user-friendly sales technologies. Manufacturers are shifting to direct-to-consumer models via online platforms, boosting margins but pressuring wholesale revenues. This shift marks a structural change in distribution, challenging wholesalers to adapt to evolving sales channels.

2. Manufacturers

Semiconductors, resistors, and capacitors are core to electronics manufacturing, with demand driven by manufacturers via high-volume contracts. As emerging tech fuels component needs, wholesalers must stay agile—offering diverse inventories to support innovation and capitalize on niche market expansion.

3. Retailers

Retailers continue to source finished goods from wholesalers, but industry consolidation has strengthened large retailers' bargaining power. The rise of e-commerce has shifted focus to digital platforms, increasing

demand for warehousing and logistics. Enhanced consumer transparency through online tools is driving improvements in product quality and service, supporting sustained retail growth.

4. Other Wholesalers

To maintain inventory and relevance, wholesalers increasingly source from one another—especially smaller firms lacking scale. This strategy helps offset the growing threat of disintermediation, as manufacturers expand direct-to-buyer channels via online platforms. Strategic alliances and robust supply chains are now essential for wholesalers to remain competitive in an evolving distribution landscape.

E. Barriers to entry

1. Legal

Most electronics regulations target manufacturers, while wholesalers are required to obtain licenses to operate and to import goods from international suppliers.

2. Start-Up costs

Wholesalers must invest in storage facilities, inventory systems, and a capable workforce. The bulk of operational costs stem from maintaining inventory that aligns with current consumer and business demands.

3. Differentiation

Product differentiation is limited in this industry, as wholesalers often carry overlapping inventories. Competitive advantage is achieved through niche offerings, superior delivery services, and efficient inventory management to reduce costs.

4. Labor intensity

Large wholesalers require substantial staffing to manage shipments, inventory, and order fulfilment. While automation is on the rise, many firms lack the capital to fully implement advanced inventory management technologies.

(This space has been left blank intentionally)

IV. Intercompany Transactions

The following provides a summary of the intercompany transactions evaluated in this report.

Table 1: Intercompany Transaction Summary

#	Related Party Transaction	Seller / Provider	Purchaser / Recipient	Amount (USD)
1	Distribution of Tangible Goods	CIG-SH	CIG-US	150,602,175
2	Receipt of Management services	CIG-SH	CIG-US	1,650,000
3	Licensing of IP	CIG-SAG	CIG-US	12,423,234

A. Distribution of Tangible Goods

CIG-US purchased tangible goods from CIG-SH for resale in the U.S. market. During YE 2024, CIG-US paid approximately USD 150,602,175 to CIG-SH for the telecommunication products purchased from CIG-SH.

B. Receipt of Management services

CIG-SH provided management services to CIG-US. CIG-US compensated CIG-SH for the costs it incurred for the provision of these services without any markup. During YE 2024, CIG-US paid approximately USD 1.65 million to CIG-SH as compensation for the provision of management services.

C. Licensing of IP

CIG-SAG holds ownership of certain registered patents and retains the right to sub-license these intellectual property rights. CIG-US licenses the intellectual property from CIG-SAG and, in turn, makes the licensed rights available for use by CIG-SH in its manufacturing activities. During FY 2024, CIG-US paid a royalty equal to 30% of sales of licensed products to CIG-SH.

V. Analysis of Functions, Assets, and Risks

This section provides a detailed description of the various functions performed, assets employed, and risks assumed by CIG-US relevant to the intercompany transactions under review. The information contained in the functional analysis is based on a review of documents and information provided by CIG-US.

A. Functions Performed

The following table summarizes the functions relevant to the intercompany transactions evaluated in this report and the entity that performs or is responsible for the particular function.

Table 2: Summary of Functions Performed - Intercompany Transactions[6]

Function	CIG-SH	CIG-US	CIG-SAG
Research & Development ("R&D")	XX	XX	XX
Manufacturing	XX	-	-
Distribution	X	XX	-
Management	X	XX	X
Accounting & Finance	X	X	X
Sales & Marketing	X	X	-
After-Sales Support	X	XX	-

1. Research & Development ("R&D")

CIG Shanghai (CIG-SH) serves as the Group's global headquarters and leads core R&D initiatives, particularly in photonics and broadband hardware. It houses the largest share of the Group's R&D personnel and facilities and is responsible for developing proprietary technologies and filing patents, making it the central owner of the Group's intellectual property. CIG-US, the U.S. subsidiary, performs significant R&D functions focused on photonics and broadband software, especially following the integration of technology and personnel from MACOM, Lumentum, and Actiontec. In FY24, CIG-US performed meaningful R&D functions, supported by the integration of technology and personnel from MACOM, Lumentum, and Actiontec. The U.S. entity incurred substantial R&D expenditures and applied for R&D tax credits, reinforcing its role as a functional R&D performer. CIG-US maintained acquired intangible assets relevant to the U.S. market. CIG-SH funds the majority of R&D activities of the group and therefore retains ownership and strategic control over the resulting intellectual property.

CIG-SAG operates primarily as a specialized engineering center, delivering contract engineering services and niche expertise in optical component design to support requests from customers across multiple CIG affiliates. It does not engage in manufacturing and its R&D output is primarily for the purpose of fulfilling customer needs, with IP ownership retained by CIG-SAG. The royalty fee is calculated based on the sale of optical products that utilize IP developed by CIG-SAG in prior years. Since CIG-SAG independently funds and undertakes its own R&D at its discretion, such costs are not considered part of the distribution transaction with the U.S. customer.

[6] When activities are performed by multiple entities, the symbol, "X" denotes limited or shared functional support in a particular area, while "XX" denotes primary functional responsibility.

2. Manufacturing

CIG Shanghai (CIG-SH) is responsible for the Group's manufacturing activities and operates the flagship intelligent factory in Shanghai, which produces core optical modules and broadband equipment. It manages raw material procurement, production planning, quality control, and global supply chain logistics, making it the central hub for manufacturing operations. CIG-SH also oversees co-located manufacturing facilities in Malaysia, North America, and the EU, which extend its production footprint and mitigate regional supply chain risks. CIG-SAG does not engage in manufacturing activities; its role is limited to R&D support, and any equipment it owns is consigned to other production centers such as Malaysia. Overall, manufacturing is centralized under CIG-SH, with strategic regional execution in the U.S., EU, and Malaysia to support global demand and reduce operational risks.

During FY 24, CIG-US did not produce or manufacture products.

3. Distribution

CIG-US performs distribution functions in the North American market, primarily involving the resale of tangible goods purchased from CIG-SH. It is responsible for managing customer relationships, executing sales transactions, and providing localized logistics and after-sales support. CIG-US monitors market conditions and recommends pricing strategies, although final pricing decisions are made by CIG-SH. It also handles invoicing to end customers and maintains limited sample inventory to support its sales activities. CIG-SH manages the upstream logistics, including warehousing and shipment of goods to CIG-US, and issues intercompany invoices for the transferred products. CIG-SAG does not participate in distribution activities, including transportation or logistics.

4. Management Services

CIG-SH serves as the Group's strategic and operational headquarters, housing the executive team and overseeing corporate-wide functions such as market planning, acquisitions, global supply chain management, and enterprise IT systems. It supports CIG-US with payroll, receivables/payables, and monthly closings, and assists with recruitment, HR matters, and legal issues as needed. CIG-SH also sets sourcing policies and provides vendor negotiation support, while managing the Group's cybersecurity and enterprise architecture. CIG-US manages its own accounting, general and administrative (G&A), and HR functions locally, while receiving operational support from CIG-SH. It also handles its own legal matters and contributes to strategic planning through market insights and pricing recommendations for the U.S. region. CIG-SAG operates independently in its administrative functions, managing its own accounting, G&A, HR, and legal responsibilities.

5. Accounting & Finance

CIG-US manages its own accounting and finance functions locally, including bookkeeping, financial reporting, and compliance with U.S. regulatory standards. It also handles invoicing to end customers and maintains records related to its distribution and sales activities. CIG-SH provides operational support to CIG-US in areas such as payroll processing, accounts receivable and payable management, and monthly financial closings. This support ensures consistency in financial practices across the Group and facilitates consolidated reporting. CIG-SAG operates independently in its accounting and finance functions, maintaining its own records and compliance processes. The division of responsibilities reflects a

decentralized approach to financial operations, with CIG-SH serving as the coordinating entity for group-level financial oversight and support.

6. Sales & Marketing

CIG-US leads sales and marketing efforts in the North American region, managing customer relationships with major telecom and data-center clients. It conducts localized marketing activities such as trade shows, webinars, blogs, and social media outreach, and provides after-sales support across three levels, including technical escalation to CIG-SH. CIG-US also monitors U.S. market conditions and recommends pricing strategies, although final pricing decisions are made by CIG-SH. CIG-SH manages sales in the China/Asia market and supports global marketing strategy. It also sets final pricing and oversees invoicing and logistics for intercompany and customer transactions. CIG-SAG performs regional marketing activities and limited direct sales but does not engage in pricing or customer support.

7. After-Sales Support

CIG-US is responsible for providing after-sales support to customers in the North American market. This support is structured across three levels: Level 1 involves basic assistance delivered by sales staff; Level 2 includes escalated support guided by documented procedures; and Level 3 entails technical support provided by CIG-SH. This tiered approach ensures that customer inquiries and issues are addressed efficiently and escalated appropriately based on complexity. CIG-SH contributes to the after-sales function by handling advanced technical support and maintaining quality standards across the Group's product offerings. CIG-SAG's involvement in after-sales support is limited and applies only to the direct sales it undertakes. The delineation of responsibilities reflects a regionally coordinated support model, with CIG-US serving as the primary interface for customer service in its market and CIG-SH providing backend technical expertise.

B. Assets Employed

A company's operating assets primarily include both tangible assets (e.g., capital equipment, property, and general office equipment) and intangible assets (e.g., technology, brands and trademarks, etc.). The assets relevant to the intercompany transactions are discussed further in the following sections.

1. Tangible Assets

The Group employs tangible assets that support its operational and development functions. CIG-SH owns and operates the Group's primary manufacturing facility in Shanghai, which includes advanced automated production lines and testing equipment. This facility represents significant capital investment and serves as the central hub for high-volume production. CIG-US maintains office infrastructure, R&D laboratories, and a co-located manufacturing site equipped for local assembly and testing of optical and wireless devices. These assets support its regional development and customer service activities. CIG-SAG holds laboratory equipment used for specialized R&D, with certain assets consigned to other production centers such as Malaysia.

2. Intangible Assets

The Group employs a range of intangible assets that support its operations and contribute to the value of the IP licensing arrangement. CIG-SH holds the core intellectual property, including patents and proprietary

technologies developed through internal R&D programs. It also owns trademarks and process know-how used across manufacturing and product development. CIG-US utilizes acquired intangible assets such as optical module designs and broadband software platforms obtained through prior acquisitions. These assets support its product development and market-facing functions. Additionally, CIG-US maintains commercial intangibles in the form of customer relationships with major North American telecom and data-center clients. CIG-SAG contributes technical know-how through its specialized R&D activities, with resulting IP typically centralized under CIG Shanghai.

C. Risks Assumed

The Group faces the following risks with respect to their business operations and the transfer pricing model applied impacts the risks as discussed below.

The following table summarizes the risks assumed relevant to the intercompany transactions evaluated in this report and the entity that performs or is responsible for the particular function.

Table 3: Summary of Risks Assumed - Intercompany Transactions[7]

Function	CIG-SH	CIG-US	CIG-SAG
Market Risk	X	XX	XX
Credit and Collections Risk	-	XX	-
Inventory Risk	XX	X	-
Foreign Exchange Risk	XX	-	X
R&D Risk	XX	XX	XX
Plant, Property, and Equipment Risk	XX	X	X
Product Liability Risk	XX	X	X

1. Market Risk

Market risk refers to the potential of profits falling if demand for products or services declines. The change in demand may be due to increased competition in the marketplace, a downturn in the economy, or derivation of income from a limited number of customer accounts, products, markets, delivery channels, or salespeople.

Market risk for CIG arises from its global operations and customer concentration, with over 90% of revenue derived from overseas markets. CIG-US is exposed to market risk through its responsibility for sales and customer relationships in North America, where it serves several large telecom and data-center clients. A reduction in demand or changes in procurement patterns by these customers could affect the utilization of CIG-US's sales and R&D resources. CIG-SH, as the Group's manufacturing and strategic headquarters, shares this exposure by producing goods for global clients and managing inventory levels based on forecasted demand. Its role in coordinating supply chain and production planning means that shifts in market conditions can impact operational efficiency. CIG-SAG does not directly bear market risk, as it focuses on specialized R&D and does not engage in significant sales or manufacturing activities. The Group's multi-regional footprint and co-located manufacturing facilities help mitigate some of this risk by enabling responsiveness to local market needs.

In the context of goods sold by CIG-SH to CIG-US, the primary market risk lies with CIG-US, as it is responsible for generating sales within its jurisdiction. However, CIG-SH also faces indirect market risk since any decline in demand for CIG-US's products would directly impact CIG-SH's sales as well. Further, CIG-SAG also faces indirect market risk as any fall in the demand of CIG-US will also result in lower licensing fee from CIG-US to CIG-SAG.

[7] When activities are performed by multiple entities, the symbol, "X" denotes limited Risk in a particular area, while "XX" denotes primary risk responsibility.

2. Credit and Collections Risk

Credit risk is the risk of default on a debt that may arise from a borrower failing to make required payments. It is also the risk of a customer defaulting on payments for goods or services it has purchased or failing to make such payments by the due date. This results in an increase in collection costs, loss of costs and resources used in the exchange, and unrealized revenues as a result of the defaulted sale.

Credit risk is primarily borne by CIG-US, which extends payment terms to its North American customers and manages receivables from telecom operators and distributors. This exposure includes the risk of delayed payments or defaults, which could result in increased collection costs and unrealized revenue. In contrast, since CIG-SH and CIG-SAG receive income from their related party, hence this risk is mitigated.

3. Inventory Risk

Inventory risk relates to the possibility that a change in market conditions or product will cause the value of merchandise currently held in inventory to fall. This can negatively impact both the company profitability and balance sheet.

Inventory risk within CIG is predominantly borne by CIG-SH, which oversees procurement, production, and warehousing of telecom products. As the Group's central manufacturing hub, CIG-SH carries significant inventories of both raw materials and finished goods, exposing it to valuation risks in the event of market fluctuations or product obsolescence. Shipments are typically made directly from CIG-SH to customers, while CIG-US maintains only a small quantity of sample inventory. Consequently, CIG-US does not bear any inventory risk. Similarly, CIG-SAG assumes no inventory risk with respect to the transactions under review.

4. Foreign Exchange Risk

Foreign Exchange risk exists when a transaction is reported in a currency other than that of the base currency of the company. An investment's value changes due to changes in the currency exchange rates.

Foreign exchange risk within CIG is primarily borne by CIG-SH, which invoices a substantial portion of its international sales in foreign currencies, primarily USD, while incurring costs in RMB. This currency mismatch exposes CIG-SH to fluctuations in exchange rates that can affect profitability and reported earnings. The China headquarters also consolidates the Group's financial results, meaning that foreign currency movements impact the translation of overseas subsidiaries' performance into RMB. CIG-SAG similarly faces foreign exchange risk due to operating in its cost base in JPY and generating revenues from licensing of IP to CIG-US in USD. In contrast, CIG-US has alignment between its revenues and expenses, resulting in no operational exposure to foreign exchange risk.

5. R&D Risk

R&D risk is the possibility that future revenues and profitability may fail to increase in response to a current investment in content or product development. This may be due to an inability to develop material within a specified timeframe, to the necessary quality standards. As a result, current profitability declines and is not offset by a later increase in profitability.

R&D risk within CIG is borne by CIG-SAG, CIG-SH, and CIG-US. CIG-SH oversees core engineering for photonics, broadband, and wireless devices. This exposes the entity to the risk that certain projects may

not yield commercially viable products or may miss market windows. CIG-US also assumes R&D risk, particularly through its innovation efforts in photonics and broadband software following the integration of acquired technologies. CIG-US contributed to innovation efforts in FY 2024, indicating a limited but present exposure to development risk. CIG-SAG bears R&D risk in its specialized engineering role for optical products, since it holds the related IP generated by those activities and directs its own R&D investments. The customer pays for all R&D expenses related to special engineering requests fulfilled by CIG-SAG.

6. Plant, Property, and Equipment ("PP&E") Risk

PP&E risk relates to potential losses associated with the investment in and use of plant, property, and equipment.

PP&E risk within CIG is primarily borne by CIG-SH, which owns and operates the Group's flagship manufacturing facility in Shanghai. This facility houses advanced automated production lines and represents significant capital investment, making it central to the Group's manufacturing output and cost structure. CIG-SH assumes the risk of underutilization, equipment failure, and operational disruptions, which could impact production efficiency and profitability. The Group has also established co-located manufacturing sites in Europe, North America, and Asia. CIG-US holds tangible assets related to its office and business equipment, as well as specialized assembly and testing equipment at its U.S. facility, though the scale is smaller than that of the Shanghai plant. CIG-SAG owns lab and consigned manufacturing equipment used in support of R&D functions, but does not operate large-scale production facilities.

7. Product Liability Risk

Product liability risk is borne by a company when its services or products fail to perform at contractual standards and the company is required to take corrective action.

Product liability risk within CIG is primarily assumed by CIG-US, which interfaces directly with customers in the U.S. market and is responsible for ensuring that products meet local performance and regulatory standards. In the event of a product defect or failure, CIG-US would be the first point of contact for warranty claims or corrective actions. However, this risk is contractually passed to CIG-SH, which being the manufacturing entity, ultimately bears responsibility for product quality and liability under the Group's indemnification structure. CIG-SH, as the manufacturing entity, is accountable for ensuring that products meet design and quality specifications, and any failure in this regard could result in reputational or financial consequences. While CIG-SAG is not involved in manufacturing, it engages in limited direct sales to customers and, accordingly, assumes product liability risk in relation to those transactions.

VI. Economic Analysis of Intercompany Transactions

A. Distribution of Tangible Goods

CIG-US purchased tangible goods from CIG-SH for resale in the U.S. market.

Grant Thornton evaluated an appropriate return on the tangible property transaction between CIG-SH and CIG-US using the regulations found in §1.482-3.[8] Our analysis consisted of the following steps:

- Selection of the Transfer Pricing Method; and
- Application of the Selected Method.

1. Selection of the Transfer Pricing Method

The regulations under Section 1.482 outline five transfer pricing methods that should be considered when performing an economic analysis of tangible goods transactions. The regulations also stipulate that the best method rule must be used in selecting the appropriate transfer pricing method or methods to perform an economic analysis of intercompany transactions. The best method rule states that the arm's length result of controlled transactions must be determined under the method that, given the facts and circumstances, provides the most reliable measure of an arm's length result.[9]

a. Comparable Uncontrolled Price ("CUP") Method[10]

The CUP method evaluates whether the amount charged in a controlled transaction is arm's length by reference to the amount charged in a comparable uncontrolled transaction. CIG-SH and CIG-US do not sell or purchase products to or from third parties in a comparable market level. Therefore, it is not possible to apply the CUP method using internal comparable transactions.

We were also not able to identify any third party transactions involving similar products under similar circumstances that might meet the comparability standards under the CUP method. Comparable uncontrolled prices are highly dependent on the existence of identical, or closely comparable, transactions involving the same (or highly similar) property between the taxpayer and uncontrolled parties. Therefore, the CUP method was not selected as the best transfer pricing method to evaluate the arm's length nature of this transaction.

b. Resale Price Method ("RPM")[11]

The RPM valuates whether the amount charged in a controlled transaction is arm's length by reference to the gross profit margin realized in comparable uncontrolled transactions. The RPM is generally used in cases involving the purchase and resale of tangible property in which the reseller has not added substantial value to the tangible goods by physically altering the goods before resale.

[8] A summary of the U.S. Transfer Pricing Regulations related to this transaction can be found in **Appendix B**.
[9] U.S. Treasury Regulations § 1.482-1(c).
[10] U.S. Treasury Regulations § 1.482-3(b).
[11] U.S. Treasury Regulations § 1.482-3(c).

The degree of consistency in accounting practices between the controlled transaction and the uncontrolled comparables that materially affect the gross profit margin affects the reliability of the result. Therefore, if differences in inventory and other cost accounting practices would materially affect the gross profit margin, the ability to make reliable adjustments for such differences would affect the reliability of the results. This limits the applicability of this method because the gross margin is not consistent between related and unrelated party distributors. Therefore, the RPM was not selected as the best transfer pricing method to evaluate the arm's length nature of this transaction.

c. Cost Plus ("CP") Method[12]

The CP method evaluates whether the amount charged in a controlled transaction is arm's length by reference to the gross profit markup realized in comparable uncontrolled transactions. Under the CP method, an arm's length price equals the controlled party's cost of producing the tangible property plus an appropriate gross profit markup, defined as the ratio of gross margin to cost for a comparable uncontrolled transaction.

As CIG-US undertakes manufacturing operations for the Group, CIG was unable to provide reliable data for testing CIG-SH's profitability from sale of goods to CIG-US. Hence, the CP method was not selected as the best transfer pricing method to evaluate the arm's length nature of this transaction.

d. Profit Split Method ("PSM")[13]

The PSM evaluates whether the allocation of the combined operating profit or loss attributable to one or more controlled transactions is arm's length by reference to the relative value of each controlled taxpayer's contribution to that combined operating profit or loss. The combined operating profit or loss must be derived from the most narrowly identifiable business activity of the controlled taxpayers for which data is available that includes the controlled transactions (relevant business activity). The PSM is appropriate when all participants in the controlled transaction contribute valuable and/or unique intangible property. CIG-US does not own or utilize non-routine intangible assets in carrying out its activities related to this transaction. Therefore, the PSM was not selected as the best transfer pricing method to evaluate the arm's length nature of this transaction.

e. Comparable Profits Method ("CPM")[14]

The CPM evaluates whether the amount charged in a controlled transaction is arm's length based on objective measures of profitability (profit level indicators) derived from uncontrolled taxpayers that engage in similar business activities under similar circumstances. The CPM is applied using the results of one participant in the controlled transaction - usually the participant who performs the least complex functions and assumes the least amount of risks.

The degree of functional comparability between the tested party and unrelated parties necessary to obtain a reliable result under the CPM is generally less than that required under the RPM or CP method, since operating profit is typically less sensitive to product and functional differences than profit indicators at the gross level. Therefore, the CPM is more sensitive to differences in risks assumed and assets employed.

[12] U.S. Treasury Regulations § 1.482-3(d).
[13] U.S. Treasury Regulations § 1.482-6.
[14] U.S. Treasury Regulations § 1.482-5.

Comparable companies could be located that employ similar assets and bear similar risks to those borne by CIG-US. After review of all of the transfer pricing methods outlined above and consideration of all of the facts and circumstances, Grant Thornton selected the CPM as the best method to evaluate the arm's length nature of this transaction.

f. Unspecified Methods[15]

Unspecified methods may be used to evaluate whether the amount charged in a controlled transaction is arm's-length. Consistent with the specified methods discussed above and in accordance with the provisions of Section 1.482-1, an unspecified method should take into account that uncontrolled taxpayers evaluate the terms of a transaction by considering the realistic alternatives and only enter into a particular transaction if none of the alternatives is preferable to it.

Grant Thornton determined that an unspecified method would not be more reliable than the CPM for analyzing the arm's-length nature of this intercompany transaction.

