

# 6148 AZION CORPORATION

## 2020Q4 Consolidated Financial Report

Unit: NT\$ thousands

Balance Sheet			
Code	Accounting Title	2020/12/31	2019/12/31
	Assets		
	Current assets		
1100	Cash and cash equivalents	289,188	253,238
1110	Current financial assets at fair value through profit or loss	0	9,935
1120	Current financial assets at fair value through other comprehensive income	0	0
1136	Current financial assets at amortised cost	65,658	76,082
1140	Current contract assets	0	0
1150	Notes receivable, net	324	3,012
1160	Notes receivable due from related parties, net	0	0
1170	Accounts receivable, net	52,399	85,221
1172	Accounts receivable	52,399	85,221
1175	Lease payments receivable	0	0
1180	Accounts receivable due from related parties, net	1,067	905
1181	Accounts receivable due from related parties	1,067	905
1190	Construction contracts receivable	0	0
1195	Construction contracts receivable due from related parties	0	0
1197	Finance lease receivable, net	143,203	126,253
1200	Other receivables	720	724
1201	Tax refund receivable	0	0
1206	Other non-operating receivables, others	0	0
1210	Other receivables due from related parties	63	166
1220	Current tax assets	0	102
130X	Current inventories	66,730	115,055
1300	Inventories, merchandising business	66,730	115,055
1301	Merchandise inventory	66,730	115,055
1400	Current biological assets	0	0
1410	Prepayments	25,067	17,768
1450	Non-current assets or disposal groups classified as held for distribution to owners	0	0
1460	Non-current assets or disposal groups classified as held for sale, net	0	0
1470	Other current assets	1,018	5,975
1476	Other current financial assets	0	0
1479	Other current assets, others	1,018	5,975
11XX	Total current assets	645,437	694,436
	Non-current assets		
1510	Non-current financial assets at fair value through profit or loss	16,598	16,694
1550	Investments accounted for using equity method	0	0
1600	Property, plant and equipment	2,182	1,390
1615	Machinery and equipment, net	0	0
1616	Machinery and equipment, cost	0	0
1618	Accumulated depreciation, machinery and equipment	(0)	(0)
1619	Accumulated impairment, machinery and equipment	(0)	(0)
1655	Computer and telecommunication equipment, net	1,797	867
1656	Computer and telecommunication equipment, cost	9,709	8,139
1658	Accumulated depreciation, computer and telecommunication equipment	(7,912)	(7,272)

1659	Accumulated impairment, computer and telecommunication equipment	(0)	(0)
1660	Testing equipment, net	133	331
1661	Testing equipment, cost	4,604	4,604
1663	Accumulated depreciation, testing equipment	(4,471)	(4,273)
1664	Accumulated impairment, testing equipment	(0)	(0)
1670	Transportation equipment, net	0	0
1671	Transportation equipment, cost	0	0
1673	Accumulated depreciation, transportation equipment	(0)	(0)
1674	Accumulated impairment, transportation equipment	(0)	(0)
1690	Office equipment, net	74	0
1691	Office equipment, cost	417	319
1693	Accumulated depreciation, office equipment	(343)	(319)
1694	Accumulated impairment, office equipment	(0)	(0)
1730	Leasehold improvements, net	0	0
1731	Leasehold improvements, cost	0	0
1733	Accumulated depreciation, leasehold improvements	(0)	(0)
1735	Other facilities, net	178	192
1736	Other facilities, cost	18,201	18,288
1738	Accumulated depreciation, other facilities	(18,023)	(18,096)
1739	Accumulated impairment, other facilities	(0)	(0)
1750	Natural resources, net	0	0
1755	Right-of-use assets	22,883	28,634
1760	Investment property, net	0	0
1780	Intangible assets	654	1,168
1805	Goodwill	0	0
1821	Other intangible assets, net	654	1,168
1830	Non-current biological assets	0	0
1840	Deferred tax assets	8,092	5,952
1900	Other non-current assets	300,239	224,391
1915	Prepayments for business facilities	0	0
1920	Guarantee deposits paid	29,542	39,695
1930	Long-term notes and accounts receivable	0	0
1935	Long-term lease payments receivable	0	0
194D	Long-term finance lease receivable, net	265,426	179,525
1975	Net defined benefit asset, non-current	5,271	5,171
1980	Other non-current financial assets	0	0
1985	Long-term Lease Prepayments	0	0
1990	Other non-current assets, others	0	0
15XX	Total non-current assets	350,648	278,229
1XXX	Total assets	996,085	972,665
	Liabilities and equity		
	Liabilities		
	Current liabilities		
2100	Current borrowings	13,573	87,071
2130	Current contract liabilities	41,077	35,399
2150	Notes payable	489	21,567
2170	Accounts payable	28,767	28,639
2180	Accounts payable to related parties	6,775	3,286
2190	Construction contracts payable	0	0

