2018Q2 Consolidated Financial Report

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| --- | --- | --- | --- | --- |
| Unit: NT$ thousand |  |  |  |  |
| **Accounting Title** | **2018/6/30** | **2017/12/31** | **2017/6/30** | **2017/1/1** |
| **Balance Sheet** | | | | |
| Assets |  |  |  |  |
| Current assets |  |  |  |  |
| Cash and cash equivalents | 11,829 | 29,673 | 24,749 | 44,024 |
| Notes receivable, net | 2,946 | 5,358 | 2,709 | 2,571 |
| Accounts receivable, net | 45,391 | 32,218 | 43,101 | 37,817 |
| Accounts receivable due from related parties, net | 29,810 | 26,352 | 24,752 | 11,254 |
| Current inventories | 123,652 | 115,783 | 78,147 | 79,321 |
| Other current assets | 16,584 | 9,580 | 8,227 | 8,099 |
| Total current assets | 230,212 | 218,964 | 181,685 | 183,086 |
| Non-current assets |  |  |  |  |
| Non-current financial assets at fair value through other comprehensive income | 122,523 | 0 | 0 | 0 |
| Non-current financial assets at cost | 0 | 75,703 | 75,703 | 75,703 |
| Property, plant and equipment | 216,161 | 234,286 | 257,562 | 260,455 |
| Deferred tax assets | 18,430 | 15,666 | 15,663 | 15,663 |
| Other non-current assets | 10,150 | 6,518 | 6,726 | 18,662 |
| Total non-current assets | 367,264 | 332,173 | 355,654 | 370,483 |
| Total assets | 597,476 | 551,137 | 537,339 | 553,569 |
| Liabilities and equity |  |  |  |  |
| Liabilities |  |  |  |  |
| Current liabilities |  |  |  |  |
| Current borrowings | 60,000 | 60,000 | 40,000 | 40,000 |
| Notes payable | 0 | 0 | 0 | 137 |
| Accounts payable | 20,927 | 12,706 | 19,457 | 14,219 |
| Other payables | 33,156 | 30,369 | 30,154 | 23,014 |
| Other current liabilities | 478 | 573 | 495 | 2,639 |
| Total current liabilities | 114,561 | 103,648 | 90,106 | 80,009 |
| Non-current liabilities |  |  |  |  |
| Deferred tax liabilities | 9,814 | 716 | 760 | 760 |
| Other non-current liabilities | 17,242 | 17,580 | 18,414 | 19,146 |
| Total non-current liabilities | 27,056 | 18,296 | 19,174 | 19,906 |
| Total liabilities | 141,617 | 121,944 | 109,280 | 99,915 |
| Equity |  |  |  |  |
| Equity attributable to owners of parent |  |  |  |  |
| Share capital |  |  |  |  |
| Ordinary share | 423,735 | 423,735 | 423,735 | 423,735 |
| Total capital stock | 423,735 | 423,735 | 423,735 | 423,735 |
| Capital surplus |  |  |  |  |
| Capital surplus, additional paid-in capital | 29,841 | 29,841 | 29,841 | 96,583 |
| Capital surplus, others | 78 | 78 | 78 | 78 |
| Total capital surplus | 29,919 | 29,919 | 29,919 | 96,661 |
| Retained earnings |  |  |  |  |
| Unappropriated retained earnings (accumulated deficit) | -35,555 | -24,461 | -25,595 | -66,742 |
| Total retained earnings | -35,555 | -24,461 | -25,595 | -66,742 |
| Other equity interest |  |  |  |  |
| Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income | 37,760 | 0 | 0 | 0 |
| Total other equity interest | 37,760 | 0 | 0 | 0 |
| Total equity attributable to owners of parent | 455,859 | 429,193 | 428,059 | 453,654 |
| Total equity | 455,859 | 429,193 | 428,059 | 453,654 |
| Total liabilities and equity | 597,476 | 551,137 | 537,339 | 553,569 |
| Number of share capital awaiting retirement | 0 | 0 | 0 | 0 |
| Equivalent issue shares of advance receipts for ordinary share | 0 | 0 | 0 | 0 |
| Number of shares in entity held by entity and by its subsidiaries | 0 | 0 | 0 | 0 |