2. Application of the Selected Method

Our CPM analysis involved the following steps:

- Selection of the Tested Party:
- Search for Comparable Companies;
- Selection of Profit Level Indicator ("PLI");
- Selection of Years for Comparison;
- Evaluation of Adjustments to Improve Comparability; and
- Determination of an Arm's Length Range.

a. Selection of the Tested Party

The tested party will be the participant in the controlled transaction, whose profit attributable to the controlled transactions can be verified using the most reliable data and requiring the fewest and most reliable adjustment, and for which reliable data regarding uncontrolled comparables can be located. Consequently, in most cases the tested party will be the least complex of the controlled taxpayers and will not own valuable intangible property or unique assets that distinguish it from potential uncontrolled comparables.[16]

Since CIG-US performs only routine distribution activities and does not own valuable intangibles that would distinguish it from potentially comparable companies for the transaction under consideration, Grant Thornton believes that CIG-US represents the simpler entity involved in the controlled transaction. Therefore, Grant Thornton has selected CIG-US as the most appropriate tested party for purposes of applying the CPM.

[15] U.S. Treasury Regulations § 1.482-3(e).
[16] U.S. Treasury Regulations § 1.482-5(b)(2)(i)

b. Search for Comparable Companies

Our analysis involved identifying companies in the North American region that perform functions similar to those performed by CIG-US. To identify comparable companies, Grant Thornton's research methodology involved a number of steps that evaluated both qualitative and quantitative factors comprising the following:

- Identifying potentially comparable companies;
- Quantitative screening; and
- Qualitative screening.

Identifying Potentially Comparable Companies

Grant Thornton researched Standard and Poor's ("S&P") Compustat North America ("Compustat") database to identify companies that perform comparable functions and undertake corresponding risks to those of CIG-US.[17] Grant Thornton utilized the April 2025 version of this database in its analysis.

The first step in the search for comparable distributors involved identifying *Standard Industrial Classification Manual* ("SIC") codes for companies performing broadly similar functions to those of CIG-US. Based on a review of the *Standard Industrial Classification Manual*[18], we identified the following SIC codes:

- 5045: Computers and Computer Peripheral Equipment and Software
- 7371: Computer Programming Services
- 7372: Prepackaged Software
- 7373: Computer Integrated Systems Design
- 7374: Computer Processing and Data Preparation and Processing Services
- 7379: Computer Related Services, not elsewhere classified
- 7370: Computer Programming, Data Processing, and Other Computer Related Services
- 7399: Business Services

The initial search criteria produced 157,168 potentially comparable companies for further research.

The second step in the search is to include companies operating in the NA region[19] and included only public companies. Followed by added step to excluded companies operating subsidiary.

Quantitative Screening

The next step in the search process is to screen the data from the comparable companies to enhance comparability. This process involves eliminating inactive or dependent companies, companies that do not have sufficient financial data, or companies with consistent operating losses. Specifically, companies were excluded from the set for the following reasons:

- Net sales data missing for two or more years; and

[17] Accessed through S&P's Capital IQ platform
[18] The Preface of the *Standard Industrial Classification Manual* prepared in 1987 by the Executive Office of the President – Office of Management and Budget, "The SIC code is the statistical classification standard underlying all establishment-based Federal economic statistics classified by industry. The SIC code is used to promote the comparability of establishment data describing various facets of the U.S. economy. The classification covers the entire field of economic activities and defines industries in accordance with the composition and structure of the economy."
[19] United States and Canada.

- Operating income loss for three consecutive years.

Qualitative Screening

Grant Thornton reviewed the remaining companies' business descriptions to determine whether the companies performed activities broadly similar to those of CIG-US. This qualitative review further enhanced the comparability of the set by eliminating companies that performed dissimilar functions, employed dissimilar assets, or assumed dissimilar risks from those of the tested party. Reasons for exclusion from the set include the following:

- Dissimilar functions (e.g., manufacturing, mining, retail, services, etc.);
- Dissimilar products (e.g., food products, pharmaceuticals, machineries, etc.); and
- Primary operations are outside of North America.

After a review of the business descriptions, 138 additional companies were eliminated, leaving six companies in the set.

The selected set of comparable companies is presented in **Table 4**. A detailed exclusion table, business descriptions, and financial statements of the comparable companies are presented in **Appendix C**.

Table 4: Selected Comparable Companies

No.	Company Name
1	ACCESS Newswire Inc.
2	CDW Corporation
3	Climb Global Solutions, Inc.
4	Creative Realities, Inc.
5	DXC Technology Company
6	Ingram Micro Holding Corporation
7	Optiva Inc.
8	PC Connection, Inc.
9	ScanSource, Inc.
10	TD SYNNEX Corporation
11	Vertex, Inc.

c. Selection of Profit Level Indicator[20] ("PLI")

Grant Thornton selected the OM[21], defined as the ratio of operating profits to total revenue, as an appropriate PLI to establish the profitability that CIG-US should earn on its distribution of tangible goods.

[20] U.S. Treasury Regulations § 1.482-5(b)(4)
[21] U.S. Treasury Regulations § 1.482-5(b)(4)(ii)(A)

d. Selection of Years for Comparison[22]

In its application of the CPM, Grant Thornton used the most recent three years for which comparable company data was available (2022 through 2024). To improve the reliability of the analysis results, it is important to account for potential differences in the dates of fiscal year ends between the tested party and comparable companies. Therefore, Grant Thornton mapped the comparable company financial data, where necessary, so that their respective fiscal year ends are generally aligned with that of CIG-US.[23]

e. Evaluation of Adjustments to Improve Comparability

Under the CPM, Section 482 requires that "if there are material differences between the controlled and uncontrolled transactions, adjustments must be made if the effect of such differences on prices or profits can be ascertained with sufficient accuracy to improve the reliability of the results."[24]

Since comparative profitability analyses entail making inferences about whether transfer prices are consistent with arm's length prices, the validity of the conclusions often rests on whether factors other than related-party pricing decisions are affecting profits. To evaluate these issues, a number of variables that may affect the level of profitability reported by the comparable companies were evaluated. Three economic and functional factors that are relevant to adjust for in order to improve the comparability and reliability of a profitability analysis are: (i) terms of sale, (ii) terms of purchase, and (iii) inventory valuation.

In performing our analysis, Grant Thornton did not find it necessary to make any adjustments to the comparable companies.

[22] U.S. Treasury Regulations § 1.482-1(f)(2)(iii)
[23] Grant Thornton aligned the companies' fiscal year ends using a seven-back/five-forward approach. To align with CIG US' fiscal year ended December 31, 2024, Grant Thornton utilized financial data for comparable companies with fiscal year ends up to seven months prior (May 31, 2024) and up to five months thereafter (May 31, 2025).
[24] U.S. Treasury Regulations § 1.482-1(d)(2).

f. Determination of an Arm's Length Range[25]

Table 5 presents a range of OMs derived from the set of comparable North American Distributors.

Table 5: OM Summary – Comparable North American Distributors

Comparable Companies	2022	2023	2024	Three-Year Weighted Average
ACCESS Newswire Inc.	11.73%	10.07%	-8.59%	5.18%
CDW Corporation	7.51%	8.23%	8.04%	7.91%
Climb Global Solutions, Inc.	5.88%	5.37%	6.51%	5.98%
Creative Realities, Inc.	-4.36%	2.98%	1.84%	0.28%
DXC Technology Company	2.75%	3.48%	3.83%	3.33%
Ingram Micro Holding Corporation	2.14%	2.27%	2.14%	2.19%
Optiva Inc.	16.12%	-2.65%	-16.05%	0.73%
PC Connection, Inc.	3.86%	3.71%	3.48%	3.69%
ScanSource, Inc.	3.46%	3.63%	2.98%	3.37%
TD SYNNEX Corporation	2.04%	2.23%	2.17%	2.14%
Vertex, Inc.	-0.43%	-1.92%	2.26%	0.11%
SUMMARY STATISTICS				
Minimum	-4.36%	-2.65%	-16.05%	0.11%
Lower Quartile	**2.04%**	**2.23%**	**1.84%**	**0.73%**
Median	**3.46%**	**3.48%**	**2.26%**	**3.33%**
Upper Quartile	**7.51%**	**5.37%**	**3.83%**	**5.18%**
Maximum	16.12%	10.07%	8.04%	7.91%

As illustrated in **Table 5**, the three-year weighted average interquartile range of OM ratios, derived from the set of comparable North American distributors, extends from 0.73 percent to 5.18 percent, with a median of 3.33 percent.

In FY 2024, CIG-US earned a three-year weighted average OM of 2.23 percent for the distribution of tangible goods, which falls within the three-year weighted average interquartile range derived from the set of comparable, independent distributors. These results indicate that the OM earned by CIG-US is consistent with the arm's length standard under U.S. Transfer Pricing Regulations.

B. Provision of Management Services

CIG-SH provided management services to CIG-US. CIG-US compensated CIG-SH for the costs it incurred for the provision of these services without any markup.

[25] U.S. Treasury Regulations § 1.482-1(e)

Grant Thornton evaluated an appropriate cost allocation and markup, if applicable, for management services provided by CIG-SH to CIG-US using the Services Regulations found in Section 1.482-9.[26] Our analysis consisted of the following steps:

- Identification of the Activity;
- Determination Whether a Benefit is Provided;
- Selection of the Transfer Pricing Method; and
- Application of the Selected Method.

1. Identification of the Activity

Under the Services Regulations, an activity includes the performance of functions, assumptions of risks, or use by a renderer of tangible or intangible property or other resources, capabilities, or knowledge, such as knowledge of and ability to take advantage of particularly advantageous situations or circumstances. An activity also includes making available to the recipient any property or other resources of the renderer.[27]

Grant Thornton determined an activity, as defined by the regulations, is being performed. CIG-SH provides management services to CIG-US. CIG-SH tracks the cost of providing these services for CIG-US and passes through the cost of these activities.

2. Determination Whether a Benefit is Provided

The next step in analyzing a service transaction under the Services Regulations is to determine whether or not the "activity" provided a benefit to the recipient. An activity is considered to provide a benefit to the recipient if the activity directly results in a reasonably identifiable increment of economic or commercial value that enhances the recipient's commercial position, or that may reasonably be anticipated to do so. An activity is generally considered to confer a benefit if, taking into account the facts and circumstances, an uncontrolled taxpayer in circumstances comparable to those of the recipient would be willing to pay an uncontrolled party to perform the same or similar activity, or if the recipient otherwise would have performed for itself the same activity or a similar activity. A benefit may result to the owner of intangible property if the renderer engages in an activity that is reasonably anticipated to result in an increase in the value of that intangible property. The Services Regulations provide the following guidance for determining the presence or absence of a benefit:[28]

- *Indirect or Remote Benefit* – An activity is not considered to provide a benefit to the recipient if, at the time the activity is performed, the present or reasonably anticipated benefit from that activity is so indirect or remote that the recipient would not be willing to pay an uncontrolled party to perform a similar activity and would not be willing to perform such activity for itself for this purpose. The determination whether the benefit from an activity is indirect or remote is based on the nature of the activity and the situation of the recipient, taking into consideration all facts and circumstances.[29]

[26] A summary of the U.S. Transfer Pricing Regulations related to this transaction can be found in **Appendix B**.
[27] U.S. Treasury Regulations § 1.482-9(l)(2).
[28] U.S. Treasury Regulations § 1.482-9(l)(3)(i).
[29] U.S. Treasury Regulations § 1.482-9(l)(3)(ii).

Grant Thornton evaluated the facts and circumstances surrounding CIG-SH's provision of management services to CIG-US. We have determined management services provided by CIG-SH to CIG-US provides a direct benefit in the form of receiving administrative support for their operations.

- *Duplicative Activities* – If an activity performed by a controlled taxpayer duplicates an activity performed, or that reasonably may be anticipated to be performed, by another controlled taxpayer on or for its own account, the activity is generally not considered to provide a benefit to the recipient, unless the duplicative activity itself provides an additional benefit to the recipient.[30]
  Grant Thornton has determined management services provided by CIG-SH to CIG-US is not duplicative in nature.

- *Shareholder Activities* – An activity is not considered to provide a benefit if the sole effect of that activity is either to protect the renderer's capital investment in the recipient or in other members of the controlled group, or to facilitate compliance by the renderer with reporting, legal, or regulatory requirements applicable specifically to the renderer, or both. Activities in the nature of day-to-day management generally do not relate to protection of the renderer's capital investment. [31]
  Grant Thornton has determined management services provided by CIG-SH to CIG-US is not a shareholder activity.

- *Passive Association* – A controlled taxpayer generally will not be considered to obtain a benefit where that benefit results from the controlled taxpayer's status as a member of a controlled group. A controlled taxpayer's status as a member of a controlled group may, however, be taken into account for purposes of evaluating comparability between controlled and uncontrolled transactions.[32]
  Grant Thornton determined CIG-SH is a controlled taxpayer and is allocating costs to CIG-US related to their use of the Services provided to them by CIG-SH. Further, we have determined CIG-US is not being allocated costs based on its status as part of a controlled group.

3. Selection of the Transfer Pricing Method

The regulations under Section 1.482 outline six transfer pricing methods that should be considered when performing an economic analysis of services transactions. The regulations also stipulate that the best method rule must be used in selecting the appropriate transfer pricing method or methods to perform an economic analysis of intercompany transactions. The best method rule states that the arm's length result of controlled transactions must be determined under the method that, given the facts and circumstances, provides the most reliable measure of an arm's length result.[33]

[30] U.S. Treasury Regulations § 1.482-9(l)(3)(iii).
[31] U.S. Treasury Regulations § 1.482-9(l)(3)(iv).
[32] U.S. Treasury Regulations § 1.482-9(l)(3)(v).
[33] U.S. Treasury Regulations § 1.482-1(c).

a. Services Cost Method[34]

The SCM "evaluates whether the price for covered services, as defined, is arm's length by reference to the total services costs with no markup."[35] Where the conditions on application of the method are met, the SCM is considered the best method for determining the arm's length price. The conditions that must be met in order to determine if the SCM can be used are:

- The service is a covered service[36];
- The service is not an excluded activity[37];
- The services is not precluded from constituting a covered service by the business judgment rule[38]; and
- Permanent books of account and records are maintained for as long as the costs with respect to the covered services are incurred by the renderer.[39]

For qualified services included in the list of "covered services"[40], as provided in Rev. Proc. 2007-13, the Company elected to apply the SCM. The following lists the services provided by CIG-SH that are eligible for the SCM:

Table 6: Services Eligible for the SCM

Service Type	SCM Eligibility
Accounting, Tax, and Auditing	Rev. Proc. 2007-13 #28-44
IT Services	Rev. Proc. 2007-13 #87-94
Purchasing and Procurement	Rev. Proc. 2007-13 #100-101

Certain categories of services that, in whole or in part, are not covered services and therefore do not qualify for the SCM include: manufacturing; production; extraction; exploration or processing of natural resources; construction; reselling; distribution; acting as a sales or purchasing agent, or acting under a commission or other similar arrangement; research, development, or experimentation; engineering or scientific; financial transactions, including guarantees; and insurance or reinsurance.[41]

When the conditions of the SCM are met, the services covered in each category may be charged at cost without any mark-up. The services provided by CIG-SH qualify as covered transactions under the SCM. Consequently, the costs for these services were allocated at cost, with no additional mark-up. This demonstrates that the application of the SCM aligns with U.S. Transfer Pricing Regulations.

C. Licensing of Intellectual Property from CIG-SAG to CIG-US

CIG-SAG holds ownership of certain registered patents and retains the right to sub-license these intellectual property rights. CIG-US licenses the intellectual property from CIG-SAG and, in turn, makes the licensed

[34] U.S. Treasury Regulations § 1.482-9(b).
[35] U.S. Treasury Regulations § 1.482-9(b)(1).
[36] U.S. Treasury Regulations § 1.482-9(b)(3).
[37] U.S. Treasury Regulations § 1.482-9(b)(4).
[38] U.S. Treasury Regulations § 1.482-9(b)(5).
[39] U.S. Treasury Regulations § 1.482-9(b)(6).
[40] U.S. Treasury Regulations § 1.482-9(b)(3).
[41] Treas. Reg. § 1.482-9(b)(4).

rights available for use by CIG-SH in its manufacturing activities. During FY 2024, CIG-US paid a royalty equal to 30% of sales of licensed products to CIG-SH.

Grant Thornton evaluated an appropriate return for the intangible property licensing transaction between CIG-SAG and CIG-US using the regulations found in §1.482-4.[42] Our analysis consisted of the following steps:

- Selection of the Transfer Pricing Method; and
- Application of the Selected Method.

1. Selection of the Transfer Pricing Method

The Regulations under Section 1.482 outline three transfer pricing methods that should be considered when performing an economic analysis of intangible property transactions. The Regulations also stipulate that the best method rule must be used in selecting the appropriate transfer pricing method or methods to perform an economic analysis of intercompany transactions. The best method rule states that the arm's length result of controlled transactions must be determined under the method that, given the facts and circumstances, provides the most reliable measure of an arm's length result.[43]

a. Comparable Uncontrolled Transaction ("CUT") Method[44]

The CUT method evaluates whether the amount charged for a controlled transfer of intangible property was arm's length by reference to the amount charged in a comparable uncontrolled transaction. CIG-SAG does not license the same intangible assets to unrelated parties, nor does CIG-US license any other intangible property from unrelated parties. Therefore, the internal CUT method was not selected as the best method to evaluate this transaction.

Data was available to fulfill the comparability requirements necessary to perform an external CUT analysis in which the royalty to be charged by CIG-SAG could be reasonably compared to the royalties for unrelated parties engaging in comparable transactions. Therefore, we selected the external CUT method as the best method to evaluate the arm's-length nature of this transaction.

b. Comparable Profits Method ("CPM")[45]

The CPM evaluates whether the amount charged in a controlled transaction is arm's length based on objective measures of profitability (profit level indicators) derived from uncontrolled taxpayers that engage in similar business activities under similar circumstances. The CPM is applied using the results of one participant in the controlled transaction - usually the participant who performs the least complex functions and assumes the least amount of risks.

The degree of functional comparability between the tested party and unrelated parties necessary to obtain a reliable result under the CPM is generally less than that required under the RPM or CP method, since operating profit is typically less sensitive to product and functional differences than profit indicators at the gross level. Therefore, the CPM is more sensitive to differences in risks assumed and assets employed.

[42] A summary of the U.S. Transfer Pricing Regulations related to this transaction can be found in **Appendix B**.
[43] U.S. Treasury Regulations § 1.482-1(c).
[44] U.S. Treasury Regulations § 1.482-4(c)(1).
[45] U.S. Treasury Regulations § 1.482-5.

Given that data is available on agreements that are sufficiently comparable to that between CIG-SAG and CIG-US, an application of the CPM would not provide a more reliable measure of an arm's length result for intangible property transaction than the application of the CUT method. Therefore, the CPM was not selected as the best method to evaluate the arm's-length nature of this transaction.

c. Profit Split Method ("PSM")[46]

The PSM evaluates whether the allocation of the combined operating profit or loss attributable to one or more controlled transactions is arm's length by reference to the relative value of each controlled taxpayer's contribution to that combined operating profit or loss. The combined operating profit or loss must be derived from the most narrowly identifiable business activity of the controlled taxpayers for which data is available that includes the controlled transactions (relevant business activity). The PSM is appropriate when all participants in the controlled transaction contribute valuable and/or unique intangible property. CIG-US does not own or utilize non-routine intangible assets in carrying out its activities related to this transaction. Therefore, the PSM was not selected as the best transfer pricing method to evaluate the arm's length nature of this transaction.

d. Unspecified Methods[47]

Unspecified methods may be used to evaluate whether the amount charged in a controlled transaction is arm's-length. Consistent with the specified methods discussed above and in accordance with the provisions of Section 1.482-1, an unspecified method should take into account that uncontrolled taxpayers evaluate the terms of a transaction by considering the realistic alternatives and only enter into a particular transaction if none of the alternatives is preferable to it.

Grant Thornton determined that an unspecified method would not be more reliable than the CUT method for analyzing the arm's-length nature of this intercompany transaction.

2. Application of the Selected Method

Our CUT analysis involved the following steps:

- Search for comparable agreements;
- Comparability assessment; and
- Determination of an Arm's Length Range.

a. Search for Comparable Agreements

The first step in our analysis was to search for agreements between unrelated parties that were similar to the licensing of IP by CIG-SAG. Specifically, we looked for agreements that license intangible property on a [Sales/Cost] basis, which is consistent with the intercompany transaction.

[46] U.S. Treasury Regulations § 1.482-6.
[47] U.S. Treasury Regulations § 1.482-4(d).

We used the ktMINE[48] database to search for license agreements disclosed to the U.S. Securities and Exchange Commission ("SEC") by public companies and contained in the SEC EDGAR database. We searched for agreements using the following search criteria:

- Agreement Type: Distribution, Manufacturing/Process Intangible, Marketing Intangible, Software;
- Industry: Computers: Hardware And Software, Financial Services;
- Exclusivity: Exclusive, Non-Exclusive, Multi-Exclusivity;
- Economic Region: Africa, Antarctica, Asia Pac, Europe, Middle East, North America, South America, Worldwide;
- Document Summary Fields: "Net Sales" Or "Turnover" Or "Gross Revenue" Or "Gross Revenues" Or "Prices" Or "Gross Sales" Or "Sales" (all); and
- Execution Date: Greater Than Or Equal, 1/1/2010.

Through these initial steps, we generated a sample of 231 agreements to review. To narrow the sample further, we reviewed agreement summaries and rejected agreements for the following reasons:

- The license was not comparable (e.g., grant was not for the right to license comparable IP);
- Duplicate agreement;
- Royalty rate was not based on Sales/Cost, or an agreement had multiple agreement bases not limited to Sales/Cost; and
- Agreement was between related parties.

Based on these criteria, we eliminated 216 agreements and retained 15 license agreements for further detailed review.

b. Comparability Assessment[49]

The U.S. Regulations caution taxpayers that specific factors may affect comparability under the CUT Method. Comparable circumstances must be considered when evaluating the transfer of intangible property. Factors that impact comparability include: (i) terms of the transfer, (ii) stage of development of the intangible, (iii) rights to receive updates, revisions, or modifications, (iv) the uniqueness of the property and the period that it remains unique, (v) duration of the license and termination rights, (vi) any economic or product liability risks assumed by the transferee, (vii) ancillary transactions, (viii) functions to be performed by each party.[50]

All of the selected agreements were found to be comparable for the purposes of determining the arm's length range the licensing of IP by CIG-SAG. A detailed exclusion table of the agreements reviewed is presented in the **Appendix D.**

[48] ktMINE is an intangible property data and information services firm providing intellectual property data, documents, and analysis tools aggregated from over 33,000 publicly available records. Specifically, we searched ktMINE for agreements with effective dates that fell on or after January 1, 2011.
[49] U.S. Treasury Regulations § 1.482-4(c)(2).
[50] U.S. Treasury Regulations § 1.482-4(c)(2)(iii)(B)(2).

c. Determination of an Arm's Length Range[51]

A summary of the comparable agreements and the average royalty listed in each agreement can be found in **Table 7** below.