2200	Other payables	64,715	46,257
2219	Other payables, others	64,715	46,257
2220	Other payables to related parties	386	650
2230	Current tax liabilities	9,443	2,078
2250	Current provisions	57,603	43,188
2265	Progress billings	0	0
2280	Current lease liabilities	8,900	8,864
2300	Other current liabilities	88,085	75,164
2320	Long-term liabilities, current portion	87,385	74,521
2355	Current lease obligations payable	0	0
2399	Other current liabilities, others	700	643
21XX	Total current liabilities	319,813	352,163
	Non-current liabilities		
2500	Non-current financial liabilities at fair value through profit or loss	0	0
2520	Non-current financial liabilities at amortised cost	0	0
2530	Bonds payable	0	0
2540	Non-current portion of non-current borrowings	135,320	88,264
2550	Non-current provisions	0	0
2570	Deferred tax liabilities	1,061	1,267
2580	Non-current lease liabilities	15,564	22,972
2600	Other non-current liabilities	1,275	11,708
2610	Long-term notes and accounts payable	0	0
2613	Non-current lease obligations payable	0	0
2640	Net defined benefit liability, non-current	0	0
2645	Guarantee deposits received	1,275	11,708
2670	Other non-current liabilities, others	0	0
25XX	Total non-current liabilities	153,220	124,211
2XXX	Total liabilities	473,033	476,374
	Equity		
	Equity attributable to owners of parent		
	Share capital		
3110	Ordinary share	470,000	470,000
3120	Preference share	0	0
3150	Stock dividend to be distributed	0	0
3100	Total Share Capital	470,000	470,000
	Capital surplus		
3200	Total capital surplus	145	145
	Retained earnings		
3310	Legal reserve	7,779	5,033
3350	Unappropriated retained earnings (accumulated deficit)	67,760	34,740
3300	Total retained earnings	75,539	39,773
	Other equity interest		
3410	Exchange differences on translation of foreign financial statements	0	0
3490	Other equity, others	0	0
3400	Total other equity interest	0	0
3500	Treasury shares	(22,632)	(13,627)
31XX	Total equity attributable to owners of parent	523,052	496,291
36XX	Non-controlling interests	0	0
3XXX	Total equity	523,052	496,291

3X2X	Total liabilities and equity	996,085	972,665
3997	Number of share capital awaiting retirement	0	0
3998	Equivalent issue shares of advance receipts for ordinary share	0	0
3999	Number of shares in entity held by entity and by its subsidiaries	2,346,243	1,396,243

Unit: NT\$ thousands EPS Unit: NT\$

Statement of Comprehensive Income			
Code	Accounting Title	2020/1/1To12/31	2019/1/1To12/31
	Operating revenue		
	Net sales revenue		
4100	Net sales revenue	403,877	238,143
	Rental revenue		
4300	Total rental revenue	112	112
	Construction and engineering revenue		
4500	Total construction and engineering revenue	0	0
	Service revenue		
4600	Total service revenue	311,754	438,058
	Other operating revenue		
4800	Other operating revenue, net	22,285	30,812
4000	Total operating revenue	738,028	707,125
	Operating costs		
	Cost of sales		
5110	Total cost of sales	341,912	217,587
	Cost of rental sales		
5300	Total cost of rental sales	10	30
	Cost of construction and engineering service sales		
5520	Cost of engineering sales	0	0
5500	Total cost of construction and engineering service sales	0	0
	Cost of services		
5600	Total cost of services	231,928	382,162
5800	Other operating costs	2,497	2,746
5000	Total operating costs	576,347	602,525
5900	Gross profit (loss) from operations	161,681	104,600
5910	Unrealized profit (loss) from sales	0	0
5920	Realized profit (loss) on from sales	0	0
5950	Gross profit (loss) from operations	161,681	104,600
	Operating expenses		
6100	Selling expenses	38,094	40,439
6200	Administrative expenses	70,152	36,827
6300	Research and development expenses	5,696	6,503
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	(782)	(256)
6000	Total operating expenses	113,160	83,513
6900	Net operating income (loss)	48,521	21,087
	Non-operating income and expenses		
	Interest income		
7101	Interest income from bank deposits	391	989
7105	Other interest income	13	14
7107	Interest income from contract assets	55	92
7100	Total interest income	459	1,095
	Other income		

