2018Q3 Consolidated Financial Report

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Unit: NT$ thousand |  |  | |  | |  | |
| **Accounting Title** | **2018/9/30** | | **2017/12/31** | | **2017/9/30** | | **2017/1/1** | |
| Assets |  | |  | |  | |  | |
| Current assets |  | |  | |  | |  | |
| Cash and cash equivalents | 15,863 | | 29,673 | | 19,941 | | 44,024 | |
| Notes receivable, net | 2,919 | | 5,358 | | 3,770 | | 2,571 | |
| Accounts receivable, net | 54,421 | | 32,218 | | 54,358 | | 37,817 | |
| Accounts receivable due from related parties, net | 31,321 | | 26,352 | | 27,079 | | 11,254 | |
| Current inventories | 136,035 | | 115,783 | | 91,291 | | 79,321 | |
| Other current assets | 20,480 | | 9,580 | | 9,354 | | 8,099 | |
| Total current assets | 261,039 | | 218,964 | | 205,793 | | 183,086 | |
| Non-current assets |  | |  | |  | |  | |
| Non-current financial assets at fair value through other comprehensive income | 120,133 | | 0 | | 0 | | 0 | |
| Non-current financial assets at cost | 0 | | 75,703 | | 75,703 | | 75,703 | |
| Property, plant and equipment | 204,395 | | 234,286 | | 245,177 | | 260,455 | |
| Deferred tax assets | 18,430 | | 15,666 | | 15,663 | | 15,663 | |
| Other non-current assets | 15,112 | | 6,518 | | 7,569 | | 18,662 | |
| Total non-current assets | 358,070 | | 332,173 | | 344,112 | | 370,483 | |
| Total assets | 619,109 | | 551,137 | | 549,905 | | 553,569 | |
| Liabilities and equity |  | |  | |  | |  | |
| Liabilities |  | |  | |  | |  | |
| Current liabilities |  | |  | |  | |  | |
| Current borrowings | 75,000 | | 60,000 | | 60,000 | | 40,000 | |
| Notes payable | 17 | | 0 | | 0 | | 137 | |
| Accounts payable | 37,258 | | 12,706 | | 15,499 | | 14,219 | |
| Other payables | 28,999 | | 30,369 | | 29,742 | | 23,014 | |
| Other current liabilities | 1,239 | | 573 | | 541 | | 2,639 | |
| Total current liabilities | 142,513 | | 103,648 | | 105,782 | | 80,009 | |
| Non-current liabilities |  | |  | |  | |  | |
| Deferred tax liabilities | 10,006 | | 716 | | 760 | | 760 | |
| Other non-current liabilities | 17,059 | | 17,580 | | 18,302 | | 19,146 | |
| Total non-current liabilities | 27,065 | | 18,296 | | 19,062 | | 19,906 | |
| Total liabilities | 169,578 | | 121,944 | | 124,844 | | 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) | -39,301 | | -24,461 | | -28,593 | | -66,416 | |
| Total retained earnings | -39,301 | | -24,461 | | -28,593 | | -66,416 | |
| Other equity interest |  | |  | |  | |  | |
| Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income | 35,178 | | 0 | | 0 | | -326 | |
| Total other equity interest | 35,178 | | 0 | | 0 | | -326 | |
| Total equity attributable to owners of parent | 449,531 | | 429,193 | | 425,061 | | 453,654 | |
| Total equity | 449,531 | | 429,193 | | 425,061 | | 453,654 | |
| Total liabilities and equity | 619,109 | | 551,137 | | 549,905 | | 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 | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Accounting Title** | **2018/3rd** | **2017/3rd** | **2018/01/01 To2018/09/30** | **2017/01/01 To2017/09/30** |
| **Statement of comprehensive income** | | | | |
| Operating revenue |  |  |  |  |
| Total operating revenue | 92,847 | 80,373 | 242,239 | 232,711 |
| Operating costs |  |  |  |  |
| Total operating costs | 78,721 | 64,310 | 204,152 | 198,211 |
| Gross profit (loss) from operations | 14,126 | 16,063 | 38,087 | 34,500 |
| Gross profit (loss) from operations | 14,126 | 16,063 | 38,087 | 34,500 |
| Operating expenses |  |  |  |  |
| Selling expenses | 3,317 | 3,936 | 10,320 | 13,286 |
| Administrative expenses | 10,215 | 9,221 | 29,571 | 28,723 |
| Research and development expenses | 6,804 | 5,758 | 19,455 | 17,447 |
| Total operating expenses | 20,336 | 18,915 | 59,346 | 59,456 |
| Net operating income (loss) | -6,210 | -2,852 | -21,259 | -24,956 |
| Non-operating income and expenses |  |  |  |  |
| Other income |  |  |  |  |
| Total other income | 2,609 | 32 | 3,332 | 265 |
| Other gains and losses |  |  |  |  |
| Other gains and losses, net | 91 | -18 | 979 | -3,460 |
| Finance costs |  |  |  |  |
| Finance costs, net | 236 | 160 | 618 | 442 |
| Total non-operating income and expenses | 2,464 | -146 | 3,693 | -3,637 |
| Profit (loss) from continuing operations before tax | -3,746 | -2,998 | -17,566 | -28,593 |
| Tax expense (income) |  |  |  |  |
| Total tax expense (income) | 0 | 0 | -1,760 | 0 |
| Profit (loss) from continuing operations | -3,746 | -2,998 | -15,806 | -28,593 |
| Profit (loss) | -3,746 | -2,998 | -15,806 | -28,593 |
| 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 | -2,390 | 0 | -11,054 | 0 |
| Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | 192 | 0 | -2,069 | 0 |