Table 7: Summary of Comparable Uncontrolled Licensing Transactions

No	Licensor	Licensee	Royalty Rates	Average Royalty Rates
1	iCollector Technologies Ltd., Ableauctions.com Inc., ABC Live Auction World Ltd., National Auctioneers Association	ABC Live Auction World Ltd., iCollector Technologies Ltd., Ableauctions.com Inc., National Auctioneers Association	50.00%	26.67%
			20.00%	
			10.00%	
2	VyseTECH Asia Sdn Bhd	Trevenex Resources, Inc.	2.00%	2.00%
3	Global 1 Enterprises, Inc., C$ cMoney, Inc., Soprano Design Pty Ltd	Soprano Design Pty Ltd, Global 1 Enterprises, Inc., C$ cMoney, Inc.	40.00%	40.00%
4	GlobeX Data S.A.	Globalpaynet Holdings Inc.	10.00%	10.00%
5	NR Consulting Services, YearBook Alive Software, RN CONSULTING SERVICES	Net Profits Ten Inc.	10.00%	10.00%
6	Engineering Consulting and Solutions, GMBH	Sebring Software, LLC	50.00%	50.00%
7	GlobeX Data S.A.	Globalpaynet Holdings Inc.	20.00%	20.00%
8	MOTIONNOTES, LLC	EASTERN WORLD SOLUTIONS, INC.	5.00%	5.00%
9	PRIVATE TRADING SYSTEMS PLC	PREVENTIA INC.	50.00%	50.00%
10	Tarsin Inc.	Consorteum Holdings, Inc.	12.50%	12.50%
11	Social Media Broadcasts (SMB) Limited	Media Analytics Corporation	30.00%	30.00%
12	eCommerce Technologies Inc.	Cyber Apps World Inc.	1.00%	0.27%
			0.05%	
			0.025%	
			0.01%	
13	China Soar Information Technology, Inc.	Zhengzhou Xiangtian Information Technology Company Limited	45.00%	45.00%
14	Weyland Tech Inc.	Info Zone Development Limited	12.50%	12.50%
15	STURMONICS LLC	SUPER ELECTRICAL CORP	5.00%	5.00%
Summary Statistics				
	Minimum		0.01%	0.27%
	Lower Quartile		**3.50%**	**5.00%**
	Median		**11.25%**	**12.50%**
	Upper Quartile		**35.00%**	**40.00%**
	Maximum		50.00%	50.00%

As shown in **Table 7**, the interquartile range of royalties derived from the comparable agreements extends from 5.00 to 40.00 percent, with a median of 12.50 percent.

[51] U.S. Treasury Regulations § 1.482-1(e)

In FY 2024, CIG-SAG charged a royalty equal to 30.00 percent of sales, which falls within the arm's-length range generated by comparable licensing agreements. These results indicate that the royalty charged by CIG-SAG is consistent with the arm's length standard under U.S. Transfer Pricing Regulations.

Conclusion

A. Distribution of Tangible Goods CIG-SH to CIG-US

The CPM was used to analyze the intercompany transaction involving the distribution of tangible goods purchased from CIG-SH by CIG-US. Comparable North American distributors were identified to benchmark the return that CIG-US earned for its distribution activities. Comparable North American distributors generated a three-year (2022 – 2024) weighted average interquartile range of OM that extends from 0.73 percent to 5.18 percent, with a median of 3.33 percent.

In FY 2024, CIG-US earned an OM of 2.23 percent for the distribution of tangible goods, which falls within the three-year weighted average interquartile range derived from the set of comparable, independent distributors. These results indicate that the OM earned by CIG-US is consistent with the arm's length standard under U.S. Transfer Pricing Regulations.

B. Provision of Management Services by CIG-SH to CIG-US

The SCM was elected to analyze the intercompany transaction involving the management services provided by CIG-SH to CIG-US. As a result, CIG-SH charged the cost of its services to the benefiting CIG-US entity at cost with no additional markup. Under the SCM, the covered service transaction is considered arm's length by reference to the total cost of services with no markup. Therefore, the return reported by CIG-SH for its administrative support services in FY 2024 is considered arm's length under U.S. Transfer Pricing Regulations.

C. Licensing of IP from CIG-SAG to CIG-US

The CUT method was used to analyze the intercompany transaction involving the licensing of IP by CIG-SAG to CIG-US. Comparable licensing agreements were identified to benchmark the royalty rate earned by CIG-SAG. The range of royalties from the comparable licensing agreements extends from 5.00 to 40.00 percent, with a median of 12.50 percent.

In FY 2024, CIG-SAG charged a royalty equal to 30.00 percent of sales, which falls within the arm's-length range generated by comparable licensing agreements. These results indicate that the royalty charged by CIG-SAG is consistent with the arm's length standard under U.S. Transfer Pricing Regulations.

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A. Index of Principal Documents

The following table presents the principal document index for this report, based on the 10 principal documents specified under Section 1.6662-6(d)(2)(iii).

Table 8: Principal Document Index

#	Principal Document	Location
1	An overview of the taxpayer's business, including an analysis of the economic and legal factors that affect the pricing of its property or services	Section II: Company Overview
2	A description of the taxpayer's organizational structure (including an organizational chart) covering all related parties engaged in transactions potentially relevant under Section 482, including foreign affiliates whose transactions directly or indirectly affect the pricing of property or services in the United States	Section II: Company Overview and Section V: Functional Analysis
3	Any documentation explicitly required by the Regulations under Section 482	Sections II-VI; Appendices
4	A description of the method selected and an explanation of why that method was selected, including an evaluation of whether the regulatory conditions and requirements for the application of that method, if any, were met	Section VI: Economic Analysis
5	A description of the alternative methods that were considered and an explanation of why they were not selected	Section VI: Economic Analysis
6	A description of the controlled transactions (including the terms of sale) and any internal data used to analyze those transactions	Section VI: Economic Analysis
7	A description of the comparables that were used, how comparability was evaluated, and what (if any) adjustments were made	Section VI: Economic Analysis
8	An explanation of the economic analysis and projections relied upon in developing the method	Section VI: Economic Analysis
9	A description or summary of any relevant data that the taxpayer obtains after the end of the tax year and before filing a tax return, which would help determine if a taxpayer selected and applied a specified method in a reasonable manner	Appendices
10	A general index of the principal and background documents and a description of the recordkeeping system used for cataloging and accessing those documents	Section VI and Appendices

B. U.S. Transfer Pricing Regulations

The United States Treasury released the current transfer pricing regulations (Section 482) and associated penalty regulations (Section 6662) in 1994.[52] These regulations superseded the initial Treasury regulations which became effective in 1968. These statutory changes were made in response to new legislative guidance as provided in the Tax Reform Act of 1986.[53] The Internal Revenue Service ("IRS") has been authorized by the U.S. Treasury to enforce the statutes specified in Sections 482 and 6662 on taxpayers having business affiliates in the United States. Below, Grant Thornton has summarized key concepts and methodologies under Section 482.

1. The Arm's Length Standard and the Best Method Rule

Under Section 482, related parties must trade at arm's length. In the U.S. regulations, arm's length is intended to refer to the behavior that takes place when unrelated parties make exchanges under competitive market conditions. The Section 482 regulations ("U.S. Regulations"), under the influence of the 1986 Act, emphasize the results that would have been obtained at arm's length under circumstances comparable to those of the controlled parties, and established the concept of an arm's length result.[54] In short, imposition of the arm's length standard is the way government tax authorities endeavor to create market conditions within a controlled group of companies. Taxpayers seeking to create arm's length results within a related-party group may choose among a set of methodologies detailed in the U.S. Regulations (the specified methods) or, if the given procedures are not workable, may apply some other means (unspecified methods).

Selection of an arm's length approach is guided by a set of steps collectively known as the best method rule. The goal of the best method rule is to create the most reliable measure of an arm's length result given the taxpayer's facts and available data. Although there is a preference in the regulations for methods employing direct evidence, no particular method is presumed to be more inherently reliable than any other method; also, there is no requirement in the regulations to disprove the applicability of methods not chosen.[55] A best method is selected by examining the degree of comparability between the controlled transactions and a set of uncontrolled transactions. In assessing comparability, the goal is to obtain the most reliable measure of arm's length results in view of the controlled party's circumstances, the data at hand, and the assumptions necessary to employ the data.[56] To determine if the comparability between controlled and uncontrolled transactions meets IRS standards, general factors to be considered for both the related-party transaction and the comparable company include (1) functions, (2) risks, (3) contractual terms, (4) economic conditions; and (5) type of property/service.[57]

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[52] Temporary regulations were in effect for tax years beginning after April 21, 1993.

[53] Taxpayers may elect to apply the final regulations to any open year; however, application to any particular past year must also include the years that follow. Finally, the IRS views the regulations as a "reasonable" interpretation of the post-1986 statute and blesses any transfer pricing approach applying the regulations or their principles for taxable years beginning after December 31, 1986.

[54] Treas. Reg. § 1.482-1(b)(1) (2006).

[55] *Id*. § 1.482-1(c)(1). However, regulations offering taxpayers safe harbor exclusion from transfer pricing-related valuation misstatement penalties (under Treasury Regulations section 1.6662(e)) require that there be included among the taxpayer's principal documents a "description of the specified methods that were considered and an explanation of why they were not selected." *Id*. § 1.6662-6(d)(2)(iii)(B).

[56] *Id*. § 1.482-1(c)(2). "Accuracy" was the goal of earlier, temporary regulations. The final regulations effectively admit that requiring accuracy puts too great a burden on the rough means normally available for making arm's length comparisons.

[57] *Id*. §1.482-1(d)(1).

The regulations do not require that the controlled and uncontrolled transactions be identical along all five of these dimensions. The requirement is that they are sufficiently similar to make comparison possible; or, if not, that adjustments can be made to increase comparability; or, if in the case of irreconcilable differences, it can be demonstrated that the differences are not important under the circumstances at hand. In addition to these general comparability factors, there are other factors, addressed below, that are more particular to each specified method. Aggregation of transactions is permissible under Treasury Regulations section 1.482-1(f)(2)(i), which states that the combined effect of two or more separate transactions (whether before, during, or after the taxable year under review) may be considered, if such transactions, taken as a whole, are so interrelated that consideration of multiple transactions is the most reliable means of determining the arm's length consideration for the controlled transactions. Generally, transactions will be aggregated only when they involve related products or services, as defined in section 1.6038A-3(c)(7)(vii). There are four key types of intercompany transactions: (1) Tangible Property Transfers, (2) Intangible Property Transfers, (3) Intercompany Services, and (4) Intercompany Loans.

2. Tangible Property Transfers

The U.S. Regulations offer six methods for establishing an arm's length standard for transfers of tangible property.[58] These methods can be grouped into two broad categories: (i) traditional transactional methods (comparable uncontrolled price, resale price, and cost plus methods) and (ii) transactional profit methods (comparable profit and profit split methods). Each of these methods must be applied in accordance with the provisions of Section 1.482-1, including those provisions regarding selection of the best method, comparability analysis, and the construction of the arm's length range.

a. Comparable Uncontrolled Price ("CUP") Method

Under the CUP method, the price of a controlled transaction is determined by reference to prices of comparable transactions between independent parties. The comparable transactions may be between one party to the controlled transaction and a third party (i.e., an internal CUP) or between two independent parties, neither of which are related to the participants in the controlled transaction (i.e., an external CUP). When transactions can be identified that are sufficiently comparable to the controlled transaction, this method will generally provide the most direct and reliable measure of an arm's length price for the controlled transaction.

To apply the CUP method, the property transferred and the terms of the controlled transaction must be substantially similar to those of the uncontrolled, comparable transactions. Specific factors that may affect comparability under this method include: (i) product quality; (ii) contractual terms; (iii) level of the market; (iv) geographic market; (v) date of the transaction; (vi) intangible property associated with the sale; (vii) foreign currency risks; and (viii) alternatives realistically available to the buyer and seller.[59]

b. Resale Price Method ("RPM")

Under the RPM, gross margins realized in comparable uncontrolled transactions are compared to the gross margin realized in the controlled transaction to test whether the arm's length standard is met. This method is generally used to measure the value of the distribution function and is normally used in transactions

[58] These methods are described in Treasury Regulations Sections 1.482-3(b), (c) and (d), 1.482-5, and 1.482-6, respectively.
[59] U.S. Treasury Regulations § 1.482-3(b)(2)(ii)(B)(1)-(8).

involving the purchase and resale of property where the distributor does not employ intangible property to add substantial value to the property.[60] Comparable uncontrolled transactions may be between a party to the controlled transaction and an independent party ("Internal RPM") or between two independent parties neither of which are related to the parties to the controlled transaction ("External RPM"). Comparability under the RPM is particularly sensitive to the similarity of functions performed, risks borne, and contractual terms.[61]

RPM comparability is less dependent on product similarity than under the CUP method, since resellers might perform similar distribution functions but distribute different products. Substantial differences in products sold, however, may indicate significant functional differences between the controlled and uncontrolled distributors or may be an indication of exposure to different business cycle risks. The presence or absence of a trademark may also affect the reliability of the comparison. Finally, factors such as cost structures and management efficiency that do not significantly affect prices may affect gross profits, thereby reducing the reliability of the RPM. If there are material differences between the controlled and uncontrolled transactions that would affect the gross margin, adjustments should be made to increase comparability. Factors that may be relevant to the RPM include: (i) inventory levels and turnover rates; (ii) contractual terms; (iii) sales, marketing, and advertising programs and services; (iv) market level; and (v) foreign currency risk.[62]

c. Cost Plus ("CP") Method

The CP method is generally used to measure the value of a manufacturing, or assembly activity. Under this method, markups earned on cost of goods sold ("gross markups") in uncontrolled transactions are compared to the gross markup realized in the controlled transaction to test whether the arm's length standard is met.[63] As with the CUP and RPM methods, uncontrolled transactions may be between a party to the controlled transaction and an independent party ("Internal CP method") or between two independent parties neither of which are related to the parties to the controlled transaction ("External CP method"). While close physical similarity between products is not required, significant differences in products manufactured may suggest functional or business cycle risk differences that render the comparison inappropriate. Again, the presence of trademarks may affect the reliability of the comparison, as might differences in cost structures or management efficiency.[64]

If there are material differences between the controlled and uncontrolled transactions that would affect the gross margin, adjustments should be made to increase comparability. Factors that may be relevant in determining comparability under the CP method include: (i) the complexity of manufacturing or assembly; (ii) manufacturing, production and process engineering; (iii) procurement, purchasing and inventory control activities; (iv) testing functions; (v) selling, general and administrative expenses, (vi) foreign currency risks; and (vii) contractual terms.[65]

[60] U.S. Treasury Regulations § 1.482-3(c)(1).
[61] U.S. Treasury Regulations § 1.482-3(c)(3)(ii)(A).
[62] U.S. Treasury Regulations § 1.482-3(c)(3)(ii)(C)(1)-(5).
[63] U.S. Treasury Regulations § 1.482-3(d).
[64] U.S. Treasury Regulations § 1.482-3(d)(3)(ii)(B).
[65] U.S. Treasury Regulations § 1.482-3(d)(3)(ii)(C)(1)-(7).

d. Comparable Profits Method ("CPM")

The CPM determines whether the amount charged in a controlled transaction is arm's length by reference to objective measures of profitability derived from uncontrolled taxpayers that engage in similar activities under similar circumstances.[66] Under the CPM, the arm's length result is determined by the amount of operating profit that the tested party would have earned on the controlled transaction if its PLIs were equal to that of an uncontrolled, comparable company. An arm's length level of profit is calculated by applying the PLI of the comparable company to the financial data related to the controlled transaction. For purposes of the CPM, the tested party is the entity for which operating profits attributable to the controlled transaction can be the most easily verified, with the most reliable data and the fewest adjustments required. In most cases, the tested party will be the simplest of the entities involved in the controlled transaction (i.e., the least complex functions), and will not own valuable, non-routine intangible property or other unique assets that distinguish it from potentially comparable, uncontrolled companies.[67]

PLIs measure the relationship between profits and costs incurred or resources employed. A variety of indicators may be used in a given analysis: the choice between measures depends upon the activities of the tested party, the reliability of the data for comparable uncontrolled companies, and the extent to which the indicator will produce a reliable measure of an arm's length result.[68] These indicators include the rate or return on capital employed and various financial ratios. The rate of return on capital employed is denoted by the acronym ROA. The greater the role of operating assets in generating operating profits for both the tested party and the comparable, uncontrolled companies, the more reliable is this measure of profitability. In addition, the reliability of this measure depends upon the similarity across the tested party and comparable companies' operating asset composition.[69]

Financial ratios measure the relationship between profits and costs or revenues. Financial ratios are more sensitive to functional differences than the rate of return on capital; therefore, closer functional comparability is required when applying a financial ratio. Financial ratios that may be employed in a CPM analysis include, among others, the ratio of operating profits to sales, the ratio of gross profits to operating expenses, and the ratio of operating income to total costs.[70]

Determination of comparability under the CPM depends in particular on similarity between resources employed and risks assumed. However, the degree of functional comparability required is generally higher than that required under the RPM and CP method. Because differences in functions performed are often reflected in relative levels of operating expenses, companies that perform different functions may have similar operating margins although their gross margins differ substantially. In addition, product similarity is not as important to a reliable CPM result as it is to the results under other methods. While product differences may generate significant differences in gross margins, they are less likely to generate differences in operating margins.[71] Differences in managerial and other operating efficiencies that might be important when using the RPM and CP method, however, are almost certain to be a factor under the CPM.[72]

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[66] U.S. Treasury Regulations § 1.482-5(a).
[67] U.S. Treasury Regulations § 1.482-5(a).
[68] U.S. Treasury Regulations § 1.482-5(b)(4).
[69] U.S. Treasury Regulations § 1.482-5(b)(4)(i).
[70] U.S. Treasury Regulations § 1.482-5(b)(4). The ratio of operating income to total costs (return on costs) is not specifically mentioned in the regulations.
[71] U.S. Treasury Regulations § 1.482-5(c).
[72] U.S. Treasury Regulations § 1.482-5(c)(2)(iii).

Adjustments to Improve Comparability

Under the CPM, Section 482 requires that "if there are material differences between the controlled and uncontrolled transactions, adjustments must be made if the effect of such differences on prices or profits can be ascertained with sufficient accuracy to improve the reliability of the results."[73]

When the CPM is employed, the set of independent companies is generally only broadly comparable to the controlled company. With the relatively relaxed standards of comparability, the range of arm's length profitability that arises from such a set is often quite wide and difficult to use for evaluating or setting transfer prices. Screening the companies in the set carefully and performing adjustments to improve comparability can significantly reduce the dispersion of profitability among the independent companies.

The accounts receivable adjustment can be performed using the following formula:

$$Accounts\ Receivable\ Adjustment = \left[\left(\frac{AAR_{TP}}{Net\ Sales_{TP}} \times Net\ Sales_{Comp}\right) - AAR_{Comp}\right] \times \frac{i}{1+i}$$

Where:

- *AAR_{Comp} represents average accounts receivable for the comparable company;*
- *AAR_{TP} represents the average accounts receivable for the tested party;*
- *Net $Sales_{Comp}$ represents Net Sales for the comparable company;*
- *Net $Sales_{TP}$ represents Net Sales for the tested party; and*
- *"i" represents the U.S. Prime interest rate.*[74]

The accounts payable adjustment can be performed using the following formula:

$$Accounts\ Payable\ Adjustment = \left[\left(\frac{AAP_{TP}}{Net\ Sales_{TP}} \times Net\ Sales_{Comp}\right) - AAP_{Comp}\right] \times \frac{i}{1+i}$$

Where:

- *AAP_{Comp} represents average accounts payable for the comparable company; and*
- *AAP_{TP} represents the average accounts payable for the tested party.*

[73] U.S. Treasury Regulations § 1.482-1(d)(2).
[74] The interest rate used for the adjustments is the U.S. prime rate.

The inventory adjustment can be performed using the following formula:

$$\text{Inventory Adjustment} = \left[\left(\frac{\text{Avg. Inv.}_{\text{tp}}}{\text{Net Sales}_{\text{tp}}} \times \text{Net Sales}_{\text{Comp}}\right) - \text{Avg. Inv.}_{\text{Comp}}\right] \times \frac{\text{i}}{1+\text{i}}$$

Where:

- *Avg. Inv.$_{Comp}$ represents average inventory for the comparable company; and*
- *Avg. Inv.$_{TP}$ represents the average inventory for the tested party.*

e. Profit Split Method ("PSM")

The PSM assumes that premium profits (i.e., returns above a competitive market return) or losses from a particular venture are attributable to the existence of intangible assets employed in a transaction, and that the taxpayer must determine how to split the premium profits (or losses) based on functions performed and risks assumed by the related parties. The basic approach of a profit split method is to estimate an arm's length return by comparing the relative economic contributions that each of the parties make to the success of a venture, and dividing any "excess" returns from that venture between them on the basis of the relative value of such contributions. Either the comparable PSM or the residual PSM may be used to determine the allocation of profit or loss.[75]

Comparable PSM

The comparable PSM relies on the combined operating profit of uncontrolled companies with transactions and activities similar to those of the controlled taxpayers. Each uncontrolled company's share of the combined operating profit or loss is used to allocate the profit or loss attributable to the activities of the controlled companies.[76] The comparable PSM may not be used if the combined operating profit of the uncontrolled transaction differs significantly from that of the controlled taxpayers.[77]

Residual PSM

The residual PSM allocates profits between the related parties in two phases. First, each party is allocated profit sufficient to earn a fair return for its routine contributions to the activity. Second, any residual profit is allocated based on the value of the intangible property contributed by each party.[78] Factors that may be particularly relevant in determining comparability under the residual PSM include: (i) the reliability of the allocation of costs, income, and assets between the relevant business activity and the participants' other activities as it pertains to the determination of overall operating profit; (ii) consistency in accounting; and (iii) the reliability of data and assumptions made in determining the value of intangible property contributed by the participants.[79]

f. Unspecified Methods

Methods not specified above may be used to determine the arm's length price of a transfer of tangible property between controlled taxpayers. As with any method, an unspecified method may only be applied if

[75] U.S. Treasury Regulations § 1.482-6.
[76] U.S. Treasury Regulations § 1.482-6(c)(2)(i).
[77] U.S. Treasury Regulations § 1.482-6(c)(2)(ii)(B)(1).
[78] U.S. Treasury Regulations § 1.482-6(c)(3).
[79] U.S. Treasury Regulations § 1.482-6(c)(3)(ii)(C)(1)-(3).

it provides the most reliable measure of an arm's length result. In establishing whether a controlled transaction achieved an arm's length result, an unspecified method should take into account the general principle that uncontrolled taxpayers evaluate the terms of a transaction by considering the realistic alternatives to that transaction, and only enter into a particular transaction if none of the alternatives is preferable. Information on the prices or profits that the controlled taxpayer could have realized by choosing a realistic alternative to the controlled transaction should be evaluated. The reliability of a method will be reduced to the extent that a method relies on internal data rather than uncontrolled comparable companies.

3. Intercompany Services Transfers

The Regulations adopt a very broad definition of what constitutes a service. Section 1.482-9(l)(1) provides generally that a controlled services transaction includes any activity by one member of a group of controlled taxpayers that results in a benefit to one or more other members of the controlled group. Activity is defined broadly to include "the performance of functions, assumptions of risks, or use by a renderer of tangible or intangible property or other resources, capabilities, or knowledge, such as knowledge of and ability to take advantage of particularly advantageous situations or circumstances."[80]

a. Benefit

Under section §1.482-9(l)(3)(i), a benefit is present if the activity directly results in a reasonably identifiable increment of economic or commercial value that enhances the recipient's commercial position, or is reasonably anticipated to do so. An activity is considered to give a benefit if:

- An uncontrolled taxpayer in similar circumstances would be willing to pay an uncontrolled party to perform the same or similar activities; or
- An uncontrolled taxpayer in similar circumstances would be willing to perform for itself the same or similar activities.

A benefit may result to the owner of an intangible, but only if the service rendered can be reasonably anticipated to result in an increase in value of the intangible.[81]

Indirect or Remote Benefit

Under section § 1.482-9(l) (3)(ii), a benefit is not present if:

- An activity has only indirect or remote effects that the recipient would not be willing to pay for;
- An activity duplicates an activity that the recipient has already performed of or for its own behalf and does not provide any additional benefit;
- Shareholder activities do not confer a benefit on controlled parties and therefore do not give rise to an arm's length charge; or
- If the benefit results from the controlled taxpayer's status as a member of a controlled group.[82]

[80] U.S. Treasury Regulations § 1.482-9(l)(2).
[81] U.S. Treasury Regulations § 1.482-9(l)(3)(i).
[82] U.S. Treasury Regulations § 1.482-9(l)(3)(ii).