7130	Dividend income	2,000	1,000
7190	Other income, others	12,350	8,727
7010	Total other income	14,350	9,727
	Other gains and losses		
7210	Gains on disposals of property, plant and equipment	0	15
7225	Gains on disposals of investments	0	0
7230	Foreign exchange gains	0	1,963
7235	Gains on financial assets (liabilities) at fair value through profit or loss	0	562
7590	Miscellaneous disbursements	0	0
7625	Losses on disposals of investments	0	0
7630	Foreign exchange losses	32	0
7635	Losses on financial assets (liabilities) at fair value through profit or loss	31	0
7670	Impairment loss	0	0
7671	Impairment loss on financial assets	0	0
7675	Impairment loss recognised in profit or loss, intangible assets other than goodwill	0	0
7679	Other impairment loss	0	0
7020	Other gains and losses, net	(63)	2,540
	Finance costs		
7510	Interest expense	1,687	1,681
7050	Finance costs, net	1,687	1,681
	Share of profit (loss) of associates and joint ventures accounted for using equity method		
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	0	0
7000	Total non-operating income and expenses	13,059	11,681
7900	Profit (loss) from continuing operations before tax	61,580	32,768
	Tax expense (income)		
7950	Total tax expense (income)	11,764	5,375
8000	Profit (loss) from continuing operations	49,816	27,393
	Profit (loss) from discontinued operations		
8100	Total profit (loss) from discontinued operations	0	0
8200	Profit (loss)	49,816	27,393
	Other comprehensive income		
	Components of other comprehensive income that will not be reclassified to profit or loss		
8311	Gains (losses) on remeasurements of defined benefit plans	62	80
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	0	0
8325	Equity related to non-current assets or disposal groups classified as held for distribution to owners that will not be reclassified to profit or loss, associates and joint ventures accounted for using equity method	0	0
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	12	16
8310	Components of other comprehensive income that will not be reclassified to profit or loss	50	64
	Components of other comprehensive income that will be reclassified to profit or loss		
8361	Exchange differences on translation	0	0
8365	Equity related to non-current assets or disposal groups classified as held for sale	0	0
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	0	0
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	0	0
8360	Components of other comprehensive income that will be reclassified to profit or loss	0	0
8300	Total other comprehensive income	50	64
8500	Total comprehensive income	49,866	27,457
	Profit (loss), attributable to:		

8610	Profit (loss), attributable to owners of parent	49,816	27,393
8620	Profit (loss), attributable to non-controlling interests	0	0
	Comprehensive income attributable to:		
8710	Comprehensive income, attributable to owners of parent	49,866	27,457
8720	Comprehensive income, attributable to non-controlling interests	0	0
	Basic earnings per share		
9710	Basic earnings (loss) per share from continuing operations	1.11	0.60
9720	Basic earnings (loss) per share from discontinued operations	0.00	0.00
9750	Total basic earnings per share	1.11	0.60
	Diluted earnings per share		
9810	Diluted earnings (loss) per share from continuing operations	1.10	0.60
9820	Diluted earnings (loss) per share from discontinued operations	0.00	0.00
9850	Total diluted earnings per share	1.10	0.60