| Components of other comprehensive income that will not be reclassified to profit or loss | -2,582 | 0 | -8,985 | 0 |
| Other comprehensive income, net | -2,582 | 0 | -8,985 | 0 |
| Total comprehensive income | -6,328 | -2,998 | -24,791 | -28,593 |
| Profit (loss), attributable to: |  |  |  |  |
| Profit (loss), attributable to owners of parent | -3,746 | -2,998 | -15,806 | -28,593 |
| Comprehensive income attributable to: |  |  |  |  |
| Comprehensive income, attributable to owners of parent | -6,328 | -2,998 | -24,791 | -28,593 |
| Basic earnings per share |  |  |  |  |
| Basic earnings (loss) per share from continuing operations | -0.09 | -0.07 | -0.37 | -0.67 |
| Total basic earnings per share | -0.09 | -0.07 | -0.37 | -0.67 |
| Cash flows from (used in) operating activities, indirect method |  |  |  |  |
| Profit (loss) from continuing operations before tax | -17,566 | -28,593 |  |  |
| Profit (loss) before tax | -17,566 | -28,593 |  |  |
| Adjustments |  |  |  |  |
| Adjustments to reconcile profit (loss) |  |  |  |  |
| Depreciation expense | 38,305 | 42,635 |  |  |
| Amortization expense | 200 | 0 |  |  |
| Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense | -181 | 68 |  |  |
| Interest expense | 618 | 442 |  |  |
| Interest income | -17 | -19 |  |  |
| Loss (gain) on disposal of property, plan and equipment | 0 | 49 |  |  |
| Total adjustments to reconcile profit (loss) | 38,925 | 43,175 |  |  |
| Changes in operating assets and liabilities |  |  |  |  |
| Changes in operating assets |  |  |  |  |
| Decrease (increase) in notes receivable | 2,493 | -1,212 |  |  |
| Decrease (increase) in accounts receivable | -22,130 | -16,565 |  |  |
| Decrease (increase) in accounts receivable due from related parties | -4,915 | -15,856 |  |  |
| Decrease (increase) in inventories | -20,252 | -11,970 |  |  |
| Decrease (increase) in other current assets | -10,900 | -1,255 |  |  |
| Total changes in operating assets | -55,704 | -46,858 |  |  |
| Changes in operating liabilities |  |  |  |  |
| Increase (decrease) in notes payable | 17 | -137 |  |  |
| Increase (decrease) in accounts payable | 24,552 | 1,280 |  |  |
| Increase (decrease) in other payable | -4,102 | 6,039 |  |  |
| Increase (decrease) in other current liabilities | 666 | -2,098 |  |  |
| Increase (decrease) in other operating liabilities | -521 | -844 |  |  |
| Total changes in operating liabilities | 20,612 | 4,240 |  |  |
| Total changes in operating assets and liabilities | -35,092 | -42,618 |  |  |
| Total adjustments | 3,833 | 557 |  |  |
| Cash inflow (outflow) generated from operations | -13,733 | -28,036 |  |  |
| Interest received | 17 | 19 |  |  |
| Interest paid | -618 | -442 |  |  |
| Net cash flows from (used in) operating activities | -14,334 | -28,459 |  |  |
| Cash flows from (used in) investing activities |  |  |  |  |
| Acquisition of property, plant and equipment | -3,932 | -12,467 |  |  |
| Increase in refundable deposits | 0 | 0 |  |  |
| Acquisition of intangible assets | -4,000 | 0 |  |  |
| Increase in other non-current assets | -1,096 | 20 |  |  |
| Increase in prepayments for business facilities | -5,448 | -3,177 |  |  |
| Net cash flows from (used in) investing activities | -14,476 | -15,624 |  |  |
| Cash flows from (used in) financing activities |  |  |  |  |
| Increase in short-term loans | 15,000 | 20,000 |  |  |
| Net cash flows from (used in) financing activities | 15,000 | 20,000 |  |  |
| Net increase (decrease) in cash and cash equivalents | -13,810 | -24,083 |  |  |
| Cash and cash equivalents at beginning of period | 29,673 | 44,024 |  |  |
| Cash and cash equivalents at end of period | 15,863 | 19,941 |  |  |
| Cash and cash equivalents reported in the statement of financial position | 15,863 | 19,941 |  |  |

**2018/09/30　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 | -15,806 | -15,806 | 0 | 0 | -15,806 | -15,806 |
| Other comprehensive income | 0 | 0 | 0 | 966 | 966 | -9,951 | -9,951 | -8,985 | -8,985 |
| Total comprehensive income | 0 | 0 | 0 | -14,840 | -14,840 | -9,951 | -9,951 | -24,791 | -24,791 |
| Increase (decrease) in equity | 0 | 0 | 0 | -14,840 | -14,840 | -9,951 | -9,951 | -24,791 | -24,791 |
| Equity | 423,735 | 423,735 | 29,919 | -39,301 | -39,301 | 35,178 | 35,178 | 449,531 | 449,531 |

**2017/09/30　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 | -28,593 | -28,593 | 0 | 0 | -28,593 | -28,593 |
| Total comprehensive income | 0 | 0 | 0 | -28,593 | -28,593 | 0 | 0 | -28,593 | -28,593 |
| Increase (decrease) in equity | 0 | 0 | -66,742 | 38,149 | 38,149 | 0 | 0 | -28,593 | -28,593 |
| Equity | 423,735 | 423,735 | 29,919 | -28,593 | -28,593 | 0 | 0 | 425,061 | 425,061 |