Duplicative Activities

Duplicative activities are defined as those duplicated by a controlled taxpayer that is performed by another controlled taxpayer on its own account. The duplicated activity will generally not be considered to provide a benefit to the recipient.[83]

Shareholder Activities

Shareholder activities are those where "the sole effect is either to protect the renderer's capital investment in the recipient or other members of the controlled group, or to facilitate compliance with reporting, legal, or regulatory requirements applicable specifically to the renderer, or both."[84] Shareholder activities are not considered to provide a benefit to the recipient. Activities related to day-to-day management activities or business reorganization generally do not relate to the protection of capital investment, and may therefore be considered to provide a benefit to more than one controlled taxpayer.[85]

Passive Association

A benefit is not considered to be rendered to the recipient if a benefit results simply from the taxpayer's membership of a controlled group.[86]

b. Total Services Cost and Allocation

Section 1.482-9(j) of the Service Regulations provides guidance on determining which costs to take into account when determining the cost of a service. Specifically, this section defines total services cost as "all costs of rendering those services." All costs generally include direct operating costs (*e.g.*, salaries and benefits) and indirect operating costs (*e.g.*, overhead). Non-operating costs are generally excluded. For example, Section 1.482-9(j) states that "total service costs do not include interest expense, foreign income taxes, or domestic income taxes." Section 1.482-9(k) also states that "… in no event will an allocation of costs based on a generalized or non-specific benefit be appropriate."

Any reasonable method can be used for cost allocation so long as costs are allocated and apportioned to the recipients through a consistent and reasonable method with appropriate consideration given to all factors (e.g., total expenses, asset size, sales, manufacturing expenses, payroll, space utilized, and time spent) in keeping with sound accounting practices.[87]

c. Methods

If the services are shown to provide a benefit to the recipient, the arm's length amount charged in a controlled services transaction must be determined under one of the six methods listed in § 1.482-9. Each method must be applied in accordance with the provisions of § 1.482-1, including the best method rule, the comparability analysis, and the arm's length range.

[83] U.S. Treasury Regulations § 1.482-9(l)(3)(iii).
[84] U.S. Treasury Regulations § 1.482-9(l)(3)(iv).
[85] U.S. Treasury Regulations § 1.482-9(l)(3)(iv).
[86] U.S. Treasury Regulations § 1.482-9(l)(3)(v).
[87] U.S. Treasury Regulations § 1.482-9(k)(2)(i).

Services Cost Method

The SCM "evaluates whether the price for covered services, as defined, is arm's length by reference to the total services costs with no markup."[88] Where the conditions on application of the method are met, the SCM is considered the best method for determining the arm's length price. The conditions that must be met in order to determine if the SCM can be used are:

- The service is a covered service;[89]
- The service is not an excluded activity;[90]
- The services is not precluded from constituting a covered service by the business judgment rule;[91] and
- Permanent books of account and records are maintained for as long as the costs with respect to the covered services are incurred by the renderer.[92]

Certain categories of services which, in whole or in part, are not covered services and therefore do not qualify for the SCM include: manufacturing; production; extraction; exploration or processing of natural resources; construction; reselling; distribution; acting as a sales or purchasing agent; or acting under a commission or other similar arrangement; research, development, or experimentation; engineering or scientific; financial transactions, including guarantees; and insurance or reinsurance.[93]

If the conditions for the SCM are satisfied, the covered services in each category may be charged at cost with no markup; however, this method is applied at the option of the taxpayer (i.e. another method may be used even if the services quality for the SCM). To determine an arm's length markup, an analysis similar to the CPM must be performed.

The first category consists of specified covered services to be identified in a revenue procedure published by the IRS. These covered services are support services common among taxpayers across industry sectors and generally do not involve a significant median comparable markup on total services cost. Revenue Procedure 2007-13 issued by the IRS identifies 101 specified covered services classified under 20 categories:

- Payroll;
- Premiums for Unemployment, Disability and Workers Compensation;
- Accounts Receivable;
- Accounts Payable;
- General Administrative;
- Corporate and Public Relations;
- Meeting Coordination and Travel Planning;
- Accounting and Auditing;
- Tax;
- Health, Safety, Environmental and Regulatory Affairs;
- Budgeting;

[88] U.S. Treasury Regulations § 1.482-9(b)(1).
[89] U.S. Treasury Regulations § 1.482-9(b)(3).
[90] U.S. Treasury Regulations § 1.482-9(b)(4).
[91] U.S. Treasury Regulations § 1.482-9(b)(5).
[92] U.S. Treasury Regulations § 1.482-9(b)(6).
[93] U.S. Treasury Regulations §.482-9(b)(4).

- Treasury Activities;
- Statistical Assistance;
- Staffing and Recruiting;
- Training and Employee Development;
- Benefits;
- Information and Technology (IT) Services;
- Legal Services;
- Insurance Claims Management; and
- Purchasing.

The second category of covered services is certain low margin covered services consisting of services for which the median comparable arm's length markup on total services costs is less than or equal to seven percent. The arm's length markup is determined using general Section 482 principles and the arm's length markup is based on the median comparable mark-up on total services costs.[94]

Shared services arrangement rules apply to specified covered services or low margin covered services. Such arrangements must include two or more controlled taxpayers that reasonably anticipate benefit from at least one covered service in the arrangement. In addition, each covered service in an arrangement must confer benefit on at least one participant.[95] Costs are allocated on the basis of each participant's respective share of the reasonably anticipated benefits from the services. Actual realization of anticipated benefit bears no influence on the allocation.[96] In addition, under the SCM rules, taxpayers must maintain proper documentation that should include:

- A statement of intention;
- A list of the participants and renderer(s);
- A description of the basis of allocation to all participants according to reasonably anticipated benefits; and
- A description of any aggregation of covered services.[97]

Various cost allocation factors may be considered in order to achieve a measure of reasonably anticipated benefits. These factors make clear that the facts and circumstances of the controlled taxpayer will determine the measure used. Examples of cost allocation factors include order volume, headcount, and transaction volume.

Comparable Uncontrolled Services Price ("CUSP") Method

The CUSP Method "evaluates whether the consideration in a controlled services transaction is arm's length by comparison to the price charged in a comparable uncontrolled services transaction."[98] The standards under the CUSP Method emphasize the relative similarity of the controlled services to the uncontrolled transaction and the presence or absence of non-routine intangibles. The CUSP Method generally provides the most reliable measure of an arm's length result if the uncontrolled transaction either has no differences

[94] U.S. Treasury Regulations § 1.482-9(b)(3)(ii).
[95] U.S. Treasury Regulations § 1.482-9(b)(7)(ii)(A).
[96] U.S. Treasury Regulations § 1.482-9(b)(7)(ii)(B).
[97] U.S. Treasury Regulations § 1.482-9(b)(7)(ii)(C).
[98] U.S. Treasury Regulations § 1.482-9(c).

from the controlled services transaction or only has minor differences that have a definite and reasonably ascertainable effect on price, and appropriate adjustments may be made for such differences. If such adjustments cannot be made, or if there are more than minor differences between the controlled and uncontrolled transactions, the CUSP Method will not qualify as the best method.[99]

The CUSP Method may be used when adjustments cannot be made, or when the differences between the controlled and uncontrolled transactions are more than minor, but the reliability of the method is reduced. Specific factors that may affect comparability under this method include:

- Quality of services rendered;
- Contractual terms;
- Intangibles (if any) used in rendering the service;
- Geographic market in which the services are rendered or received;
- Risks borne;
- Duration or quantitative measure of services rendered;
- Collateral transactions or ongoing business relationships between the renderer and the recipient, including arrangement for the provision of tangible property in connection with the services; and
- Alternatives realistically available to the renderer and the recipient.[100]

Gross Services Margin Method ("GSMM")

This method evaluates whether the amount charged in a controlled services transaction is arm's length by reference to the gross services profit margin realized in comparable uncontrolled transactions involving similar services.[101]

The appropriate gross services profit is computed by multiplying the applicable uncontrolled price by the gross services profit margin in comparable uncontrolled transactions.[102] If possible, the appropriate gross services profit margin should be derived from comparable uncontrolled transactions by the controlled taxpayer under review, because similar characteristics are more likely found among different transactions by the same controlled taxpayer than among transactions by other parties. However, in the absence of comparable uncontrolled transactions involving the same uncontrolled taxpayer, an appropriate gross services profit margin may be derived from transactions of uncontrolled taxpayers involving comparable services or functions with respect to similarly related transactions.[103]

Comparability under the GSMM Method "is particularly dependent upon similarities in functions performed, risks borne, intangibles (if any) used in providing the services or functions, and contractual terms, or adjustments to account for the effects of any such differences."[104] It is less dependent upon close similarity of the relevant uncontrolled transaction to the related transactions involved in the uncontrolled comparable transactions. The presence or absence of a trademark may also affect the reliability of GSMM Method. Finally, factors such as cost structures and management efficiency that do not significantly affect prices

[99] U.S. Treasury Regulations § 1.482-9(c)(2)(ii)(A).
[100] U.S. Treasury Regulations § 1.482-9(c)(2)(ii)(B)(1)-(8).
[101] U.S. Treasury Regulations § 1.482-9(d).
[102] U.S. Treasury Regulations § 1.482-9(d)(2)(iv).
[103] U.S. Treasury Regulations § 1.482-9(d)(3)(ii)(A).
[104] U.S. Treasury Regulations § 1.482-9(d)(3)(ii)(A).

may affect gross profits, thereby reducing the reliability of the GSMM Method.[105] The GSMM Method may be used when adjustments cannot be made, or when the differences between the controlled and uncontrolled transactions are more than minor, but the reliability of the method is reduced. Specific factors that may affect comparability under this method include:

- Contractual terms (scope and terms of warranties or guarantees regarding the services or function, volume, credit and payment terms, and allocation of risks, including any contingent payment terms);
- Intangibles (if any) used in rendering the service;
- Geographic market in which the services or function are performed or in which the relevant uncontrolled transaction takes place; and
- Risks borne.[106]

Cost of Services Plus ("CSP") Method

This method "evaluates whether the amount charged in a controlled services transaction is arm's length by reference to the gross services profit markup in comparable uncontrolled transactions."[107] The gross services profit is determined by reference to the markup as a percentage of comparable transactional costs in comparable uncontrolled transactions. This method ordinarily applies where the renderer of controlled services provides the same or similar services to both controlled and uncontrolled parties (in general, these are the only circumstances in which a controlled taxpayer would likely have the detailed info concerning comparable transactional costs necessary to apply this method reliably). Under the CSP Method, an arm's length price equals the controlled taxpayer's comparable transactional costs plus the appropriate gross services profit which is defined as the ratio of gross margin to cost for a comparable uncontrolled transaction.[108]

Comparability under this method is most significantly affected by similarities in services or functions performed, risks borne, intangibles (if any) used in providing the services or functions, and contractual terms, or adjustments made to reflect differences in these items.[109] As in the case of the CUSP Method, close similarity between services transferred in controlled and uncontrolled transactions is less important.[110] It is expected, however, that these services would fall within the same general service categories. Other factors that might influence comparability include the following:

- The complexity of the services;
- The duration or quantitative measure of services;
- Contractual terms (for example, scope and terms of warranties or guarantees provided, volume, credit and payment terms, allocation of risks, including any contingent-payment terms);
- Economic circumstances; and
- Risks borne.[111]

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[105] U.S. Treasury Regulations § 1.482-9(d)(3)(ii)(B).
[106] U.S. Treasury Regulations § 1.482-9(d)(3)(ii)(C)(1)-(4).
[107] U.S. Treasury Regulations § 1.482-9(e).
[108] U.S. Treasury Regulations § 1.482-9(e)(2).
[109] U.S. Treasury Regulations § 1.482-9(e)(3)(ii)(A).
[110] U.S. Treasury Regulations § 1.482-9(e)(3)(ii)(B).
[111] U.S. Treasury Regulations § 1.482-9(e)(3)(ii)(C)(1)-(5).

Comparable Profits Method ("CPM")

In general, the CPM for services evaluates whether the amount charged in a controlled services transaction is arm's length by reference to objective measures of profitability derived from financial information regarding uncontrolled taxpayers that engage in similar services transactions under similar circumstances.[112] The CPM for services applies only where the renderer of controlled services is the tested party.

Lack of uniformity in financial accounting standards for services, as well as typically incomplete information regarding the cost accounting practices of the uncontrolled comparable companies, limits the degree of consistency in accounting practices between the controlled services transaction and the uncontrolled services transaction that might affect the reliability of the results under the CPM for services.[113] Adjustments may be made if material different treatment is applied to a particular cost item, but if appropriate adjustments to account for such differences are not possible, the reliability of the results under this method will be reduced.

Profit Split Method ("PSM")

Generally, the PSM evaluates whether the allocation of the combined operating profit or loss attributable to one or more controlled transactions is arm's length by reference to the relative value of each controlled taxpayer's contributions to the combined operating profit or loss.[114] The relative value of each controlled taxpayer's contribution is determined in a manner that reflects the functions performed, risks assumed, and resources employed by such controlled taxpayer in the relevant business activity.

Section 1.482-9 states that the profit split method is "ordinarily used in controlled services transactions involving a combination of non-routine contributions by multiple controlled taxpayers." Section 1.482-6 defines a non-routine contribution as "a contribution that is not accounted for as a routine contribution." In other words, a non-routine contribution is one for which the return cannot be determined by reference to market benchmarks. It is important to note that the term "routine" does not necessarily mean that a contribution is of low value. In fact, comparable uncontrolled transactions may indicate that the returns to a routine contribution are very significant.

Unspecified Methods

Methods not specified above may be used to determine the arm's length price for services rendered between controlled taxpayers. Such unspecified methods must take into account that uncontrolled taxpayers compare the terms of a particular transaction to the realistic alternatives to that transaction. While unspecified methods should aim to be consistent with the general aim to coordinate the analysis under the regulations for section 482 so that economically similar transactions will be evaluated similarly, section 1.482-9 provides that in applying an unspecified method to services, the realistic alternatives to be considered should include "economically similar transactions structured as other than services transactions." This provision allows flexibility to consider non-services alternatives to a services transaction, if such an approach would provide the most reliable measure of an arm's length result.

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[112] U.S. Treasury Regulations § 1.482-9(f).
[113] U.S. Treasury Regulations § 1.482-9(f)(2)(iii).
[114] The application of the profit split method (both the comparable profit split and the residual profit split) is similar to the profit split method described in Regulations, section 1.482-6.

4. Intangible Property Transfers

The transfer of an intangible assets among controlled parties is considered to be an arm's length transaction if the consideration paid for the intangible is commensurate with the income attributable to the intangible. Section 482 defines an intangible asset to be any of the following which has substantial value independent of any individual: (1) patents, inventions, formulae, processes, designs, patterns, or know-how; (2) copyrights and literary, musical, or artistic compositions; (3) trademarks, trade names, or brand names; (4) franchises, licenses, or contracts; (5) methods, programs, procedures, systems, surveys, studies, forecasts, estimates, customer lists, and/or technical data; and (6) other similar items that do not derive their value from physical attributes, but from the intellectual content of the item or from other intangible properties.[115] Transfers of intangible assets are analyzed under the following four methods:

a. Comparable Uncontrolled Transaction ("CUT") Method

The CUT Method evaluates the arm's length results by reference to the consideration charged for intangible property in comparable uncontrolled transactions. For example, the same or (highly similar) intangible is licensed to both an unrelated and a related party. For purposes of the CUT Method, the controlled and uncontrolled transactions are comparable when both intangibles are used in connection with the same (or highly similar) products within similar industries and markets, and have similar profit potential.[116] If two or more acceptable comparable uncontrolled transactions exist, they may be used to establish and arm's length range.

Comparability under the CUT Method may be particularly affected by (i) the terms of the transfer, including exclusivity, geographic area, and any rights or restrictions granted; (ii) the stage of development of the intangible; (iii) rights to receive updates, revisions, or modifications; (iv) the uniqueness of the intangible property; (v) the duration of the license or contract; (vi) any economic or product liability risks to be assumed by either party; (vii) the existence of ongoing business relationships between the parties to the transaction; and (viii) the functions performed by each party.[117]

b. Comparable Profits Method ("CPM")

The CPM determines whether the amount charged in a controlled transaction is arm's length by reference to objective measures of profitability derived from uncontrolled taxpayers that engage in similar activities under similar circumstances.[118] Under the CPM, the arm's length result is determined by the amount of operating profit that the tested party would have earned on the controlled transaction if its PLIs were equal to that of an uncontrolled, comparable company. An arm's length level of profit is calculated by applying the PLI of the comparable company to the financial data related to the controlled transaction. For purposes of the CPM, the tested party is the entity for which operating profits attributable to the controlled transaction can be the most easily verified, with the most reliable data and the fewest adjustments required. In most cases, the tested party will be the simplest of the entities involved in the controlled transaction (i.e., the

[115] U.S. Treasury Regulations § 1.482-4(b).
[116] U.S. Treasury Regulations § 1.482-4(c)(2)(iii)(B)(1)(ii) "The profit potential of an intangible is most reliably measured by directly calculating the net present value of the benefits to be realized through the use or subsequent transfer of the intangible, considering the capital investment and start-up expenses required, the risks to be assumed, and other relevant considerations."
[117] U.S. Treasury Regulations § 1.482-4(c)(2)(iii)(B)(2).
[118] U.S. Treasury Regulations § 1.482-5(a).

least complex functions), and will not own valuable, non-routine intangible property or other unique assets that distinguish it from potentially comparable, uncontrolled companies.[119]

PLIs measure the relationship between profits and costs incurred or resources employed. A variety of indicators may be used in a given analysis: the choice between measures depends upon the activities of the tested party, the reliability of the data for comparable uncontrolled companies, and the extent to which the indicator will produce a reliable measure of an arm's length result.[120] These indicators include the rate or return on capital employed and various financial ratios. The rate of return on capital employed is denoted by the acronym ROA. The greater the role of operating assets in generating operating profits for both the tested party and the comparable, uncontrolled companies, the more reliable is this measure of profitability. In addition, the reliability of this measure depends upon the similarity across the tested party and comparable companies' operating asset composition.[121]

Financial ratios measure the relationship between profits and costs or revenues. Financial ratios are more sensitive to functional differences than the rate of return on capital; therefore, closer functional comparability is required when applying a financial ratio. Financial ratios that may be employed in a CPM analysis include, among others, the ratio of operating profits to sales, the ratio of gross profits to operating expenses, and the ratio of operating income to total costs.[122]

Determination of comparability under the CPM depends in particular on similarity between resources employed and risks assumed. However, the degree of functional comparability required is generally less than that required under the RPM and CP method. Because differences in functions performed are often reflected in relative levels of operating expenses, companies that perform different functions may have similar operating margins although their gross margins differ substantially. In addition, product similarity is not as important to a reliable CPM result as it is to the results under other methods. While product differences may generate significant differences in gross margins, they are less likely to generate differences in operating margins.[123] Differences in managerial and other operating efficiencies that might be important when using the RPM and CP method, however, are almost certain to be a factor under the CPM.[124]

c. Profit Split Method ("PSM")

The PSM assumes that premium profits (i.e., returns above a competitive market return) or losses from a particular venture are attributable to the existence of intangible assets employed in a transaction, and that the taxpayer must determine how to split the premium profits (or losses) based on functions performed and risks assumed by the related parties.[125] The basic approach of a profit split method is to estimate an arm's length return by comparing the relative economic contributions that each of the parties make to the success of a venture, and dividing any 'excess' returns from that venture between them on the basis of the relative

[119] U.S. Treasury Regulations § 1.482-5(a).
[120] U.S. Treasury Regulations §.482-5(b)(4).
[121] U.S. Treasury Regulations § 1.482-5(b)(4)(i).
[122] U.S. Treasury Regulations § 1.482-5(b)(4). The ratio of operating income to total costs (return on costs) is not specifically mentioned in the regulations.
[123] U.S. Treasury Regulations § 1.482-5(c).
[124] U.S. Treasury Regulations § 1.482-5(c)(2)(iii).
[125] U.S. Treasury Regulations § 1.482-6(b).

value of such contributions. Either the comparable PSM or the residual PSM may be used to determine the allocation of profit or loss.[126]

Comparable PSM

The comparable PSM relies on the combined operating profit of uncontrolled companies with transactions and activities similar to those of the controlled taxpayers. Each uncontrolled company's share of the combined operating profit or loss is used to allocate the profit or loss attributable to the activities of the controlled companies.[127] The comparable PSM may not be used if the combined operating profit of the uncontrolled transaction differs significantly from that of the controlled taxpayers.[128]

Residual PSM

The residual PSM allocates profits between the related parties in two phases. First, each party is allocated profit sufficient to earn a fair return for its routine contributions to the activity. Second, any residual profit is allocated based on the value of the intangible property contributed by each party.[129] Factors that may be particularly relevant in determining comparability under the residual PSM include: (i) the reliability of the allocation of costs, income, and assets between the relevant business activity and the participants' other activities as it pertains to the determination of overall operating profit; (ii) consistency in accounting; and (iii) the reliability of data and assumptions made in determining the value of intangible property contributed by the participants.[130]

d. Unspecified Methods

Methods not specified above may be used to determine the arm's length price of a transfer of intangible property between controlled taxpayers. As with any method, an unspecified method may only be applied if it provides the most reliable measure of an arm's length result. In establishing whether a controlled transaction achieved an arm's length result, an unspecified method should take into account the general principle that uncontrolled taxpayers evaluate the terms of a transaction by considering the realistic alternatives to that transaction, and only enter into a particular transaction if none of the alternatives is preferable. Information on the prices or profits that the controlled taxpayer could have realized by choosing a realistic alternative to the controlled transaction should be evaluated. The reliability of a method will be reduced to the extent that the method relies on internal data rather than uncontrolled comparable transactions.