Unit: NT\$ thousands

Statements of Cash Flows			
Code	Accounting Title	2020/1/1To12/31	2019/1/1To12/31
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	61,580	32,768
A00020	Profit (loss) from discontinued operations before tax	0	0
A10000	Profit (loss) before tax	61,580	32,768
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	9,066	7,794
A20200	Amortization expense	767	566
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(782)	(256)
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	31	(562)
A20900	Interest expense	1,687	1,681
A21200	Interest income	(459)	(1,095)
A21300	Dividend income	(2,000)	(1,000)
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	0	0
A22500	Loss (gain) on disposal of property, plan and equipment	0	(15)
A23100	Loss (gain) on disposal of investments	0	0
A23200	Loss (gain) on disposal of investments accounted for using equity method	0	0
A23500	Impairment loss on financial assets	0	0
A23700	Impairment loss on non-financial assets	5,797	0
A23800	Reversal of impairment loss on non-financial assets	(7,224)	4,386
A24100	Unrealized foreign exchange loss (gain)	1,203	(1,111)
A29900	Other adjustments to reconcile profit (loss)	(38)	(51)
A20010	Total adjustments to reconcile profit (loss)	8,048	10,337
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31130	Decrease (increase) in notes receivable	2,688	(2,029)
A31150	Decrease (increase) in accounts receivable	33,604	315,582
A31160	Decrease (increase) in accounts receivable due from related parties	(162)	129
A31180	Decrease (increase) in other receivable	4	(96)
A31190	Decrease (increase) in other receivable due from related parties	103	0
A31200	Adjustments for decrease (increase) in inventories	49,862	(91,261)
A31230	Decrease (increase) in prepayments	(7,299)	92,841
A31240	Adjustments for decrease (increase) in other current assets	4,957	(4,214)

A31000	Total changes in operating assets	83,757	310,952
	Changes in operating liabilities		
A32125	Increase (decrease) in contract liabilities	5,678	(158,650)
A32130	Increase (decrease) in notes payable	(21,078)	21,330
A32150	Increase (decrease) in accounts payable	133	(116,909)
A32160	Increase (decrease) in accounts payable to related parties	3,489	(4,910)
A32180	Increase (decrease) in other payable	18,456	(12,590)
A32190	Increase (decrease) in other payable to related parties	(264)	(101)
A32200	Increase (decrease) in provisions	14,415	(2,807)
A32230	Adjustments for increase (decrease) in other current liabilities	57	(1,662)
A32250	Increase (decrease) in deferred credits	0	0
A32000	Total changes in operating liabilities	20,886	(276,299)
A30000	Total changes in operating assets and liabilities	104,643	34,653
A20000	Total adjustments	112,691	44,990
A33000	Cash inflow (outflow) generated from operations	174,271	77,758
A33100	Interest received	459	1,218
A33300	Interest paid	(1,685)	(2,179)
A33500	Income taxes refund (paid)	(6,655)	(13,875)
AAAA	Net cash flows from (used in) operating activities	166,390	62,922
	Cash flows from (used in) investing activities		
B00050	Proceeds from disposal of financial assets at amortised cost	10,424	20,235
B00060	Proceeds from repayments of financial assets at amortised cost	0	0
B00100	Acquisition of financial assets at fair value through profit or loss	0	(10,000)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	10,000	0
B01800	Acquisition of investments accounted for using equity method	0	0
B01900	Proceeds from disposal of investments accounted for using equity method	0	0
B02300	Proceeds from disposal of subsidiaries	0	0
B02700	Acquisition of property, plant and equipment	(2,163)	(1,069)
B02800	Proceeds from disposal of property, plant and equipment	0	26
B03700	Increase in refundable deposits	10,153	(8,576)
B03800	Decrease in refundable deposits	0	0
B04500	Acquisition of intangible assets	(253)	(650)
B06000	Increase in long-term lease and installment receivables	0	0
B06100	Decrease in long-term lease and installment receivables	(102,851)	66,374
B07500	Interest received	0	0
B07600	Dividends received	2,000	4,000
BBBB	Net cash flows from (used in) investing activities	(72,690)	70,340
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	0	0
C00200	Decrease in short-term loans	(73,477)	(89,101)
C01600	Proceeds from long-term debt	142,350	106,500
C01700	Repayments of long-term debt	(82,430)	(91,753)
C03000	Increase in guarantee deposits received	0	0
C03100	Decrease in guarantee deposits received	(10,433)	(38,516)
C04000	Decrease in lease payable	0	0
C04020	Payments of lease liabilities	(9,426)	(7,892)
C04500	Cash dividends paid	(14,100)	(45,590)
C04700	Capital reduction payments to shareholders	0	(197,195)
C04900	Payments to acquire treasury shares	(9,005)	0