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| --- | --- | --- | --- | --- |
| **Accounting Title** | **2018/2nd** | **2017/2nd** | **2018/01/01 To2018/06/30** | **2017/01/01 To2017/06/30** |
| **Statement of comprehensive income** | | | | |
| Operating revenue |  |  |  |  |
| Total operating revenue | 78,508 | 79,436 | 149,392 | 152,338 |
| Operating costs |  |  |  |  |
| Total operating costs | 67,171 | 70,352 | 125,431 | 133,901 |
| Gross profit (loss) from operations | 11,337 | 9,084 | 23,961 | 18,437 |
| Gross profit (loss) from operations | 11,337 | 9,084 | 23,961 | 18,437 |
| Operating expenses |  |  |  |  |
| Selling expenses | 4,201 | 5,490 | 7,003 | 9,350 |
| Administrative expenses | 10,276 | 10,762 | 19,356 | 19,502 |
| Research and development expenses | 6,072 | 5,922 | 12,651 | 11,689 |
| Total operating expenses | 20,549 | 22,174 | 39,010 | 40,541 |
| Net operating income (loss) | -9,212 | -13,090 | -15,049 | -22,104 |
| Non-operating income and expenses |  |  |  |  |
| Other income |  |  |  |  |
| Total other income | 549 | 173 | 723 | 233 |
| Other gains and losses |  |  |  |  |
| Other gains and losses, net | 2,723 | 363 | 888 | -3,442 |
| Finance costs |  |  |  |  |
| Finance costs, net | 203 | 130 | 382 | 282 |
| Total non-operating income and expenses | 3,069 | 406 | 1,229 | -3,491 |
| Profit (loss) from continuing operations before tax | -6,143 | -12,684 | -13,820 | -25,595 |
| Tax expense (income) |  |  |  |  |
| Total tax expense (income) | 0 | 0 | -1,760 | 0 |
| Profit (loss) from continuing operations | -6,143 | -12,684 | -12,060 | -25,595 |
| Profit (loss) | -6,143 | -12,684 | -12,060 | -25,595 |
| Other comprehensive income |  |  |  |  |
| Components of other comprehensive income that will not be reclassified to profit or loss |  |  |  |  |
| Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | -8,428 | 0 | -8,664 | 0 |
| Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | -1,436 | 0 | -2,261 | 0 |
| Components of other comprehensive income that will not be reclassified to profit or loss | -6,992 | 0 | -6,403 | 0 |
| Total other comprehensive income | -6,992 | 0 | -6,403 | 0 |
| Total comprehensive income | -13,135 | -12,684 | -18,463 | -25,595 |
| Profit (loss), attributable to: |  |  |  |  |
| Profit (loss), attributable to owners of parent | -6,143 | -12,684 | -12,060 | -25,595 |
| Comprehensive income attributable to: |  |  |  |  |
| Comprehensive income, attributable to owners of parent | -13,135 | -12,684 | -18,463 | -25,595 |
| Basic earnings per share |  |  |  |  |
| Basic earnings (loss) per share from continuing operations | -0.14 | -0.3 | -0.28 | -0.6 |
| Total basic earnings per share | -0.14 | -0.3 | -0.28 | -0.6 |