5. Intercompany Loans

Section 1.482-2 of the U.S. Treasury Regulations governs the determination of taxable income in specific situations including intercompany loans or advances. In general, where one member of a group of controlled entities makes a loan or advance directly or indirectly to another member of the group and either charges no interest, or charges interest at a rate which is not equal to an arm's length rate of interest, the IRS may

[126] U.S. Treasury Regulations § 1.482-6(c)(1).
[127] U.S. Treasury Regulations § 1.482-6(c)(2)(i).
[128] U.S. Treasury Regulations § 1.482-6(c)(2)(ii)(B)(1).
[129] U.S. Treasury Regulations § 1.482-6(c)(3).
[130] U.S. Treasury Regulations § 1.482-6(c)(3)(ii)(C)(1)-(3).

make appropriate allocations to reflect an arm's length rate of interest.[131] The interest charged must be on the principal amount of bona fide indebtedness. Bona fide indebtedness is defined as the following:

- Loans or advances of money or other consideration (whether or not evidenced by a written instrument);[132] and
- Indebtedness arising in the ordinary course of business from sales, leases, or the rendition of services by or between members of the group, or any other similar extension of credit.[133]

Excluded from this general statement is alleged indebtedness which is not in fact a bona fide indebtedness, even if the stated rate of interest thereon would be within the safe haven rates. For example, alleged indebtedness would include such situations where all or a portion of an alleged indebtedness is a contribution to the capital of a corporation or a distribution by a corporation with respect to its shares or a situation where an alleged purchase-money debt instrument given in consideration for an alleged sale of property between two controlled entities is in fact the a lease of the property. Payments made with respect to alleged indebtedness (including alleged stated interest thereon) shall be treated according to their substance.[134]

The period for which interest shall be charged with respect to a bona fide indebtedness between controlled entities begins on the day after the day the indebtedness arises and ends on the day the indebtedness is satisfied. Exceptions to this general rule include indebtedness incurred in the ordinary course of business from sales, services, etc. (deemed intercompany trade receivables), between members of the group and not evidenced by a written instrument requiring the payment of interest. The period for which interest is not required to be charged on intercompany trade receivables is called the interest-free period. In general, an intercompany trade receivable arises at the time economic performance occurs with respect to the underlying transaction between controlled entities.[135] The interest free period for trade receivables lasts until the first day of the third calendar month following the month in which the intercompany trade receivable arises.[136] In situations where the intercompany trade receivable arises from a transaction in the ordinary course of a trade or business which is actively conducted outside the United States, interest is not required to be charged until the first day of the fourth calendar month following the month in which the intercompany trade receivable arises.[137] One exception to this general rule involves situations where in the creditor's trade or industry, it is a general trade practice to allow unrelated parties a longer period without charging interest. In such cases, the longer interest-free period shall be allowed with respect to a comparable amount of intercompany trade receivables.[138]

An additional exception applies where property is purchased for resale in a foreign country. If in the ordinary course of business one member of the group purchases property from another member of the group for resale to unrelated persons located in a particular foreign country, the related purchaser and the related seller may use as the interest-free period for the intercompany trade receivables arising during the related

[131] U.S. Treasury Regulations § 1.482-2(a)(1)(i).
[132] U.S. Treasury Regulations § 1.482-2(a)(1)(ii)(A)(1).
[133] U.S. Treasury Regulations § 1.482-2(a)(1)(ii)(A)(2).
[134] U.S. Treasury Regulations § 1.482-2(a)(1)(ii)(B).
[135] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(A).
[136] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(B).
[137] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(C).
[138] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(D).

seller's taxable year from the purchase of such property, within the same product group equal to the following:[139]

- The number of days in the related purchaser's average collection period for sales of property within the same product group sold in the ordinary course of business to unrelated persons located in the same foreign country;[140] plus
- Ten (10) calendar days.[141]

A product group includes all products within the same three-digit Standard Industrial Classification ("SIC") Code.[142] The interest-free period, however, shall not exceed 183 days. The related purchaser does not have to conduct business outside the United States in order to be eligible to use the interest-free. The interest-free period mentioned above shall not apply to intercompany trade receivables attributable to property which is manufactured, produced, or constructed by the related purchaser.[143]

The Average collection period mentioned above is determined as follows:[144]

- Determine total sales (less returns and allowances) by the related purchaser in the product group to unrelated persons located in the same foreign country during the related purchaser's last taxable year ending on or before the first day of the related seller's taxable year in which the intercompany trade receivable arises;[145]
- Determine the related purchaser's average month-end accounts receivable balance with respect to sales for the related purchaser's last taxable year ending on or before the first day of the related seller's taxable year in which the intercompany trade receivable arises;[146]
- Compute a receivables turnover rate by dividing the total sales amount by the average receivables balance (both described above);[147]
- Divide the receivables turnover rate into 365, and round the result to the nearest whole number to determine the number of days in the average collection period.[148]

If the related purchaser makes sales in more than one foreign country, or sells property in more than one product group in any foreign country, separate computations of an average collection period, by product group within each country, are required. If the related purchaser resells fungible property in more than one foreign country and the intercompany trade receivables arising from the related party purchase of such fungible property cannot reasonably be identified with resale's in particular foreign countries, then solely for the purpose of assigning an interest-free period to such intercompany trade receivables, an amount of each such intercompany trade receivable shall be treated as allocable to a particular foreign country in the same proportion that the related purchaser's sales of such fungible property in such foreign country during the period described above bears to the related purchaser's sales of all such fungible property in all such foreign

[139] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(E)(1).
[140] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(E)(1)(i).
[141] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(E)(1)(i).
[142] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(E)(2).
[143] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(E)(2).
[144] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(E)(3).
[145] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(E)(3)(i).
[146] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(E)(3)(ii).
[147] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(E)(3)(iii).
[148] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(E)(3)(iv).

countries during such period. An interest-free period shall not apply to any intercompany trade receivables arising in a taxable year of the related seller if the related purchaser made no sales from which the appropriate interest-free period may be determined.[149]

In determining the period of time for which an amount owed by one member of the group to another member is outstanding, payments or other credits to an account are considered to be applied against the earliest amount outstanding. That is, payments or credits are applied against amounts in a first-in, first-out ("FIFO") order. Thus, tracing payments to individual intercompany trade receivables is generally not required in order to determine whether a particular intercompany trade receivable has been paid within the applicable interest-free period.[150]

Generally, related parties must charge an arm's length rate of interest. An arm's length rate of interest is the rate of interest which would be charged, or would have been charged, at the time the indebtedness arose, in independent transactions with, or between, unrelated parties under similar circumstances. All relevant factors must be considered, including the principal amount and duration of the loan, the security involved, the credit standing of the borrower, and the interest rate prevailing at the situs of the lender or creditor for comparable loans between unrelated parties.[151] If the loan or advance represents the proceeds of a loan obtained by the lender at the situs of the borrower, the arm's length rate for any taxable year shall be equal to the rate actually paid by the lender, increased by an amount which reflects the costs or deductions incurred by the lender in borrowing such amounts and making such loans, unless the taxpayer establishes a more appropriate rate.[152]

For certain loans and advances (made after May 28, 1986) there are safe haven interest rates.[153] Generally, the safe haven interest rate is based on applicable Federal rate. The applicable Federal rate is defined as follows:[154]

- Not less than 100 percent of the applicable Federal rate (lower limit);[155] and
- Not greater than 130 percent of the applicable Federal rate (upper limit).[156]

In situations where either no interest is charged or if the rate of interest charged is less than the lower limit, then an arm's length rate of interest shall be equal to the lower limit, compounded semiannually.[157] In situations where the rate of interest charged is greater than the upper limit, then an arm's length rate of interest shall be equal to the upper limit, compounded semiannually, unless the taxpayer establishes a more appropriate compound rate of interest. However, if the compound rate of interest actually charged is greater than the upper limit and less than an arm's length interest rate (as defined above), or if the compound rate actually charged is less than the lower limit and greater than an arm's length interest rate (as defined above), the rate shall be deemed to be an arm's length rate. In the case of any sale-leaseback, the lower limit shall be 110 percent of the applicable Federal rate, compounded semiannually.[158]

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[149] U.S. Treasury Regulations § 1.482-2(a)(1)(iii)(E)(3)(v).
[150] U.S. Treasury Regulations § 1.482-2(a)(1)(iv).
[151] U.S. Treasury Regulations § 1.482-2(a)(2)(i).
[152] U.S. Treasury Regulations § 1.482-2(a)(2)(ii).
[153] U.S. Treasury Regulations § 1.482-2(a)(2)(iii).
[154] U.S. Treasury Regulations § 1.482-2(a)(2)(iii)(B)(1).
[155] U.S. Treasury Regulations § 1.482-2(a)(2)(iii)(B)(1)(i).
[156] U.S. Treasury Regulations § 1.482-2(a)(2)(iii)(B)(1)(ii).
[157] U.S. Treasury Regulations § 1.482-2(a)(2)(iii)(B)(2).
[158] U.S. Treasury Regulations § 1.482-2(a)(2)(iii)(B)(3).

The applicable Federal rate applies, on the date such loan or advance is made, in the case of a loan or advance that is not over 3 years (apply the Federal short-term rate);[159] over 3 years but not over 9 years (apply the Federal mid-term rate);[160] or over 9 years (apply the Federal long-term rate). In the case of any sale or exchange between controlled entities, the lower limit shall be the lowest of the applicable Federal rates in effect for any month in the 3-calendar-month period ending with the first calendar month in which there is a binding written contract in effect for such sale or exchange. In the case of a demand loan or advance, the applicable Federal rate means the Federal short-term rate determined without regard to the lowest 3-month short term rate in effect for each day on which any amount of such loan or advance is outstanding.[161]

If the lender in a loan or advance transaction is regularly engaged in the trade or business of making loans or advances to unrelated parties, the safe haven rates described above shall not apply, and the arm's length interest rate, as defined above, including reference to the interest rates charged in such trade or business by the lender on loans or advances of a similar type made to unrelated parties at and about the time the loan or advance was made.[162] The safe haven interest rates do not apply to any loan or advance the principal or interest of which is expressed in a currency other than U.S. dollars.[163]

[159] U.S. Treasury Regulations § 1.482-2(a)(2)(iii)(C)(1).
[160] U.S. Treasury Regulations § 1.482-2(a)(2)(iii)(C)(2).
[161] U.S. Treasury Regulations § 1.482-2(a)(2)(iii)(C)(3).
[162] U.S. Treasury Regulations § 1.482-2(a)(2)(iii)(D).
[163] U.S. Treasury Regulations § 1.482-2(a)(2)(iii)(E).

C. Benchmarking Analysis – North American Distribution

1. Selection Matrix

No	Company Name	Result		Reasons
		Accept	Reject	
1	ACCESS Newswire Inc.	X		Distributes dynamic customer platform
2	CDW Corporation	X		Distributes software and hardware
3	Climb Global Solutions, Inc.	X		Distributes value-added technology software and hardware
4	Creative Realities, Inc.	X		Distributes digital signage and ad-tech software platforms
5	DXC Technology Company	X		Distributes software technology solutions
6	Ingram Micro Holding Corporation	X		Distributes IT solutions and software
7	Optiva Inc.	X		Distributes hardware and software
8	PC Connection, Inc.	X		Distributes business and enterprise IT solutions
9	ScanSource, Inc.	X		Distributes communication solutions
10	TD SYNNEX Corporation	X		Distributes storage solutions, IoT, software, networking, communication solutions
11	Vertex, Inc.	X		Distributes tax compliance software
12	A10 Networks, Inc.		X	Significant non-comparable services - Provides security and infrastructure solutions
13	ACI Worldwide, Inc.		X	Significant non-comparable services - Provides software development services
14	Adeia Inc.		X	Significant non-comparable services - Provides intellectual property licensing services
15	Adobe Inc.		X	Significant non-comparable services - Provides application development services
16	Agilysys, Inc.		X	Significant non-comparable services - Provides software development services
17	AirIQ Inc.		X	Significant non-comparable services - Develops telematics asset management system
18	Akamai Technologies, Inc.		X	Significant non-comparable services - Provides software development services
19	Alarm.com Holdings, Inc.		X	Significant non-comparable services - Provides video monitoring and energy management solutions
20	Alight, Inc.		X	Significant non-comparable functions - Operates employee engagement platform
21	Alphabet Inc.		X	Significant non-comparable services - Provides online advertising services
22	Amdocs Limited		X	Significant non-comparable services - Develops open and modular cloud portfolio
23	AppFolio, Inc.		X	Significant non-comparable services - Primarily provides electronic payment and tenant screening services
24	AppLovin Corporation		X	Significant non-comparable services - Provides software development services
25	ASGN Incorporated		X	Significant non-comparable services - Provides information technology services
26	Autodesk, Inc.		X	Significant non-comparable services - Provides 3D design, engineering, and entertainment software and services
27	Automatic Data Processing, Inc.		X	Significant non-comparable services - Provides recruitment process outsourcing services
28	Bentley Systems, Incorporated		X	Significant intangibles - Develops proprietary software
29	Bitcoin Depot Inc.		X	Significant non-comparable functions - Owns and operates network of bitcoin ATMs
30	Blackbaud, Inc.		X	Significant non-comparable services - Provides fundraising and engagement solutions
31	Block, Inc.		X	Significant non-comparable services - Provides payment services
32	Booz Allen Hamilton Holding Corporation		X	Significant non-comparable services - Provides artificial intelligence services and technology consulting services

No	Company Name	Result		Reasons
		Accept	Reject	
33	Box, Inc.		X	Significant intangibles - Provides proprietary content management platform
34	Broadridge Financial Solutions, Inc.		X	Significant non-comparable services - Provides financial solutions
35	Bumble Inc.		X	Significant non-comparable functions - Owns and operates websites and applications
36	CACI International Inc		X	Significant non-comparable services - Provides cybersecurity solutions
37	Cadence Design Systems, Inc.		X	Significant non-comparable services - Provides research and development services
38	Calian Group Ltd.		X	Significant non-comparable services - Provides communication and connectivity products
39	Cantaloupe, Inc.		X	Significant non-comparable products - Distributes payment device and kiosks
40	CareCloud, Inc.		X	Significant non-comparable services - Provides revenue cycle management services
41	CarGurus, Inc.		X	Significant non-comparable functions - Operates as online automotive marketplace
42	Cars.com Inc.		X	Significant non-comparable functions - Operates as online automotive marketplace
43	CCC Intelligent Solutions Holdings Inc.		X	Significant non-comparable functions - Operates software as a service platform for insurance companies
44	Cerence Inc.		X	Significant non-comparable services - Provides AI powered virtual assistants
45	Certara, Inc.		X	Significant non-comparable industry - Provides software for healthcare industry
46	CGI Inc.		X	Significant non-comparable services - Primarily provides business consulting and business process services
47	Circle Internet Group, Inc.		X	Significant non-comparable functions - Operates as a blockchain platform
48	Claritev Corporation		X	Significant non-comparable services - Provides payment and revenue integrity solutions
49	Cleartronic, Inc.		X	Significant non-comparable services - Provides communication Services
50	Clearwater Analytics Holdings, Inc.		X	Significant non-comparable services - Develops software
51	Cognizant Technology Solutions Corporation		X	Significant non-comparable services - Provides consulting and outsourcing services
52	Commvault Systems, Inc.		X	Significant intangibles - Develops proprietary technology
53	Computer Modelling Group Ltd.		X	Significant non-comparable services - Develops and licenses reservoir simulation software
54	Concentrix Corporation		X	Significant non-comparable services - Provides customer experience solutions and business transformation services
55	Conduent Incorporated		X	Significant non-comparable services - Provides transaction processing services
56	Consensus Cloud Solutions, Inc.		X	Significant non-comparable services - Provides information delivery services
57	Constellation Software Inc.		X	Significant non-comparable functions - Acquires and manages software businesses
58	CoreCard Corporation		X	Significant non-comparable services - Provides payment processing services
59	CoreWeave, Inc.		X	Significant non-comparable functions - Operates a GenAI cloud platform
60	CoStar Group, Inc.		X	Significant non-comparable functions - Operates as online real estate platform
61	CSG Systems International, Inc.		X	Significant non-comparable services - Provides revenue management and payment solutions
62	Daily Journal Corporation		X	Significant non-comparable functions - Publishes newspapers

No	Company Name	Result		Reasons
		Accept	Reject	
63	Dayforce Inc.		X	Distributes cloud-based human capital management solutions
64	Destiny Media Technologies Inc.		X	Significant non-comparable services - Digital media technology development services
65	DHI Group, Inc.		X	Significant non-comparable services - Provides job posting services
66	Digital Turbine, Inc.		X	Significant non-comparable services - Provides application media software platform
67	DigitalOcean Holdings, Inc.		X	Majority of the revenue is generated outside US
68	Docebo Inc.		X	Significant intangibles - Provides proprietary learning platform
69	Donnelley Financial Solutions, Inc.		X	Significant non-comparable services - Provides financial regulatory and compliance solutions
70	DoubleVerify Holdings, Inc.		X	Significant non-comparable services - Provides data analytics services
71	Doximity, Inc.		X	Significant non-comparable functions - Operates digital platform for medical professionals
72	Dropbox, Inc.		X	Significant non-comparable functions - Operates content collaboration platform
73	Dye & Durham Limited		X	Significant non-comparable services - Provides cloud based document preparation services
74	Dynatrace, Inc.		X	Significant non-comparable functions - Operates security platform
75	eGain Corporation		X	Significant non-comparable services - Primarily performs development of software
76	Electronic Arts Inc.		X	Significant non-comparable services - Develops games
77	Enghouse Systems Limited		X	Significant non-comparable services - Provides enterprise software development services
78	EPAM Systems, Inc.		X	Significant non-comparable services - Provides software development services
79	ePlus inc.		X	Significant non-comparable services - provides software assurance and outsourced services
80	Etsy, Inc.		X	Significant non-comparable functions - Operates online marketplace
81	EverCommerce Inc.		X	Significant intangibles - Provides proprietary health software
82	EVERTEC, Inc.		X	Significant non-comparable services - Provides transaction processing services
83	Evolent Health, Inc.		X	Significant non-comparable services - Provides specialty care management services
84	ExlService Holdings, Inc.		X	Significant non-comparable services - Provides financial planning and analyzing services
85	Exodus Movement, Inc.		X	Significant intangibles - Develops proprietary blockchain platform
86	F5, Inc.		X	Significant non-comparable services - Provides cloud services
87	FactSet Research Systems Inc.		X	Significant non-comparable services - Provides indexing services
88	Fair Isaac Corporation		X	Significant non-comparable services - Provides business-to-business scoring solutions and services
89	FalconStor Software, Inc.		X	Significant non-comparable services - Provides storage management services
90	Fidelity National Information Services, Inc.		X	Significant non-comparable services - Primarily provides banking solutions
91	Fortinet, Inc.		X	Significant non-comparable services - Provides networking and security solutions
92	Gen Digital Inc.		X	Significant non-comparable services - Provides cyber safety solutions
93	Global Payments Inc.		X	Significant non-comparable services - Provides merchant solutions

No	Company Name	Result		Reasons
		Accept	Reject	
94	GoDaddy Inc.		X	Significant non-comparable services - Designs and develops cloud-based technology products
95	GoodRx Holdings, Inc.		X	Significant non-comparable functions - Operates a price comparison platform
96	Grindr Inc.		X	Significant non-comparable functions - Operates social network and dating application
97	HealthStream, Inc.		X	Significant non-comparable industry - Provides workforce solutions for healthcare organizations
98	i3 Verticals, Inc.		X	Significant non-comparable services - Provides merchant payment solutions
99	IBEX Limited		X	Significant intangibles - Provides proprietary customer lifecycle experience solutions
100	Immersion Corporation		X	Significant non-comparable services - Develops digital products
101	Informatica Inc.		X	Significant non-comparable services - Develops an artificial intelligence-powered platform
102	Information Services Group, Inc.		X	Significant non-comparable services - Provides technology research and advisory services
103	Insight Enterprises, Inc.		X	Significant non-comparable services - Provides networking and cybersecurity solutions
104	Integral Ad Science Holding Corp.		X	Significant non-comparable services - Provides digital advertising verification services
105	Intellinetics, Inc.		X	Significant non-comparable services - Develops software
106	International Business Machines Corporation		X	Significant non-comparable services - Provides IT research and development services
107	Intuit Inc.		X	Significant non-comparable services - Provides financial management and compliance services
108	Investview, Inc.		X	Significant non-comparable services - Primarily provides market research and analysis services
109	Jack Henry & Associates, Inc.		X	Significant non-comparable services - Provides payment processing services
110	KBR, Inc.		X	Significant non-comparable services - Provides prototyping services
111	Kinaxis Inc.		X	Significant non-comparable services - Provides digital transformation services
112	Kratos Defense & Security Solutions, Inc.		X	Significant non-comparable sector - Provides security solutions for defense
113	Leidos Holdings, Inc.		X	Significant non-comparable services - Provides security solutions and systems for defense
114	Manhattan Associates, Inc.		X	Significant intangibles - Develops proprietary software
115	MarketWise, Inc.		X	Significant non-comparable functions - Operates a content and technology multi-brand platform
116	Match Group, Inc.		X	Majority revenue outside of United States
117	MeridianLink, Inc.		X	Significant non-comparable services - Provides cloud-based banking software
118	Meta Platforms, Inc.		X	Significant non-comparable services - Provides social media platform development services
119	Microsoft Corporation		X	Significant non-comparable services - Provides computer device development services
120	Mitek Systems, Inc.		X	Significant non-comparable services - Provides mobile image capture and digital identity verification solutions
121	N-able, Inc.		X	Significant non-comparable services - Provides security and data protection solutions
122	NCR Voyix Corporation		X	Significant intangibles - Provides proprietary software and services-led enterprise technology
123	NerdWallet, Inc.		X	Significant non-comparable functions - Operates a digital platform that provides financial guidance

No	Company Name	Result		Reasons
		Accept	Reject	
124	NetScout Systems, Inc.		X	Significant non-comparable services - Provides service assurance solution development services
125	Open Text Corporation		X	Significant non-comparable services - Provides a cyber resilience solution for cyber threats
126	Oracle Corporation		X	Significant non-comparable services - Provides license support and cloud services
127	Palantir Technologies Inc.		X	Significant non-comparable sector - Develops intelligent software to government
128	Palo Alto Networks, Inc.		X	Significant intangibles - Provides proprietary cybersecurity software
129	Paragon Technologies, Inc.		X	Significant non-comparable services - Design and installation of material handling automation systems
130	Parsons Corporation		X	Significant non-comparable products - Distributes satellite ground systems
131	Paycom Software, Inc.		X	Significant intangibles - Develops proprietary software platform
132	Paylocity Holding Corporation		X	Significant intangibles - Develops proprietary platform
133	Paymentus Holdings, Inc.		X	Significant non-comparable services - Provides payment services
134	Pegasystems Inc.		X	Significant intangibles - Develops proprietary software
135	Pinterest, Inc.		X	Significant non-comparable services - Provides social media services
136	Priority Technology Holdings, Inc.		X	Significant non-comparable services - Provides payment solutions
137	Progress Software Corporation		X	Significant non-comparable services - Develops artificial intelligence applications
138	PTC Inc.		X	Significant non-comparable services - Provides additive manufacturing and virtual prototyping services
139	PubMatic, Inc.		X	Significant non-comparable functions - Operates platform for advertising transactions
140	Qualys, Inc.		X	Significant non-comparable services - Provides cybersecurity asset management cloud applications
141	Quorum Information Technologies Inc.		X	Significant non-comparable services - Develops dealership management systems
142	Red Violet, Inc.		X	Significant intangibles - Provides proprietary analytics and information solutions
143	ReposiTrak, Inc.		X	Significant intangibles - Develops proprietary supply chain solutions
144	Rimini Street, Inc.		X	Significant intangibles - Provides proprietary software support products
145	Roper Technologies, Inc.		X	Significant non-comparable services - Provides software development services
146	Sabre Corporation		X	Significant non-comparable functions - Operates travel marketplace
147	Salesforce, Inc.		X	Significant intangibles - Provides proprietary CRM software
148	Science Applications International Corporation		X	Significant non-comparable services - Provides technical and engineering services
149	ServiceNow, Inc.		X	Significant non-comparable functions - Operates workflow automation and machine learning platform
150	Shopify Inc.		X	Significant intangibles - Provides proprietary product and inventory management platform
151	Shutterstock, Inc.		X	Significant non-comparable services - Provides content and image services
152	Simulations Plus, Inc.		X	Significant non-comparable services - Develops modeling and simulation software
153	SPS Commerce, Inc.		X	Significant non-comparable services - Provides supply management solutions

No	Company Name	Result		Reasons
		Accept	Reject	
154	SS&C Technologies Holdings, Inc.		X	Significant non-comparable functions - Operates as a fund transfer agent
155	Sylogist Ltd.		X	Significant non-comparable sector - Provides enterprise resource planning (ERP) solutions for government
156	Synchronoss Technologies, Inc.		X	Significant non-comparable services - Provides white label cloud software and services
157	Synopsys, Inc.		X	Significant non-comparable services - Develops semiconductor intellectual property (IP) products
158	TaskUs, Inc.		X	Significant non-comparable services - Provides outsourcing digital services
159	Tecsys Inc.		X	Significant non-comparable services - Provides supply management solutions
160	TELUS International (Cda) Inc.		X	Significant intangibles - Provides proprietary GenAI management platform
161	Teradata Corporation		X	Significant non-comparable services - Provides business consulting services
162	The Descartes Systems Group Inc.		X	Significant non-comparable services - Provides cloud based logistics services
163	The Trade Desk, Inc.		X	Significant non-comparable functions - Operates a self-service cloud-based platform
164	Travelzoo		X	Significant non-comparable functions - Operates an Internet media company
165	Tripadvisor, Inc.		X	Significant non-comparable services - Provides travel guidance services
166	TruBridge, Inc.		X	Significant non-comparable services - Provides healthcare solutions
167	TSS, Inc.		X	Significant non-comparable services - Provides IT equipment deployment services
168	Tyler Technologies, Inc.		X	Significant non-comparable services - Provides financial management solutions
169	Unisys Corporation		X	Significant non-comparable services - Provides digital transformation services
170	Veeva Systems Inc.		X	Significant non-comparable services - Provides clinical data management services
171	Verint Systems Inc.		X	Significant non-comparable services - Provides fraud and security solutions
172	VeriSign, Inc.		X	Significant non-comparable services - Provides domain name registry services
173	Verra Mobility Corporation		X	Significant non-comparable services - Provides title and registration solutions
174	Vitalhub Corp.		X	Significant non-comparable industry - Distributes cloud-based medical software
175	Waystar Holding Corp.		X	Significant non-comparable services - Provides cloud-based software development services
176	Where Food Comes From, Inc.		X	Significant non-comparable services - Provides third-party food verification services
177	YANGAROO Inc.		X	Significant intangibles - Provides proprietary "Digital Media Distribution System"
178	Yelp Inc.		X	Significant non-comparable services - Provides waitlist management solution
179	Zedge, Inc.		X	Significant non-comparable services - Provides content distribution
180	Ziff Davis, Inc.		X	Significant non-comparable services - Develops digital media content
181	ZipRecruiter, Inc.		X	Significant non-comparable functions - Operates an online marketplace for job seekers
182	Zoom Communications Inc.		X	Significant non-comparable services - Provides videos and web conferencing services