C05000	Proceeds from sale of treasury shares	0	12
CCCC	Net cash flows from (used in) financing activities	(56,521)	(363,535)
DDDD	Effect of exchange rate changes on cash and cash equivalents	(1,229)	(154)
EEEE	Net increase (decrease) in cash and cash equivalents	35,950	(230,427)
E00100	Cash and cash equivalents at beginning of period	253,238	483,665
E00200	Cash and cash equivalents at end of period	289,188	253,238
E00210	Cash and cash equivalents reported in the statement of financial position	289,188	253,238

Unit: NT\$ thousands

Statements of Change in Equity												
		3110	3150	3100	3200	3310	3350	3300	3410	3400	3500	31XX
		Ordinary share	Stock dividend to be distributed	Total share capital	Capital surplus	Legal reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Total other equity interest	Treasury shares	Total equity attributable to owners of parent
A1	Equity at beginning of period	470,000	0	470,000	145	5,033	34,740	39,773	0	0	(13,627)	496,290
A3	Effects of retrospective application and retrospective restatement	0	0	0	0	0	0	0	0	0	0	0
A4	Retrospective adjustment of equity attributable to former owner due to reorganization of entities under common control	0	0	0	0	0	0	0	0	0	0	0
A5	Equity at beginning of period after adjustments	470,000	0	470,000	145	5,033	34,740	39,773	0	0	(13,627)	496,290
B1	Legal reserve appropriated					2,746	(2,746)	0				0
B5	Cash dividends of ordinary share					0	(14,100)	(14,100)				(14,100)
B9	Stock dividends of ordinary share	0	0	0	0	0	0	0				0
C11	Capital surplus used to offset accumulated deficits				0		0	0				0
D1	Profit (loss)						49,816	49,816				49,816
D3	Other comprehensive income						50	50	0	0		50
D5	Total comprehensive income						49,866	49,866	0	0		49,866
L1	Purchase of treasury shares										(9,005)	(9,005)
L3	Retirement of treasury share	0		0	0		0	0			0	0
T1	Others	0	0	0	0	0	0	0	0	0	0	0

Y1	Total increase (decrease) in equity	0	0	0	0	2,746	33,020	35,766	0	0	(9,005)	26,76
Z1	Equity at end of period	470,000	0	470,000	145	7,779	67,760	75,539	0	0	(22,632)	523,05

Unit: NT\$ thousands

Last year's Statements of Change in Equity												
		3110	3150	3100	3200	3310	3350	3300	3410	3400	3500	31XX
		Ordinary share	Stock dividend to be distributed	Total share capital	Capital surplus	Legal reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Total other equity interest	Treasury shares	Total equity attributable to owners of parent
A1	Equity at beginning of period	470,000	0	470,000	0	0	57,906	57,906	0	0	(19,534)	508,37
A3	Effects of retrospective application and retrospective restatement	0	0	0	0	0	0	0	0	0	0	
A4	Retrospective adjustment of equity attributable to former owner due to reorganization of entities under common control	0	0	0	0	0	0	0	0	0	0	
A5	Equity at beginning of period after adjustments	470,000	0	470,000	0	0	57,906	57,906	0	0	(19,534)	508,37
B1	Legal reserve appropriated					5,033	(5,033)	0				
B5	Cash dividends of ordinary share					0	(45,590)	(45,590)				(45,590)
B9	Stock dividends of ordinary share	0	0	0	0	0	0	0				
C11	Capital surplus used to offset accumulated deficits				0		0	0				
D1	Profit (loss)						27,393	27,393				27,39
D3	Other comprehensive income						64	64	0	0		6
D5	Total comprehensive income						27,457	27,457	0	0		27,45
L1	Purchase of treasury shares										12	1
L3	Retirement of treasury share	0		0	145		0	0			5,895	6,04
T1	Others	0	0	0	0	0	0	0	0	0	0	
Y1	Total increase	0	0	0	145	5,033	(23,166)	(18,133)	0	0	5,907	(12,08

	(decrease) in equity											
Z1	Equity at end of period	470,000	0	470,000	145	5,033	34,740	39,773	0	0	(13,627)	496,29