|  |  |  |
| --- | --- | --- |
| **Accounting Title** | **2018/01/01 To2018/06/30** | **2017/01/01 To2017/06/30** |
| **Statement of cash flows** | | |
| Cash flows from (used in) operating activities, indirect method |  |  |
| Profit (loss) from continuing operations before tax | -13,820 | -25,595 |
| Profit (loss) before tax | -13,820 | -25,595 |
| Adjustments |  |  |
| Adjustments to reconcile profit (loss) |  |  |
| Depreciation expense | 26,138 | 28,534 |
| Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense | 0 | 25 |
| Interest expense | 382 | 282 |
| Interest income | -17 | -19 |
| Loss (gain) on disposal of property, plan and equipment | 0 | 49 |
| Total adjustments to reconcile profit (loss) | 26,503 | 28,871 |
| Changes in operating assets and liabilities |  |  |
| Changes in operating assets |  |  |
| Decrease (increase) in notes receivable | 2,412 | -141 |
| Decrease (increase) in accounts receivable | -13,173 | -5,279 |
| Decrease (increase) in accounts receivable due from related parties | -3,458 | -13,525 |
| Adjustments for decrease (increase) in inventories | -7,869 | 1,174 |
| Adjustments for decrease (increase) in other current assets | -7,004 | -128 |
| Total changes in operating assets | -29,092 | -17,899 |
| Changes in operating liabilities |  |  |
| Increase (decrease) in notes payable | 0 | -137 |
| Increase (decrease) in accounts payable | 8,221 | 5,238 |
| Increase (decrease) in other payable | -399 | 5,216 |
| Adjustments for increase (decrease) in other current liabilities | -95 | -2,144 |
| Increase (decrease) in other operating liabilities | -338 | -732 |
| Total changes in operating liabilities | 7,389 | 7,441 |
| Total changes in operating assets and liabilities | -21,703 | -10,458 |
| Total adjustments | 4,800 | 18,413 |
| Cash inflow (outflow) generated from operations | -9,020 | -7,182 |
| Interest received | 17 | 19 |
| Interest paid | -382 | -282 |
| Net cash flows from (used in) operating activities | -9,385 | -7,445 |
| Cash flows from (used in) investing activities |  |  |
| Acquisition of property, plant and equipment | -3,077 | -9,516 |
| Decrease in refundable deposits | 0 | 0 |
| Acquisition of intangible assets | -4,000 | 0 |
| Decrease in other non-current assets | -1,382 | 319 |
| Increase in prepayments for business facilities | 0 | -2,633 |
| Net cash flows from (used in) investing activities | -8,459 | -11,830 |
| Net increase (decrease) in cash and cash equivalents | -17,844 | -19,275 |
| Cash and cash equivalents at beginning of period | 29,673 | 44,024 |
| Cash and cash equivalents at end of period | 11,829 | 24,749 |
| Cash and cash equivalents reported in the statement of financial position | 11,829 | 24,749 |

**2018/06/30　Statement of Stockholders' Equity**

Unit: NT$ thousand

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Ordinary share** | **Total share  capital** | **Capital surplus** | **Unappropriated retained earnings (accumulated deficit)** | **Total retained earnings** | **Unrealised gains (losses)  on financial assets measured at fair value through other comprehensive income** | **Total other  equity interest** | **Total equity  attributable to owners of parent** | **Total equity** |
| Equity | 423,735 | 423,735 | 29,919 | -24,461 | -24,461 | 0 | 0 | 429,193 | 429,193 |
| Effects of retrospective application and retrospective restatement | 0 | 0 | 0 | 0 | 0 | 45,129 | 45,129 | 45,129 | 45,129 |
| Equity at beginning of period after adjustments | 423,735 | 423,735 | 29,919 | -24,461 | -24,461 | 45,129 | 45,129 | 474,322 | 474,322 |
| Profit (loss) | 0 | 0 | 0 | -12,060 | -12,060 | 0 | 0 | -12,060 | -12,060 |
| Other comprehensive income | 0 | 0 | 0 | 966 | 966 | -7,369 | -7,369 | -6,403 | -6,403 |
| Total comprehensive income | 0 | 0 | 0 | -11,094 | -11,094 | -7,369 | -7,369 | -18,463 | -18,463 |
| Increase (decrease) in equity | 0 | 0 | 0 | -11,094 | -11,094 | -7,369 | -7,369 | -18,463 | -18,463 |
| Equity | 423,735 | 423,735 | 29,919 | -35,555 | -35,555 | 37,760 | 37,760 | 455,859 | 455,859 |

**2017/06/30　Statement of Stockholders' Equity**

Unit: NT$ thousand

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Ordinary share** | **Total share  capital** | **Capital surplus** | **Unappropriated  retained earnings (accumulated deficit)** | **Total retained  earnings** | **Unrealised gains (losses)  on financial assets measured at fair value through other comprehensive income** | **Total other  equity interest** | **Total equity  attributable to owners of parent** | **Total equity** |
| Equity | 423,735 | 423,735 | 96,661 | -66,742 | -66,742 | 0 | 0 | 453,654 | 453,654 |
| Capital surplus used to offset accumulated deficits | 0 | 0 | -66,742 | 66,742 | 66,742 | 0 | 0 | 0 | 0 |
| Profit (loss) | 0 | 0 | 0 | -25,595 | -25,595 | 0 | 0 | -25,595 | -25,595 |
| Total comprehensive income | 0 | 0 | 0 | -25,595 | -25,595 | 0 | 0 | -25,595 | -25,595 |
| Increase (decrease) in equity | 0 | 0 | -66,742 | 41,147 | 41,147 | 0 | 0 | -25,595 | -25,595 |
| Equity | 423,735 | 423,735 | 29,919 | -25,595 | -25,595 | 0 | 0 | 428,059 | 428,059 |