No	Company Name	Result		Reasons
		Accept	Reject	
183	ZoomInfo Technologies Inc.		X	Significant non-comparable functions - Operates cloud-based platform

2. Comparable Company Business Descriptions

Comparable Name	Business Description
ACCESS Newswire Inc.	ACCESS Newswire Inc. provides solutions for public relations and investor relations in the United States and internationally. The company offers press release and optimizer, media database and pitching, media monitoring, and media room; ACCESSWIRE, a news dissemination and media outreach solution; and Webcaster Platform, a cloud-based webcast, webinar, and virtual meeting platform that delivers live and on-demand streaming of events to audiences of various sizes, as well as allows customers to create, produce, and deliver events. It also offers professional conference and events software, a mobile app that offers one-on-one meetings, as well as manage schedules and lodging, perform event promotion and sponsorship, and print attendee badges; and investor relations content network, a series of data feeds, which include news feeds, stock feeds, fundamentals, regulatory filings, corporate governance, and other components. In addition, the company provides whistleblower hotline, a system that delivers secure notifications and basic incident workflow management processes that align with a company's corporate governance policies. It serves public and private companies. The company was formerly known as Issuer Direct Corporation and changed its name to ACCESS Newswire Inc. in January 2025. ACCESS Newswire Inc. was incorporated in 1988 and is headquartered in Raleigh, North Carolina.
CDW Corporation	CDW Corporation provides information technology (IT) solutions in the United States, the United Kingdom, and Canada. It operates through three segments: Corporate, Small Business, and Public. The company offers discrete hardware and software products and services, as well as integrated IT solutions, including on-premise and cloud capabilities across hybrid infrastructure, digital experience, and security. It also provides hardware products comprising notebooks/mobile devices, tablets, network communications, collaboration hardware, data storage and servers, desktop computers, and other hardware; and software products, such as cloud solutions, software assurance, application suites, security, virtualization, collaboration and productivity applications, operating systems, and network management. In addition, the company offers advisory and design, software development, implementation, and managed services, as well as warranties. It serves business, government, education, and healthcare customers. The company was formerly known as CDW Computer Centers, Inc. and changed its name to CDW Corporation in June 2003. CDW Corporation was founded in 1984 and is based in Vernon Hills, Illinois.
Climb Global Solutions, Inc.	Climb Global Solutions, Inc. operates as a value-added information technology (IT) distribution and solutions company in the United States, Canada, Europe, and the United Kingdom. It operates through two segments, Distribution and Solutions. The company distributes technical software to corporate and value-added resellers, consultants, and systems integrators under the name Climb Channel Solutions; and provides cloud solutions and resells software, hardware, and services under the name Grey Matter. It also resells computer software and hardware developed by others, as well as provides technical services to end user customers. In addition, the company offers a line of products from various software vendors; and tools for virtualization/cloud computing, security, networking, storage and infrastructure management, application lifecycle management, and other technically sophisticated domains, as well as computer hardware. It markets its products through its own web sites, local seminars, events, webinars, and social media, as well as direct email and printed materials. The company was formerly known as Wayside Technology Group, Inc. and changed its name to Climb Global Solutions, Inc. in October 2022. Climb Global Solutions, Inc. was incorporated in 1982 and is headquartered in Eatontown, New Jersey.

Comparable Name	Business Description
Creative Realities, Inc.	Creative Realities, Inc., together with its subsidiaries, provides digital marketing technology and solutions in the United States and internationally. It offers digital signage and media solutions to enhance communications in a wide-ranging variety of out-of-home environments. The company also provides digital merchandising systems and omni-channel customer engagement systems; interactive digital shopping assistants; advisors and kiosks; and other interactive marketing technologies, such as mobile, social media, point-of-sale transactions, beaconing, and web-based media that enables its customers to engage with their consumers. In addition, it offers hardware system design/engineering, hardware installation, content development, content scheduling, post-deployment network and field support, and media sales, as well as media management and distribution software platforms and networks; device management; product management; and customized software service layers, systems, experiences, workflows, and integrated solutions. The company sells its solutions to the automotive, retail, digital out of home comprising advertising networks and retail media networks, foodservice/quick-serve restaurants, financial services, gaming, and sports and entertainment venues. Creative Realities, Inc. is headquartered in Louisville, Kentucky.
DXC Technology Company	DXC Technology Company, together with its subsidiaries, provides information technology services and solutions in the United States, the United Kingdom, the rest of Europe, Australia, and internationally. It operates in two segments: Global Business Services (GBS) and Global Infrastructure Services (GIS). The GBS segment offers a portfolio of analytics services and an extensive partner ecosystem that helps its customers gain insights, automate operations, and accelerate their transformation journeys. It also provides software engineering, consulting, and data analytics solutions, which enable businesses to run and manage their mission-critical functions, transform their operations, and develop new ways of doing business. This segment simplifies, modernizes, and accelerates mission-critical applications that support business agility and growth through application services; provides proprietary modular insurance software and platforms; and operates a wide spectrum of insurance business process services. Additionally, it helps to operate and improve bank card, payment, and lending processes and operations, as well as customer experiences. The GIS segment offers security services such as IT security, operations, and culture for migrating to the cloud, protecting data with a zero-trust strategy, and managing a security operation center. It also provides cloud infrastructure and IT outsourcing services. This segment delivers a consumer-like experience, centralizes IT management and support services, improves the total cost of ownership, and orchestrates hybrid cloud and multicloud environments. The company markets and sells its products through a direct sales force to commercial businesses and public sector enterprises. DXC Technology Company was founded in 1959 and is headquartered in Ashburn, Virginia.
Ingram Micro Holding Corporation	Ingram Micro Holding Corporation, through its subsidiaries, distributes information technology products, cloud, and other services in North America, Europe, the Middle East, Africa, the Asia-Pacific, Latin America, and internationally. It offers Ingram Micro Cloud Marketplace service portfolio that consists of third-party cloud-based services or subscription offerings through its Ingram Micro Xvantage platform, as well as offers training, ITAD, reverse logistics, repair and other related solutions, and financing solutions. It offers client and endpoint solutions, including desktop personal computers, notebooks, tablets, printers, application and mobility software, peripherals, and accessories, as well as phones, wearables, and components comprising hard drives, motherboards, video cards, etc. for corporate and individual end users. It offers enterprise-grade hardware and software products, such as servers, storage, networking, and hybrid and software-defined solutions, as well as cybersecurity, power and cooling, and virtualization solutions; and DC/POS, physical security, audio visual and digital signage, UCC and telephony, and IoT and artificial intelligence products. It offers third-party cloud-based services and subscriptions, including business applications, security, communications and collaboration, cloud enablement solutions, and infrastructure-as-a-service solutions; and operates CloudBlue platform that provides multi-channel and multi-tier catalog management, subscription management, billing, and orchestration solutions through a SaaS model. It serves value-added, corporate, internet-based resellers, retailers, custom installers, systems integrators, mobile network operators, direct marketers, product category specialists, reseller purchasing associations, cloud service providers, PC assemblers, agents and dealers, IT and mobile device manufacturers, and other distributors. The company was founded in 1979 and is headquartered in Irvine, California.

Comparable Name	Business Description
Optiva Inc.	Optiva Inc. provides cloud-native monetization and business support systems products to communication service providers (CSP) in Europe, the Middle East, Africa, North America, Latin America, the Caribbean, Asia, and the Pacific Rim. The company's cloud-native real-time converged charging and billing platform delivers a software platform, such as real-time charging, rating, billing, product catalog, policy management, and customer care for any digital services of a CSP. Its solutions include Optiva Business Support System (BSS) Platform, an end-to-end digital cloud native BSS solution on the private and public cloud for CSPs, including mobile network operators, MVNEs, and mobile virtual network operators; Optiva Charging Engine, a convergent charging solution, which is a cloud native platform for private and public cloud; Optiva MVNO Hubs, a unified and multi-tenant BSS -as a Service for MVNO/Es; and Optiva Partner Monetization, an end-to-end partner lifecycle management platform to onboard and manage telco B2B2X partner ecosystems. The company also offers payment solutions, policy control, wholesales billing, customer care, and subscriber self-service applications. In addition, it provides voucher management, collections and settlements, and dealer care services; professional services, such as installation, integration, and training; and post-contract customer support services. The company operates in Europe, Middle East, Africa, North America, Latin America and Caribbean, Asia and Pacific Rim, and internationally. Optiva Inc. was formerly known as Redknee Solutions Inc and changed its name to Optiva Inc. in March 2018. The company was founded in 1999 and is headquartered in Mississauga, Canada.
PC Connection, Inc.	PC Connection, Inc., together with its subsidiaries, provides various information technology (IT) solutions worldwide. The company operates through three segments, Enterprise Solutions, Business Solutions, and Public Sector Solutions. It offers IT solutions, including computer systems, data center solutions, software and peripheral equipment, networking communications, and other products and accessories; and portfolio of managed services and professional services, as well as provides services related to design, configuration, and implementation of IT solutions. The company markets its products and services through its websites comprising connection.com, connection.com/enterprise, connection.com/publicsector, cnxnhelix.com, and macconnection.com. It serves small to medium-sized businesses that include small office/home office customers; federal, state, and local government and educational institutions; enterprise customers; medium-to-large corporations through outbound inside and field sales; digital, web, and print media advertising; and targeted marketing program to specific customer populations. PC Connection, Inc. was founded in 1982 and is headquartered in Merrimack, New Hampshire.
ScanSource, Inc.	ScanSource, Inc. engages in the distribution of technology products and solutions in the United States and internationally. It operates through two segments: Specialty Technology Solutions, and Intelisys & Advisory. The Specialty Technology Solutions segment offers mobility and barcode, including mobile computing; barcode scanners and imagers, radio frequency identification devices, barcode printing and related services; point of sale systems and integrated pos software platforms; payment terminals, such as self-service kiosks, payment terminals and mobile payment devices; physical security comprising video surveillance and analytics, and video management software and access control; networking, such as switching, and routing and wireless products and software; communications, including voice, video, communication platform integration, and contact center solutions; managed connectivity and wireless enablement solutions. This segment offers applications that have evolved from traditional uses, such as inventory control, materials handling, distribution, shipping and warehouse management, and healthcare applications. The Intelisys & Advisory segment offers connectivity and software-defined networking, cx (unified communications as a service and contact center as a service), cloud/data center, and security, managed AI, and wireless and IOT. This segment helps channel sales partners service various end users, including businesses of all sizes from very small business to enterprise size businesses. It serves manufacturing, warehouse and distribution, retail and e-commerce, hospitality, transportation and logistics, government, education and healthcare, and other industries. ScanSource, Inc. was incorporated in 1992 and is headquartered in Greenville, South Carolina.
TD SYNNEX Corporation	TD SYNNEX Corporation operates as a distributor and solutions aggregator for the information technology (IT) ecosystem. It offers endpoint solutions, including personal computing devices and peripherals, mobile phones and accessories, printers, and supplies; and advanced solutions comprising data center technologies, such as hybrid cloud, security, storage, networking, servers, software, converged and hyper-converged infrastructure, and hyperscale infrastructure. The company also provides design, integration, test and other production value-added solutions, such as thermal testing, power-draw efficiency testing, burn-in, quality, and logistics support; logistics services; depot repair and customer management services; and cloud services, including public cloud solutions in productivity and collaboration, infrastructure as a service, platform as a service, software as a service, security, mobility, AI, and other hybrid solutions. In addition, it offers online services; financing

Comparable Name	Business Description
	options, including net terms, third party leasing, floor plan financing and letters-of-credit backed financing and arrangements, as well lease products to reseller customers and their end-users and provides device-as-a-service to end-users; and Marketing Services comprising direct mail, external media advertising, reseller product training, targeted telemarketing campaigns, national and regional trade shows, trade groups, database analysis, print on demand services, and web-based marketing. It serves value-added resellers, corporate resellers, government resellers, system integrators, direct marketers, retailers, and managed service providers. The company was formerly known as SYNNEX Corporation and changed its name to TD SYNNEX Corporation in September 2021. TD SYNNEX Corporation was founded in 1980 and is headquartered in Fremont, California.
Vertex, Inc.	Vertex, Inc., together with its subsidiaries, provides enterprise tax technology solutions for retail trade, wholesale trade, and manufacturing industries in the United States and internationally. The company offers tax determination; compliance and reporting, including workflow management tools; tax data management and document managementsolutions; analytics and insights; pre-built integration that includes mapping data fields, and business logic and configurations; industry-specific solutions support certain industries for indirect tax needs, such as retail, communications, and leasing; and technology specific solutions, such as chain flow accelerator and SAP-specific tools. It provides implementation services, such as configuration, data migration and implementation, and support and training; E-invoicing, an end-to-end e-invoicing process; and managed services, including indirect tax return preparation, filing and tax payment, and notice management. The company sells its software products through software licenses and software as a service subscription. Vertex, Inc. was founded in 1978 and is headquartered in King of Prussia, Pennsylvania.

3. Financial Statements

Company Name	Net Sales			Cost of Goods Sold			Gross Profit	
	FY 2024	FY 2023	FY 2022	FY 2024	FY 2023	FY 2022	FY 2024	FY 2023
ACCESS Newswire Inc.	23,057,000	33,378,000	23,514,000	5,397,000	7,869,000	5,621,000	17,660,000	25,509,000
CDW Corporation	20,998,700,000	21,376,000,000	23,748,700,000	16,121,000,000	16,452,600,000	18,771,100,000	4,877,700,000	4,923,400,000
Climb Global Solutions, Inc.	465,607,000	352,013,000	304,348,000	374,527,000	287,766,000	250,254,000	91,080,000	64,247,000
Creative Realities, Inc.	50,854,000	45,166,000	43,350,000	22,765,000	22,983,000	25,611,000	28,089,000	22,183,000
DXC Technology Company	12,871,000,000	13,667,000,000	14,430,000,000	9,975,000,000	10,779,000,000	11,442,000,000	2,896,000,000	2,888,000,000
Ingram Micro Holding Corporation	47,983,671,000	48,040,364,000	50,824,490,000	44,349,395,000	44,309,079,000	46,933,987,000	3,634,276,000	3,731,285,000
Optiva Inc.	47,081,000	47,506,000	61,779,000	19,774,000	16,875,000	17,193,000	27,307,000	30,631,000
PC Connection, Inc.	2,802,118,000	2,850,644,000	3,124,996,000	2,282,324,000	2,338,908,000	2,598,819,000	519,794,000	511,736,000
ScanSource, Inc.	3,259,809,000	3,787,721,000	3,529,935,000	2,859,690,000	3,337,526,000	3,102,442,000	400,119,000	450,195,000
TD SYNNEX Corporation	58,452,436,000	57,555,416,000	62,343,810,000	54,361,402,000	53,491,409,000	58,343,808,000	4,091,034,000	4,064,007,000
Vertex, Inc.	666,776,000	572,387,000	491,624,000	181,349,000	169,760,000	148,198,000	485,427,000	402,627,000

Company Name	Gross Profit		
	FY 2024	FY 2023	FY 2022
ACCESS Newswire Inc.	17,660,000	25,509,000	17,893,000
CDW Corporation	4,877,700,000	4,923,400,000	4,977,600,000
Climb Global Solutions, Inc.	91,080,000	64,247,000	54,094,000
Creative Realities, Inc.	28,089,000	22,183,000	17,739,000
DXC Technology Company	2,896,000,000	2,888,000,000	2,988,000,000
Ingram Micro Holding Corporation	3,634,276,000	3,731,285,000	3,890,503,000
Optiva Inc.	27,307,000	30,631,000	44,586,000
PC Connection, Inc.	519,794,000	511,736,000	526,177,000
ScanSource, Inc.	400,119,000	450,195,000	427,493,000
TD SYNNEX Corporation	4,091,034,000	4,064,007,000	4,000,002,000
Vertex, Inc.	485,427,000	402,627,000	343,426,000

Company Name	Operating Expenses			Operating Income		
	FY 2024	FY 2023	FY 2022	FY 2024	FY 2023	FY 2022
ACCESS Newswire Inc.	19,640,000	22,147,000	15,134,000	(1,980,000)	3,362,000	2,759,000
CDW Corporation	3,188,800,000	3,164,800,000	3,194,100,000	1,688,900,000	1,758,600,000	1,783,500,000
Climb Global Solutions, Inc.	60,777,000	45,332,000	36,198,000	30,303,000	18,915,000	17,896,000
Creative Realities, Inc.	27,151,000	20,837,000	19,627,000	938,000	1,346,000	(1,888,000)
DXC Technology Company	2,403,000,000	2,413,000,000	2,591,000,000	493,000,000	475,000,000	397,000,000
Ingram Micro Holding Corporation	2,605,235,000	2,640,880,000	2,800,550,000	1,029,041,000	1,090,405,000	1,089,953,000

Company Name	Operating Expenses			Operating Income		
	FY 2024	FY 2023	FY 2022	FY 2024	FY 2023	FY 2022
Optiva Inc.	34,865,000	31,888,000	34,628,000	(7,558,000)	(1,257,000)	9,958,000
PC Connection, Inc.	422,317,000	405,896,000	405,625,000	97,477,000	105,840,000	120,552,000
ScanSource, Inc.	302,846,000	312,849,000	305,296,000	97,273,000	137,346,000	122,197,000
TD SYNNEX Corporation	2,825,509,000	2,779,740,000	2,726,810,000	1,265,525,000	1,284,267,000	1,273,192,000
Vertex, Inc.	470,330,000	413,635,000	345,541,000	15,097,000	(11,008,000)	(2,115,000)

Company Name	Total Payables			Total Receivables		
ACCESS Newswire Inc.	1,423,000	1,308,000	23,374,000	3,351,000	4,600,000	3,029,000
CDW Corporation	3,736,500,000	3,311,900,000	3,340,300,000	5,742,800,000	5,149,800,000	5,192,500,000
Climb Global Solutions, Inc.	331,654,000	218,717,000	151,180,000	341,597,000	222,269,000	154,596,000
Creative Realities, Inc.	6,354,000	7,876,000	3,757,000	10,605,000	12,468,000	8,263,000
DXC Technology Company	549,000,000	846,000,000	891,000,000	2,972,000,000	3,253,000,000	3,441,000,000
Ingram Micro Holding Corporation	10,188,537,000	9,601,722,000	10,135,302,000	9,448,354,000	8,988,799,000	8,782,988,000
Optiva Inc.	1,940,000	2,256,000	3,147,000	16,867,000	25,499,000	29,176,000
PC Connection, Inc.	300,242,000	263,682,000	232,638,000	613,827,000	611,182,000	610,280,000
ScanSource, Inc.	587,984,000	691,119,000	714,177,000	682,559,000	833,290,000	804,739,000
TD SYNNEX Corporation	15,255,199,000	13,555,975,000	14,346,505,000	11,299,730,000	11,262,148,000	10,240,134,000
Vertex, Inc.	36,215,000	23,596,000	14,329,000	164,432,000	141,752,000	102,885,000

Company Name	Total Inventories		
ACCESS Newswire Inc.	-	-	-
CDW Corporation	605,300,000	668,100,000	800,200,000
Climb Global Solutions, Inc.	2,447,000	3,741,000	4,766,000
Creative Realities, Inc.	1,995,000	2,567,000	2,267,000
DXC Technology Company	-	-	-
Ingram Micro Holding Corporation	4,699,483,000	4,659,624,000	5,357,929,000
Optiva Inc.	-	-	-
PC Connection, Inc.	95,054,000	124,179,000	208,682,000
ScanSource, Inc.	512,634,000	757,574,000	614,814,000
TD SYNNEX Corporation	8,287,048,000	7,146,274,000	9,066,620,000
Vertex, Inc.	-	-	-

D. Benchmarking Analysis – Licensing Arrangements

1. Selection Matrix

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
1	22292	iCollector Technologies Ltd., Ableauctions.com Inc., ABC Live Auction World Ltd., National Auctioneers Association	ABC Live Auction World Ltd., iCollector Technologies Ltd., Ableauctions.com Inc., National Auctioneers Association	Accept	License to use software (Auctions bidding technology)
2	22594	VyseTECH Asia Sdn Bhd	Trevenex Resources, Inc.	Accept	License to sell software (Mobile Voice over Internet Protocol software)
3	25598	Global 1 Enterprises, Inc., C$ cMoney, Inc., Soprano Design Pty Ltd	Soprano Design Pty Ltd, Global 1 Enterprises, Inc., C$ cMoney, Inc.	Accept	License to use software (Mobile payment technology)
4	28415	GlobeX Data S.A.	Globalpaynet Holdings Inc.	Accept	License to use software (Electronic data management tool)
5	32230	NR Consulting Services, YearBook Alive Software, RN CONSULTING SERVICES	Net Profits Ten Inc.	Accept	License to use and sell software (Used to create and burn interactive digital memories on CD/DVD)
6	32238	Engineering Consulting and Solutions, GMBH	Sebring Software, LLC	Accept	License to use computer software interface for internet applications
7	52334	GlobeX Data S.A.	Globalpaynet Holdings Inc.	Accept	License to use software (Electronic data management tool)
8	79620	MOTIONNOTES, LLC	EASTERN WORLD SOLUTIONS, INC.	Accept	License to market and sell software (Messaging platform)

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
9	80968	PRIVATE TRADING SYSTEMS PLC	PREVENTIA INC.	Accept	License to use software (Trading system)
10	99116	Tarsin Inc.	Consorteum Holdings, Inc.	Accept	License to use and sell software (Mobile application platform)
11	101988	Social Media Broadcasts (SMB) Limited	Media Analytics Corporation	Accept	License to market and sell software (Analytic dashboard)
12	110802	eCommerce Technologies Inc.	Cyber Apps World Inc.	Accept	License to use, market and sell ecommerce technology (instant coupons app platform)
13	111476	China Soar Information Technology, Inc.	Zhengzhou Xiangtian Information Technology Company Limited	Accept	License to use and distribute the software (Mobile integrated system)
14	112562	Weyland Tech Inc.	Info Zone Development Limited	Accept	License to use and market software program (CreateApp Platform)
15	122288	STURMONICS LLC	SUPER ELECTRICAL CORP	Accept	License use and sell cloud based software applications
16	22118	Yahoo! Inc., Microsoft Corporation	Microsoft Corporation, Yahoo! Inc.	Reject	Non-comparable services - License to provide Internet search services
17	22123	SafeNet, Inc., SafeNet, B.V., SFNT Finland Oy, SafeNet UK Limited, SafeNet Technologies B.V., SafeNet Asia Limited, Nihon SafeNet KK, DMDsecure.com B.V., SafeNet (BVI) Co., Ltd., SafeNet China Ltd., SafeNet	AuthenTec, Inc.	Reject	Non-comparable agreement type - Asset purchase agreement

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
		Norway AS, SafeNet India Private Limited			
18	22246	New Generation Motors Corporation	NuGen Mobility	Reject	Non-comparable agreement type - Asset purchase agreement
19	22286	Health Discovery Corporation	SMART PERSONALIZED MEDICINE, LLC.	Reject	Non-comparable products - License to use support vector machines
20	22315	SPO Medical Equipment Ltd.	SPO Medical Systems Ltd.	Reject	Non-comparable functions - License to manufacture and distribute medical products
21	22354	MOUNT KNOWLEDGE, INC.	Mount Knowledge Holdings, Inc., Auror Capital Corp.	Reject	Related party
22	22493	Nautilus, Inc.	Med-Fit Systems, Inc.	Reject	Non-comparable IP - Trademark licensing agreement
23	22526	Baxter Healthcare S.A., Baxter Healthcare Corporation	Cerus Corporation	Reject	Non-comparable IP - License to use patent and know-how to make and sell blood system technology
24	25522	Robert P. Atwell	Camelot Entertainment Group, Inc., Camelot Film Group, Inc, Camelot Studio Group, Inc., Camelot Production Services Group, Inc., Camelot Distribution group, Inc., DarKnight Pictures, Inc., Ferris Wheel Films, Inc.	Reject	Non-comparable IP - Trademark licensing agreement

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
25	25693	Global Entertainment Holdings, Inc., Global Universal Film Group, Inc., 647241 N.B. LTD., CRUSH PICTURES	Global Universal Pictures, Inc., 647241 N.B. LTD., CRUSH PICTURES, Global Universal Film Group, Inc.	Reject	Non-comparable IP - License to use the film concept
26	25694	Global Entertainment Holdings, Inc., Global Universal Film Group, Inc., 649679 NB LTD., THE NIGHT PICTURES	Global Universal Pictures, Inc., 649679 NB LTD., THE NIGHT PICTURES, Global Universal Film Group, Inc.	Reject	Non-comparable IP - License to use the film concept
27	25740	Gravity Co., Ltd.	Game Flier International Corporation, Soft-World International Corporation	Reject	Non-comparable products - License to market and sell prepaid game cards
28	25741	Gravity Co., Ltd.	PT. LYTO DATARINDO FORTUNA	Reject	Non-comparable products - License to market and sell prepaid game cards
29	25745	Modavox, Inc., Audio Eye, Inc.	Audio Eye, Inc., Modavox, Inc.	Reject	Non-comparable IP - License to use patent to deliver targeted communications
30	25751	Rich Dad Operating Company, LLC, Rich Global, LLC	Tigrent Inc.	Reject	Non-comparable IP - Trademark licensing agreement
31	25752	Rich Dad Operating Company, LLC, Rich Global, LLC	Tigrent Inc.	Reject	Duplicate agreement of 25751
32	25762	MISONIX, INC., MISONIX HIFU TECHNOLOGIES LIMITED, MISONIX LIMITED, UKHIFU LIMITED	USHIFU, LLC	Reject	Non-comparable agreement type - Asset purchase agreement
33	25768	The Johns Hopkins University	Surgi-Vision, Inc.	Reject	Non-comparable IP - License to use patent to make and sell drug and equipment

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
34	25769	THE JOHNS HOPKINS UNIVERSITY	Surgi-Vision, Inc.	Reject	Non-comparable IP - License to use patent to make and sell drug and equipment
35	25772	Surgi-Vision, Inc.	Cardiac Pacemakers, Inc.	Reject	Non-comparable IP - License to use patent to make and sell cardiac implantable products
36	25773	SURGIVISION, INC., Siemens Aktiengesellschaft	Siemens Aktiengesellschaft, SURGIVISION, INC.	Reject	Non-comparable agreement type - Development agreement
37	25774	National Institutes of Health, Food and Drug Administration, United States Public Health Service, Department of Health and Human Services	SurgiVision, Inc.	Reject	Non-comparable IP - License to use patent to make and sell devices
38	25776	THE JOHNS HOPKINS UNIVERSITY	Surgi-Vision, Inc.	Reject	Non-comparable IP - License to use patent to make and sell drug and equipment
39	25777	THE JOHNS HOPKINS UNIVERSITY	Surgi-Vision, Inc.	Reject	Duplicate agreement of 25776
40	25778	THE JOHNS HOPKINS UNIVERSITY	Surgi-Vision, Inc.	Reject	Duplicate agreement of 25776
41	25904	New Generation Motors Corporation	NuGen Mobility	Reject	Duplicate agreement of 22246
42	25905	New Generation Motors Corporation, Bajaj Auto Ltd.	Bajaj Auto Ltd., New Generation Motors Corporation	Reject	Non-comparable functions - License to manufacture integrated electric motor

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
43	27871	Glenn Valliant, Optical Dimensions	Schmitt Industries, Inc.	Reject	Non-comparable agreement type - Asset purchase agreement
44	27886	Visualant, Inc., RatLab, LLC	RatLab, LLC, Visualant, Inc.	Reject	Non-comparable IP - License to use patent relating to medical and healthcare testing services
45	27901	SOAdesk, LLC, Vertical Thought, Inc.	Cicero Inc.	Reject	Non-comparable agreement type - Asset purchase agreement
46	27927	Nuance Communications, Inc.	MedQuist Inc.	Reject	Non-comparable functions - License to develop and distribute radiology application
47	28260	Microsoft Corporation, Robertson Technologies Licensing LLC	Robertson Technologies Licensing LLC, Microsoft Corporation	Reject	Non-comparable agreement type - Collaboration agreement for development of health engine
48	28344	Howard Delman	Secure Computing Corporation	Reject	Non-comparable payment terms - Consideration per unit basis
49	28373	MARKERS COMPANIES, LLC	THE MARKERS COMPANIES, INC., UAGH, INC.	Reject	Non-comparable payment terms - Stock based compensation
50	28385	Propalms International LTD., Robert Zysblat, Owen Dukes	National Energy Services Company, Inc.	Reject	Non-comparable agreement type - Share purchase agreement
51	28454	BBGN&A LLC	EAST COAST DIVERSIFIED CORPORATION	Reject	Non-comparable IP - Trademark and Patent licensing agreement

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
52	32082	Syzygy Licensing, LLC	Parametric Sound Corporation	Reject	Non-comparable functions - License to manufacture parametric transducer and signal processing systems
53	32210	Advanced Credit Technologies, Inc., InterTech Systems, LLC, Contata Solutions L.L.C.	InterTech Systems, LLC, Contata Solutions L.L.C., Advanced Credit Technologies, Inc.	Reject	Non-comparable agreement type - Sales representative appointment agreement
54	32229	WordSmart Corporation, YesDTC Holdings, Inc.	YesDTC Holdings, Inc., WordSmart Corporation	Reject	Non-comparable products - License to market and sell vocabulary building educational products
55	32304	MEDGENICS, INC.	MEDGENICS MEDICAL ISRAEL, LTD., MMI, LTD.	Reject	Non-comparable agreement type - Development agreement
56	32367	BP Biofuels North America LLC	Verenium Corporation	Reject	Non-comparable functions - License to manufacture and sell ethanol products
57	51706	Nuance Communications, Inc.	MedQuist Inc.	Reject	Duplicate agreement of 27927
58	51718	Hangzhou Kunjiang Education Technology Co., Ltd., Shaoxing Red Green Blue Trading Co., Ltd., Shaoxing China Textile City High School	Shaoxing Red Green Blue Trading Co., Ltd., Shaoxing China Textile City High School, Hangzhou Kunjiang Education Technology Co., Ltd.	Reject	Non-comparable services - License to provides educational services
59	51745	New Generation Motors Corporation, Bajaj Auto Ltd.	Bajaj Auto Ltd., New Generation Motors Corporation	Reject	Duplicate agreement of 25905

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
60	51775	Advanced Credit Technologies, Inc., InterTech Systems, LLC, Contata Solutions L.L.C.	InterTech Systems, LLC, Contata Solutions L.L.C., Advanced Credit Technologies, Inc.	Reject	Duplicate agreement of 32210
61	51801	Nuance Communications, Inc.	MedQuist Inc.	Reject	Duplicate agreement of 27927
62	51893	Salvaggio & Teal Ltd., Salvaggio, Teal & Associates, Salvaggio & Teal II, L.L.C., Mitt Salvaggio, Kirk Teal, Nathan Frey	International Consulting Acquisition Corp., Information Services Group, Inc.	Reject	Non-comparable agreement type - Asset purchase agreement
63	51919	The Research Foundation of State University of New York, University at Buffalo, Donald D. Hickey, M.D., Clas E. Lundgren, M.D., Ph.D., Claes Lundgren	Scivanta Medical Corporation, Medi-Hut Co., Inc.	Reject	Non-comparable payment terms - Stock based compensation
64	52129	Mitch Huhem, One Step Millionaire, LLC	Ethos Environmental, Inc.	Reject	Non-comparable payment terms - Stock based compensation
65	52219	Richard Grable	Imaging Diagnostic Systems, Inc.	Reject	Non-comparable IP - License to use patent to manufacture and sell breast cancer detecting systems
66	52235	Lawrence Berkeley Laboratory, The Regents of the University of California	Symyx Technologies, Inc., SYMYX CORPORATION	Reject	Non-comparable IP - License to use patent to make and sell breast cancer detecting systems
67	69575	Mircoldea Software Development, LLC.	VERTICAL COMPUTER SYSTEMS, INC.	Reject	Non-comparable functions - License to develop and manufacture technology (web server software application)

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
68	69813	Advanced Credit Technologies, Inc., InterTech Systems, LLC, Contata Solutions L.L.C.	Contata Solutions L.L.C., Advanced Credit Technologies, Inc., InterTech Systems, LLC	Reject	Duplicate agreement of 32210
69	69959	Hangzhou Kunjiang Education Technology Co., Ltd., Pingtan Lanhua Middle & High School	Pingtan Lanhua Middle & High School, Hangzhou Kunjiang Education Technology Co., Ltd.	Reject	Non-comparable services - License to provides educational services
70	70119	Gravity Co., Ltd.	Gravity EU SASU, Mados, Inc.	Reject	Related party
71	70150	Advanced Credit Technologies, Inc., InterTech Systems, LLC, Contata Solutions L.L.C.	Contata Solutions L.L.C., Advanced Credit Technologies, Inc., InterTech Systems, LLC	Reject	Duplicate agreement of 32210
72	70294	Pure Motion, Inc.	League Now	Reject	Non-comparable products - License to use and sell proprietary motion technology
73	70346	Exa Corporation, Science + Computing AG	Science + Computing AG, Exa Corporation	Reject	Non-comparable agreement type - Reseller appointment agreement
74	70357	Iteris, Inc.	Bendix Commercial Vehicle Systems LLC	Reject	Non-comparable agreement type - Asset purchase agreement
75	70376	Worlds Inc.	Worlds Online Inc.	Reject	Related Party
76	70432	Hangzhou Kunjiang Education Technology Co., Ltd., Hefei Meihua Vocational Training School, Hefei	Hefei Meihua Vocational Training School, Hefei Huamei Education Development Co., Ltd., Hangzhou	Reject	Non-comparable services - License to provides educational services

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
		Huamei Education Development Co., Ltd.	Kunjiang Education Technology Co., Ltd.		
77	70665	Synergistic Holdings, LLC.	Accelerated Acquisitions IV, Inc.	Reject	Related Party
78	70744	The George Washington University	PROTEA BIOSCIENCES, INC.	Reject	Non-comparable IP - License to use patent to make and sell 3D imaging technology
79	70746	West Virginia University Research Corporation, West Virginia University	Protea Biosciences, Inc.	Reject	Non-comparable IP - License to use patent and trademarks related to microfluidics
80	70820	Medical Application Research Corp.	Casino Players, Inc.	Reject	Non-comparable payment terms - Stock based compensation
81	70825	Mayo Foundation for Medical Education and Research	OnPoint Medical Diagnostics, Inc.	Reject	Non-comparable IP - License to use know-how to develop, make and sell imaging quality control software
82	70840	The General Hospital Corporation, Massachusetts General Hospital	Zeltiq Aesthetics, Inc., Juniper Medical, Inc.	Reject	Non-comparable IP - License to use patents to treat human fat using cooling procedure
83	70883	PINOTAGE, LLC	Vision Technologies, Inc.	Reject	Non-comparable IP - License to use patent and know-how relating to imaging devices
84	74287	World Environmental Solutions Pty Ltd., SET IP Holdings LLC,	SET IP Holdings LLC, Sustainable Environmental Technologies	Reject	Non-comparable agreement type - Asset purchase agreement

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
		Sustainable Environmental Technologies Corporation	Corporation, World Environmental Solutions Pty Ltd.		
85	74596	EcoNexus	Octus, Inc.	Reject	Non-comparable payment terms - Stock based compensation
86	74750	National Institutes of Health, Food and Drug Administration, United States Public Health Service, Department of Health and Human Services	SurgiVision, Inc.	Reject	Duplicate agreement of 25774
87	74752	Surgi-Vision, Inc.	Cardiac Pacemakers, Inc.	Reject	Duplicate agreement of 25772
88	74783	IMPACT INNOVATIONS SYSTEMS, INC., Impact Technologies Inc.	Red Deer Dogonet Limited Partnership	Reject	Non-comparable functions - License to operate the business using technology (Household networks)
89	74815	Worlds Inc.	Worlds Online Inc.	Reject	Duplicate agreement of 70376
90	74828	The General Hospital Corporation, Massachusetts General Hospital	Zeltiq Aesthetics, Inc., Juniper Medical, Inc.	Reject	Duplicate agreement of 70840
91	74860	The General Hospital Corporation, Massachusetts General Hospital	Zeltiq Aesthetics, Inc., Juniper Medical, Inc.	Reject	Duplicate agreement of 70840
92	74892	NEP Snooki Enterprises, LLC, Starz Management & PR, Nicole Polizzi, Snooki	Apps Genius Corp	Reject	Non-comparable IP - Trademark licensing agreement

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
93	74924	Micro Imaging Technology, Inc., Micro Imaging Technologies, Inc.	EPIC Corporation	Reject	Non-comparable functions - License to make and sell bacterial identification technology
94	74961	BBGN&K LLC, BBGN&ALLC	EAST COAST DIVERSIFIED CORPORATION	Reject	Duplicate agreement of 28454
95	75135	FLUOROMETRIX CORPORATION	SCIENTIFIC INDUSTRIES, INC., SCIENTIFIC BIOPROCESSING, INC.	Reject	Non-comparable agreement type - Asset purchase agreement
96	75143	Vidable, AG	Vidable, Inc.	Reject	Related Party
97	75185	PURDUE RESEARCH FOUNDATION	CELSYS BIOFUELS, INC.	Reject	Non-comparable IP - License to use patent pertaining to process for treating cellulosic matter
98	75311	SURGIVISION, INC., Siemens Aktiengesellschaft	Siemens Aktiengesellschaft, SURGIVISION, INC.	Reject	Duplicate agreement of 25773
99	75315	THE JOHNS HOPKINS UNIVERSITY	Surgi-Vision, Inc.	Reject	Duplicate agreement of 25776
100	75320	The Johns Hopkins University	Surgi-Vision, Inc.	Reject	Duplicate agreement of 25768
101	75324	THE JOHNS HOPKINS UNIVERSITY	Surgi-Vision, Inc.	Reject	Duplicate agreement of 25776

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
102	75327	THE JOHNS HOPKINS UNIVERSITY	Surgi-Vision, Inc.	Reject	Duplicate agreement of 25769
103	75330	THE JOHNS HOPKINS UNIVERSITY	Surgi-Vision, Inc.	Reject	Duplicate agreement of 25776
104	77989	Hangzhou Kunjiang Education Technology Co., Ltd., Tang Weijiao,Cao Xiaoya, Peng Tuo Information Technology Co., Ltd.	Tang Weijiao,Cao Xiaoya, Peng Tuo Information Technology Co., Ltd., Hangzhou Kunjiang Education Technology Co., Ltd.	Reject	Non-comparable agreement type - Cooperation agreement
105	78079	MYMEDICALRECORDS, INC.	SURGERY CENTER MANAGEMENT, LLC	Reject	Non-comparable agreement type - Settlement agreement
106	78080	MYMEDICALRECORDS, INC.	SURGERY CENTER MANAGEMENT, LLC	Reject	Duplicate agreement of 78079
107	78091	CEDARS-SINAI MEDICAL CENTER, Julia Y. Ljubimova, M.D., Ph.D., Alexander Ljubimov, Ph.D., Keith L. Black, M.D., Hui Ding, Ph.D., Rameshwar Patil, Ph.D., Eggehard Holler, Ph.D.	Arrogene NanoTechnology, Inc.	Reject	Non-comparable services - License to conduct research and develop health care products
108	78135	Mayo Foundation for Medical Education and Research	OnPoint Medical Diagnostics, Inc.	Reject	Duplicate agreement of 70825
109	78144	PositiveID Corporation	VeriTeQ Acquisition Corporation	Reject	Non-comparable IP - License to use patent to design, construct and sell implantable radio frequency identification ("RFID") products

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
110	78403	Soon Hock Lim	Global MobileTech, Inc.	Reject	Non-comparable payment terms - Stock based compensation
111	78864	Trident Microsystems (Far East) Ltd.	RDA Technology, LTD	Reject	Non-comparable agreement type - IP block license and development agreement
112	79258	THE CURATORS OF THE UNIVERSITY OF MISSOURI	Organovo	Reject	Non-comparable IP - License to use know-how pertaining to research and development information
113	79463	KUNEKT CORPORATION	AMS-INT ASIA LIMITED	Reject	Non-comparable IP - Trademark licensing agreement
114	79613	Scott and White Memorial Hospital, Scott, Sherwood and Brindley Foundation, Scott & White Clinic, Arthur E. Frankel, M.D.	STEMLINE THERAPEUTICS INC	Reject	Non-comparable functions - License to develop and manufacture protein compounds
115	79842	CALLAWAY GOLF COMPANY	AMERICAN SPORTS LICENSING, INC., DICK'S SPORTING GOODS, INC.	Reject	Non-comparable agreement type - Asset purchase agreement
116	80952	Beamz Interactive, Inc., Cypher Entertainment Company, Inc., Beamz Cypher Partnership, LLC	Beamz Cypher Partnership, LLC, Beamz Interactive, Inc., Cypher Entertainment Company, Inc.	Reject	Related Party
117	80978	DIGITAL PROGRAMA INC.	Bookedbyus Inc.	Reject	Non-comparable payment terms - Stock based compensation
118	81139	Central Precast Concrete, Inc., San Diego Precast Concrete, Inc., Sierra	Oldcastle Precast, Inc., Central Precast Concrete, Inc., San Diego Precast	Reject	Non-comparable agreement type - Asset purchase agreement

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
		Precast, Inc., U.S. Concrete, Inc., Oldcastle Precast, Inc.	Concrete, Inc., Sierra Precast, Inc., U.S. Concrete, Inc.		
119	81373	Hangzhou Kunjiang Education Technology Co., Ltd., Shanghi Fuyi Education Information Consulting Co. Ltd, Fenglong Xu, Wei Xu	Shanghi Fuyi Education Information Consulting Co. Ltd, Fenglong Xu, Wei Xu, Hangzhou Kunjiang Education Technology Co., Ltd.	Reject	Non-comparable agreement type - Cooperation agreement
120	81395	Tradition Financial Services Inc.	GreenHaven Coal Services, LLC	Reject	Non-comparable IP - License to use trademark and trade secrets
121	81400	Hangzhou Kunjiang Education Technology Co., Ltd., Shanghi Fuyi Education Information Consulting Co. Ltd, Fenglong Xu, Wei Xu	Wei Xu, Fenglong Xu, Shanghi Fuyi Education Information Consulting Co. Ltd, Hangzhou Kunjiang Education Technology Co., Ltd.	Reject	Duplicate agreement of 81373
122	81436	BROADCOM CORPORATION	EMULEX CORPORATION	Reject	Non-comparable IP - License to use patent to make and sell fibre channel products
123	81493	TOMOTHERAPY INCORPORATED, Accuray Incorporated, COMPACT PARTICLE ACCELERATION CORPORATION	COMPACT PARTICLE ACCELERATION CORPORATION, TOMOTHERAPY INCORPORATED, Accuray Incorporated	Reject	Non-comparable agreement type - Cross licensing agreement
124	81569	VERIFY SMART CORP.	ASSURED MOBILE TECHNOLOGIES LLC.	Reject	Non-comparable payment terms - Stock based compensation
125	81600	Mayo Foundation for Medical Education and Research, University of Chicago	AutoGenomics, Inc.	Reject	Non-comparable IP - License to use patent to make and sell apparatus or kit

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
126	81644	SOLUTION X GLOBAL, LLC	FVA VENTURES, INC., VISALUS SCIENCES	Reject	Non-comparable payment terms - Fixed fee
127	81852	SOLUTION X GLOBAL, LLC	FVA VENTURES, INC., VISALUS SCIENCES	Reject	Duplicate agreement of 81644
128	81974	SOLUTION X GLOBAL, LLC	FVA VENTURES, INC., VISALUS SCIENCES	Reject	Duplicate agreement of 81644
129	98984	Innovaro, Inc.	Strategos, Inc.	Reject	Non-comparable IP - License to use methods for strategic development
130	99196	MONTECITO BIO SCIENCES, LTD.	ROTH KLINE, INC.	Reject	Non-comparable IP - License to use know-how to manufacture certain bio-medical products
131	99342	BAXTECH ASIA PTE LTD	VOZ MOBILE CLOUD LTD	Reject	Non-comparable agreement type - Reseller appointment agreement
132	99557	MONTECITO BIO SCIENCES, Ltd.	PARALLAX DIAGNOSTICS, INC.	Reject	Non-comparable IP - License to use know-how to manufacture bio-medical products
133	99565	Beamz Interactive, Inc., Cypher Entertainment Group LLC	Cypher Entertainment Group LLC, Beamz Interactive, Inc.	Reject	Non-comparable IP - License to use, market, sell and distribute Beamz Content (music)
134	99577	Public Issuer Stock Analytics, LLC	INTREorg Systems, Inc.	Reject	Non-comparable payment terms - Stock based compensation

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
135	99602	Beamz Interactive, Inc., Cypher Entertainment Group LLC	Cypher Entertainment Group LLC, Beamz Interactive, Inc.	Reject	Duplicate agreement of 99565
136	99622	TurboSonic Technologies Inc., TurboSonic Inc.	MEGTEC Systems, Inc.	Reject	Non-comparable functions - License to use technology to make and use fossil fueled combustion units
137	99623	TurboSonic Inc., TurboSonic Technologies Inc.	MEGTEC Systems, Inc.	Reject	Duplicate agreement of 99622
138	100035	Technest Holdings, Inc., Genex Technologies, Incorporated	3D-ID, LLC	Reject	Non-comparable products - License to use, sell and import three-dimensional imaging products
139	100060	E-Waste Systems, Inc.	Tanke, Inc.	Reject	Non-comparable IP - Trademark licensing agreement
140	100073	FUNDACION FATRONIK, ADEPT TECHNOLOGY INC	ADEPT TECHNOLOGY INC, FUNDACION FATRONIK	Reject	Non-comparable IP - License to use patent and know-how to manufacture and market robot
141	100086	Advanced Cell Technology, Inc.	International Stem Cell Corporation, PacGen Cellco, LLC	Reject	Non-comparable IP - License to use patent to research, develop, make and sell animal cell line products
142	100094	SARA MANTERO, Ph.D., MARIA ADELAIDE ASNAGHI, HARVARD BIOSCIENCE, INC.	HARVARD BIOSCIENCE, INC., SARA MANTERO, Ph.D., MARIA ADELAIDE ASNAGHI	Reject	Non-comparable IP - License to use know-how to manufacture and distribute bioreactors
143	100160	E-Waste Systems, Inc.	E-Waste Systems Ltd., E-Waste Systems (UK) Ltd.	Reject	Related Party

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
144	100246	Technest Holdings, Inc., Genex Technologies, Incorporated	3D-ID, LLC	Reject	Duplicate agreement of 100035
145	100332	SARA MANTERO, Ph.D., MARIA ADELAIDE ASNAGHI, HARVARD BIOSCIENCE, INC.	HARVARD BIOSCIENCE, INC., MARIA ADELAIDE ASNAGHI, SARA MANTERO, Ph.D.	Reject	Duplicate agreement of 100094
146	100843	NOVAS ENERGY GROUP LIMITED	NOVAS ENERGY (USA) INC.	Reject	Related Party
147	101364	Total Communicator Solutions, Inc., MarketKast, Inc.	Total Communicator Solutions, Inc., MarketKast, Inc.	Reject	Non-comparable agreement type - Cross licensing agreement
148	101493	Entre-Strat Consulting, LLC	Smart Online, Inc.	Reject	Non-comparable services - License to provide consulting services
149	101857	Caesars Entertainment Corporation, Caesars Entertainment Operating Company, Inc., Caesars Interactive Entertainment, Inc., Caesars World, Inc., Caesars License Company, LLC	Caesars Interactive Entertainment, Inc., Caesars Entertainment Operating Company, Inc., Caesars Entertainment Corporation, Caesars World, Inc., Caesars License Company, LLC	Reject	Non-comparable IP - Trademark licensing agreement
150	101887	PSYKO AUDIO LABS	EXEO ENTERTAINMENT, INC.	Reject	Non-comparable functions - License to manufacture headphones
151	101888	DIGITAL EXTREME TECHNOLOGIES, INC.	EXEO ENTERTAINMENT, INC.	Reject	Non-comparable functions - License to develop and manufacture DXT products (gaming technology products)

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
152	101968	Naiel Kanno	NT Mining Corporation	Reject	Non-comparable payment terms - Stock based compensation
153	102164	CHRIS M. HYMEL, SIGNAL ADVANCE, INC.	SIGNAL ADVANCE, INC., CHRIS M. HYMEL	Reject	Related Party
154	102297	CHRIS M. HYMEL, SIGNAL ADVANCE, INC.	SIGNAL ADVANCE, INC., CHRIS M. HYMEL	Reject	Duplicate agreement of 102164
155	102309	CHRIS M. HYMEL	SIGNAL ADVANCE, INC.	Reject	Related Party
156	102312	CHRIS M. HYMEL, SIGNAL ADVANCE, INC.	SIGNAL ADVANCE, INC., CHRIS M. HYMEL	Reject	Duplicate agreement of 102164
157	102422	CHRIS M. HYMEL, SIGNAL ADVANCE, INC.	SIGNAL ADVANCE, INC., CHRIS M. HYMEL	Reject	Duplicate agreement of 102164
158	102453	Ferris Holding, Inc.	BioAdaptives, Inc.	Reject	Non-comparable IP - License to use trade secrets
159	102501	MONSTER ARTS, INC, Intelligent Living Inc.	Intelligent Living Inc., MONSTER ARTS, INC	Reject	Non-comparable agreement type - Joint venture agreement
160	102510	MONSTER ARTS, INC, Intelligent Living Inc.	Intelligent Living Inc., MONSTER ARTS, INC	Reject	Duplicate agreement of 102501
161	102620	The Trustees of PRINCETON UNIVERSITY, The University of Southern California	GLOBAL PHOTONIC ENERGY CORPORATION	Reject	Non-comparable IP - License to use patent to manufacture and sell

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
					electron acceptor and charged generators
162	102651	Sgenia Solutiones, S.L., ZENON Biosystem, S.L., Braeden Valley Mines Inc., Sgenia Soluciones, S.L.	Braeden Valley Mines Inc., Sgenia Solutiones, S.L., ZENON Biosystem, S.L., Sgenia Soluciones, S.L.	Reject	Non-comparable services - License to develop medical devices
163	102693	SENDTONEWS VIDEO INCORPORATED, SYNDICORE ASIA LIMITED	SYNDICORE ASIA LIMITED, SENDTONEWS VIDEO INCORPORATED	Reject	Non-comparable IP - License to use, modify and distribute web based content
164	102908	ODIS Inc., BAE Systems Information And Electronic Systems Integration, Inc.	BAE Systems Information And Electronic Systems Integration, Inc., ODIS Inc.	Reject	Non-comparable services - License to develop a proprietary technology relating to electronics and photonics devices
165	102972	AC Engineering Ltd., NanoVibronix Inc.	NanoVibronix Inc., AC Engineering Ltd.	Reject	Non-comparable IP - License to use know-how to manufacture wound treatment system
166	102978	CyberHeart, Inc.	Accuray Incorporated	Reject	Non-comparable IP - License to use patents to manufacture medical hardware
167	102990	BIMINI TECHNOLOGIES LLC, CYTORI THERAPEUTICS, INC.	CYTORI THERAPEUTICS, INC., BIMINI TECHNOLOGIES LLC	Reject	Non-comparable products - License to sell and distribute medical devices
168	102992	Adaptive Medias, Inc., Ember, Inc.	ONESCREEN Inc.	Reject	Non-comparable services - License to provide consulting services

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
169	103178	Invention Development Management Company, L.L.C., Visualant, Inc.	Visualant, Inc., Invention Development Management Company, L.L.C.	Reject	Non-comparable functions - License to make and sell photodiode sensor based products
170	103437	PSiTech Corporation	Empirical Ventures, Inc.	Reject	Non-comparable functions - License to reproduce, perform and distribute images in licensee's site
171	103558	THE CURATORS OF THE UNIVERSITY OF MISSOURI	SANTARUS, INC.	Reject	Non-comparable IP - License to use patent to make and sell dosage forms and using methods
172	103798	SecureCom Plus Limited	Amperico Corp.	Reject	Non-comparable agreement type - Acquisition agreement
173	103851	Board of Trustees of the University of Arkansas, University of Arkansas for Medical Sciences	Myeloma Health LLC	Reject	Non-comparable services - License to medical practice of services
174	103856	Board of Trustees of the University of Arkansas, University of Arkansas for Medical Sciences	Myeloma Health LLC	Reject	Duplicate agreement of 103851
175	103880	Board of Trustees of the University of Arkansas, University of Arkansas for Medical Sciences	Myeloma Health LLC	Reject	Duplicate agreement of 103851
176	103918	PSiTech Corporation	Empirical Ventures, Inc.	Reject	Non-comparable functions - License to reproduce, perform and distribute images in licensee's site

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
177	104021	Echo Therapeutics, Inc., Medical Technologies Innovation Asia, Ltd.	Medical Technologies Innovation Asia, Ltd., Echo Therapeutics, Inc.	Reject	Non-comparable functions - License to develop and commercialize medical devices
178	104283	Ferris Holding, Inc.	BioAdaptives, Inc.	Reject	Duplicate agreement of 102453
179	104288	Synergistic Holdings, LLC	Accelera Innovations, Inc., Accelerated Acquisitions IV, Inc.	Reject	Related Party
180	104498	Nudge Media Inc., Nudg Media Inc.	Nudg Media Inc., Nudg Media Inc.	Reject	Non-comparable payment terms - Stock based compensation
181	104861	SSWA Software Ltd.	SERATOSA Inc.	Reject	Non-comparable payment terms - Stock based compensation
182	104862	iPIN Debit Network, Inc.	Infantly Available, Inc.	Reject	Non-comparable functions - License to make and sell IP to develop electronic payment processing products
183	105025	MAX SOUND CORPORATION	Akyumen Technologies Corp.	Reject	Non-comparable IP - License to use audio processor source code on devices
184	106554	Mayo Foundation for Medical Education and Research, University of Chicago	AutoGenomics, Inc.	Reject	Duplicate agreement of 81600
185	106555	Mayo Foundation for Medical Education and Research, University of Chicago	AutoGenomics, Inc.	Reject	Duplicate agreement of 81600

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
186	107267	Edward R. Starrs	MyECheck, Inc.	Reject	Non-comparable IP - License to use patent to make, sell and lease the products
187	107337	Edward R. Starrs	MyECheck, Inc.	Reject	Duplicate agreement of 107267
188	107575	Edward R. Starrs	MyECheck, Inc	Reject	Duplicate agreement of 107267
189	107797	Revolutionary Concepts, Inc.	Eyetalk365, LLC	Reject	Non-comparable IP - License to use patents to manufacture audio-video communication systems
190	107798	Revolutionary Concepts, Inc.	Eyetalk365, LLC	Reject	Non-comparable IP - License to use patents to manufacture audio-video communication systems
191	109211	Pinwrest Development Group, LLC	Mark Dodd	Reject	Non-comparable functions - License to make and sell footwear
192	110349	The Regents of the University of California	Nano Engineered Applications, Inc.	Reject	Non-comparable IP - License to use patents for chemical detection methods
193	110354	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	INNOVATION ECONOMY CORPORATION	Reject	Non-comparable IP - License to use methods for treating headaches
194	110383	Edward R. Starrs	MyECheck, Inc.	Reject	Duplicate agreement of 107267

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
195	110407	Michael J. Lurvey	ECO Waste Conversion Solutions Corporation	Reject	Non-comparable IP - License to use patents to develop thermal conversion system
196	110432	Steep Hill Labs, Inc.	Harris Lee, LLC	Reject	Non-comparable IP - License to use know-how related to laboratory procedures to test cannabis products
197	110514	Gravity Co.,Ltd.	Shanghai The Dream Network Technology Co.,Ltd.	Reject	Non-comparable products - License to sale and market online games
198	110699	Graphene Materials Ltd.	Advance Graphene Ltd.	Reject	Non-comparable IP - License to develop, exploit and use Graphene production methods
199	110700	VIP-PATIENT, LLC	NEW GLOBAL MEDICAL, INC. AND NEW GLOBAL ENERGY, INC.	Reject	Non-comparable services - License to provide electronic medical record and billing services
200	110764	PearLoxx Limited	PearTrack Security Systems, Inc.	Reject	Non-comparable products - License to use locking device
201	110774	Edward R. Starrs	MyECheck, Inc.	Reject	Duplicate agreement of 107267
202	110857	Code2Action, Inc., The Peer to Peer Network	The Peer to Peer Network, Code2Action, Inc.	Reject	Non-comparable agreement type - Reseller appointment agreement
203	110921	University of Rochester	Panther Biotechnology Inc.	Reject	Non-comparable IP - License to use patent to develop and manufacture molecule therapeutics

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
204	111176	Z Healthcare Management LP	IMC HOLDINGS, INC.	Reject	Related Party
205	111498	Z Healthcare Management LP	IMC HOLDINGS, INC.	Reject	Duplicate agreement of 11176
206	111589	Z Healthcare Management LP	IMC HOLDINGS, INC.	Reject	Duplicate agreement of 11176
207	111711	Navy Duck, LLC, Ocean Red, LLC, Purple Penguin.com, Inc.	TBC Global News Network, Inc.	Reject	Non-comparable agreement type - Acquisition agreement
208	111886	Apple Inc	Developer	Reject	Non-comparable agreement type - Sales representative appointment agreement
209	111954	Amazon Digital Services, Inc., Amazon Media EU S.a.r.l., Amazon Services International, Inc., Amazon Servicos de Varejo do Brasil Ltda., Amazon.com Int'l Sales, Inc., Amazon Australia Services, Inc.	N/A	Reject	Related Party
210	112165	China Soar Information Technology, Inc.	Zhengzhou Xiangtian Information Technology Company Limited	Reject	Duplicate agreement of 111476
211	112208	Monster Cable Products, Inc.	SDJ Technologies, Inc.	Reject	Non-comparable IP - Trademark licensing agreement

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
212	112782	AMERICA GREENER TECHNOLOGIES, INC., AGT SOFT WAVE, INC.	STINA RESOURCES LTD.	Reject	Non-comparable products - License to distribute copper wires
213	113002	YISSUM RESEARCH DEVELOPMENT COMPANY OF THE HEBREW UNIVERSITY OF JERUSALEM, LTD.	NANO DIMENSION TECHNOLOGIES LTD.	Reject	Non-comparable functions - License to develop, manufacture and sell conductive inks based on nano-silver particles
214	113374	DataSci, LLC	Omnicomm Systems, Inc.	Reject	Non-comparable agreement type - Settlement agreement
215	115375	Gravity Co. Ltd.	Shanghai The Dream Network Technology Co., Ltd.	Reject	Non-comparable services - License to develop, promote and market the Game
216	115379	Gravity Co., Ltd.	Electronics Extreme Ltd.	Reject	Non-comparable products - License to sale and market online games
217	116007	Ubiquity Incorporated	Dash Radio	Reject	Non-comparable functions - License to manufacture stereo/radio units
218	116368	Camposagrado, Inc.	STL Marketing Group, Inc.	Reject	Non-comparable services - License to develop virtual telephone
219	117462	Dolphin Products Limited, Entertainment Gaming Asia Inc.	Gaming Partners International Corporation	Reject	Non-comparable agreement type - Asset purchase agreement
220	117968	La Frontera Community Solutions, Inc.	QOLPOM, Inc	Reject	Non-comparable services - License to develop and use software to provide job search services

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
221	117982	HP Inc.	Life Clips, Inc.	Reject	Non-comparable IP - Trademark licensing agreement
222	118551	Great Parents Academy, LLC	Quadrant 4 System Corporation	Reject	Non-comparable agreement type - Asset purchase agreement
223	119736	Accuray Incorporated	CyberHeart, Inc	Reject	Non-comparable functions - License to develop, make and sell interface technology
224	122861	Black Cactus Holdings LLC	Envoy Group Corp	Reject	Non-comparable payment terms - Stock based compensation
225	148614	LT Game Limited, Fresh Idea Global Limited, Solution Champion Limited	International Game Technology PLC (IGT)	Reject	Non-comparable functions - License to make, use and sell electronic gaming systems
226	193634	InSight Engineering LLC	Optical Flow, LLC	Reject	Non-comparable IP - License to use know-how and technology to develop and manufacture Licensed products
227	194404	Mircod Limited, Orgenesis, Inc	Mircod Limited, Orgenesis, Inc	Reject	Non-comparable agreement type - Collaboration agreement for biological related development activity
228	194606	The BMJ Publishing Group Limited, Epocrates, Inc	Epocrates, Inc, The BMJ Publishing Group Limited	Reject	Non-comparable IP - License to use contents for health professionals
229	200850	Saleen Automotive Inc.	Molexiel, Inc.	Reject	Non-comparable functions - License to manufacture tools and equipment

#	Agreement ID	Licensor	Licensee	Accept/Reject	Reason
230	210254	ASML Holding N.V., Nikon Corporation, Carl Zeiss SMT GmbH, Carl Zeiss AG	ASML Holding N.V., Nikon Corporation, Carl Zeiss SMT GmbH, Carl Zeiss AG	Reject	Non-comparable functions - License to make, use and sell lithography equipment and components
231	210865	FRELII INC., GENECOR AI INC.	GENECOR AI INC., FRELII INC.	Reject	Non-comparable agreement type - Sales representative appointment agreement

2. Comparable Agreement Description

#	Agreement ID	Licensor	Licensee	Effective Date	Detailed Agreement Description
1	22292	iCollector Technologies Ltd., Ableauctions.com Inc., ABC Live Auction World Ltd., National Auctioneers Association	ABC Live Auction World Ltd., iCollector Technologies Ltd., Ableauctions.com Inc., National Auctioneers Association	05/15/2009	Licensor hereby grants to Licensee a non-exclusive sublicense (the "Sublicense") for the term hereinafter provided, only to: (a) use and make Enhancements to the Licensed Assets, and implement and utilize Licensed Assets and Enhancements directly in the production and supply of Licensee's Products and Services; and (b) utilize the Licensed Assets to operate the Licensor Business. "Enhancements" means any improvements, changes, modifications, derivatives from or variations or additions to any of the Licensed Assets. "Licensed Assets" means all

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					tangible and intangible property of the Company used as of the Effective Date by iCollector in the operation of iCollector's Business and includes, but is not limited to, the Company's Internet live auctions bidding technology and its source code and variants; the iCollector.com website and related software, data and plugins; software, data and plugins owned by the Company and relating to the NAALive.com website; all the tools, processes and methodology of processing and conducting Internet live and silent auctions online and all domain names, technology and Intellectual Property related to broadcasting Intern et live and silent auctions online; all computers and servers used in those operations; all the graphics, photographs, marketing materials, tradeshow booth materials, sales processes, client lists and agreements relating to the , as well as all the software licenses, intellectual property and business processes associated with conducting the day-to-day operations of iCollector and NAALive, not including the NAALive.com domain itself.
2	22594	VyseTECH Asia Sdn Bhd	Trevenex Resources, Inc.	03/15/2010	GRANTOR hereby grants to GRANTEE the exclusive marketing rights for the Products (VoIP products, services and mobile VoIP software, including supplementary products or any successor products and all technology required to commercially sell or market VoIP products and services) and related

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					VoIP services for the purpose of selling products and related VoIP services on an exclusive basis in Canada, the United States and Mexico effective March 15, 2010 for a period of five years.
3	25598	Global 1 Enterprises, Inc., C$ cMoney, Inc., Soprano Design Pty Ltd	Soprano Design Pty Ltd, Global 1 Enterprises, Inc., C$ cMoney, Inc.	04/19/2010	Licensor hereby grants to Licensee an exclusive, royalty-bearing, non-transferable, sublicense under the Intellectual Property to use the Technology (mobile payment technologies), as necessary, to exploit the Product (mobile payment application), within the Territory (Australia).
4	28415	GlobeX Data S.A.	Globalpaynet Holdings Inc.	08/23/2010	The agreement pertains to the grant of an irrevocable, exclusive, non-transferable license to licensee to use and make copies of the software (Securus® (electronic data management tool) and EHRmedi® (electronic health records management tool) suites of web-based applications) in the United States.
5	32230	NR Consulting Services, YearBook Alive Software, RN CONSULTING SERVICES	Net Profits Ten Inc.	03/1/2008	Licensor is hereby granted an exclusive, non-transferable, limited license to use, market, sell and distribute the Technology in the Software throughout the world for use in Software marketed and/or sold to the Military. The “Military” shall mean: (a) military personnel, servicepersons, persons in the military reserves, persons in training for a career in and/or service in the military (including cadets and the ROTC) (“Military Personnel”); (b) military organizations (whether

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					located in the United States or throughout the world, and whether the military of the United States or any foreign jurisdiction); (c) organizations with functions similar to the military such as the coast guard, national guard or foreign legion; and (d) current, former or retired Military Personnel.
6	32238	Engineering Consulting and Solutions, GMBH	Sebring Software, LLC	11/30/2010	The Licensor hereby grants to the Licensee the non-exclusive right and license in the Territory (North America, including the islands of Hawaii, South America and the Caribbean Islands) to commercialize and distribute to end users, create adaptors and integrators based on the Licensor's Technology programming interfaces, suggests and cooperate on improvements, use and exploit the Technology (computer software and graphic designs embracing a flexible user interface for internet applications); to practice the processes embodied therein; and to use and create adaptors and integrators as described before for customer project demands. a. The Licensor hereby grants to the Licensee the non-exclusive right to grant non-exclusive sublicenses to end users on such terms as are consistent with the provisions of this Agreement and which are otherwise acceptable to the Licensor. b. The non-exclusive rights and license herein granted shall include

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					upcoming new versions of the Technology and new releases.
7	52334	GlobeX Data S.A.	Globalpaynet Holdings Inc.	02/24/2011	The agreement pertains to the grant of an irrevocable, exclusive, non-transferable license to licensee to use and make copies of the software (Securus® (electronic data management tool) and EHRmedi® (electronic health records management tool) suites of web-based applications) in the United States and Canada.
8	79620	MOTIONNOTES, LLC	EASTERN WORLD SOLUTIONS, INC.	03/27/2012	The agreement pertains to the grant of license to market and distribute licensed products ("MotionNotes" messaging platform and related software) to the licensee worldwide except for hotel and travel industry. The agreement also includes right to sublicense.
9	80968	PRIVATE TRADING SYSTEMS PLC	PREVENTIA INC.	06/30/2012	The LICENSOR hereby grants to the LICENSEE a personal, non-transferable, exclusive license (the "License"), throughout the universe and for the duration of the Term, to use, sub-license, enforce and otherwise exploit the System (trading system) and all intellectual property incorporated therein and related thereto (collectively, the “System IP”).
10	99116	Tarsin Inc.	Consorteum Holdings, Inc.	10/10/2012	Licensor grants Licensee a regional, exclusive, 3 year, royalty bearing license under Licensor’s intellectual property rights to use, demonstrate, market, offer for sale, sell, license, and/or otherwise distribute the Software Platform

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					(CAPSA) in Canada and Mexico. "CAPSA" - It is a thin client mobile application platform for the development and deployment of application and content-based mobile solutions. It simplifies the task of developing and deploying applications that work on a broad range of mobile handsets and different operating systems. It includes other related software used in the development of the mobile marketing services application.
11	101988	Social Media Broadcasts (SMB) Limited	Media Analytics Corporation	09/11/2013	The agreement pertains to the grant of right to sell and market analytic dashboard in Canada, US and UK (including the Republic of Ireland).
12	110802	eCommerce Technologies Inc.	Cyber Apps World Inc.	05/28/2015	Licensor grants to the Licensee a non-exclusive right and license to market, use or sell, the Licensed Technology (instant coupons app platform) related to ecommerce and Improvements incorporated into the Licensed Technology worldwide. The Licensee is entitled to the License for use worldwide under sub-licenses, sub-contracts or joint ventures as relates to any part of the Licenses to any third party, provided always that the Licensee remains responsible to the Licensor for each and every obligation of the Licensee pursuant to this Agreement.
13	111476	China Soar Information Technology, Inc.	Zhengzhou Xiangtian Information Technology Company Limited	08/24/2015	The agreement pertains to grant of exclusive right to use demonstrate, market, offer for sale, sell, license, and/or otherwise distribute the

#	Agreement ID	Licensor	Licensee	Effective Date	Detailed Agreement Description
					Software Platform in China and Hong Kong. The software platform includes: •Mobile website-for corporate website, including contents management, and design interface. •Cloud setup and configuration •Mobile client application (APP) development •Content management and design interface •Drag and Drop design interface •Internet website-content management and design interface. •Business Mobile integrated information system, (customized)-develops comprehensive mobile system with Attendance, ERP, CRM functions with highly flexible design features to meet majority SME's information technology demands. The agreement shall commence on 24-Aug-2015 for three years.
14	112562	Weyland Tech Inc.	Info Zone Development Limited		Licensor grants Licensee a ten (10) year Sole and Exclusive License, with a five (5) year option to deploy, utilize, market and sell the Technology (CreateApp platform) in Hong Kong and the People's Republic of China. Licensor owns and/or has rights to certain computer software programs, known collectively as the CreateApp Platform
15	122288	STURMONICS LLC	SUPER ELECTRICAL CORP	11/23/2015	The agreement pertains to the grant of an exclusive, worldwide, right and license to make, have made, use and sell cloud based software

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					applications. (Pg. 2) Modification right is not included in the agreement The agreement also involves right to sublicense.

E. Tested Party Financial Data

1. Distribution of Tangible Goods

Fiscal Year End	2024
USD	
INCOME STATEMENT	
Net Sales	314,264,370
COGS	293,761,641
Gross Profit	20,502,728
Operating Expenses	13,487,645
Operating Profit	7,015,083
FINANCIAL RATIO	
Operating Margin	**2.23%**

2. Licensing of IP

Tested Party	FY 2024
Intercompany Royalty Expense	12,423,234
Effective Royalty Rate	30%