

6148 AZION CORPORATION

2023Q1 Consolidated Financial Report

Unit: NT\$ thousands

Balance Sheet				
Code	Accounting Title	2023/3/31	2022/12/31	2022/3/31
	Assets			
	Current assets			
1100	Cash and cash equivalents	194,714	279,270	397,891
1110	Current financial assets at fair value through profit or loss	0	0	0
1120	Current financial assets at fair value through other comprehensive income	0	0	0
1136	Current financial assets at amortised cost	104,794	53,408	43,434
1140	Current contract assets	0	0	0
1150	Notes receivable, net	8,356	0	0
1160	Notes receivable due from related parties, net	0	0	0
1170	Accounts receivable, net	235,985	191,390	118,457
1172	Accounts receivable	235,985	191,390	118,457
1175	Lease payments receivable	0	0	0
1180	Accounts receivable due from related parties, net	1,483	342	532
1181	Accounts receivable due from related parties	1,483	342	532
1190	Construction contracts receivable	0	0	0
1195	Construction contracts receivable due from related parties	0	0	0
1197	Finance lease receivable, net	91,419	97,010	114,922
1200	Other receivables	133	137	759
1201	Tax refund receivable	0	0	0
1206	Other non-operating receivables, others	0	0	0
1210	Other receivables due from related parties	0	63	83
1220	Current tax assets	3,298	3,298	0
130X	Current inventories	148,839	102,729	53,751
1300	Inventories, merchandising business	148,839	102,729	53,751
1301	Merchandise inventory	148,839	102,729	53,751
1400	Current biological assets	0	0	0
1410	Prepayments	53,835	44,310	35,874
1450	Non-current assets or disposal groups classified as held for distribution to owners	0	0	0
1460	Non-current assets or disposal groups classified as held for sale, net	0	0	0
1470	Other current assets	987	302	2,085
1476	Other current financial assets	0	0	0
1479	Other current assets, others	987	302	2,085
11XX	Total current assets	843,843	772,259	767,788
	Non-current assets			
1510	Non-current financial assets at fair value through profit or loss	18,631	18,128	18,177
1550	Investments accounted for using equity method	0	0	0
1600	Property, plant and equipment	4,092	4,540	2,606
1615	Machinery and equipment, net	0	0	0
1616	Machinery and equipment, cost	0	0	0
1618	Accumulated depreciation, machinery and equipment	(0)	(0)	(0)
1619	Accumulated impairment, machinery and equipment	(0)	(0)	(0)
1655	Computer and telecommunication equipment, net	1,613	1,783	2,523
1656	Computer and telecommunication equipment, cost	9,423	9,251	9,081
1658	Accumulated depreciation, computer and telecommunication equipment	(7,810)	(7,468)	(6,558)

1659	Accumulated impairment, computer and telecommunication equipment	(0)	(0)	(0)
1660	Testing equipment, net	0	0	10
1661	Testing equipment, cost	4,306	4,306	4,306
1663	Accumulated depreciation, testing equipment	(4,306)	(4,306)	(4,296)
1664	Accumulated impairment, testing equipment	(0)	(0)	(0)
1670	Transportation equipment, net	0	0	0
1671	Transportation equipment, cost	0	0	0
1673	Accumulated depreciation, transportation equipment	(0)	(0)	(0)
1674	Accumulated impairment, transportation equipment	(0)	(0)	(0)
1690	Office equipment, net	0	4	30
1691	Office equipment, cost	191	191	231
1693	Accumulated depreciation, office equipment	(191)	(187)	(201)
1694	Accumulated impairment, office equipment	(0)	(0)	(0)
1730	Leasehold improvements, net	0	0	0
1731	Leasehold improvements, cost	0	0	0
1733	Accumulated depreciation, leasehold improvements	(0)	(0)	(0)
1735	Other facilities, net	2,479	2,753	43
1736	Other facilities, cost	10,197	10,197	7,519
1738	Accumulated depreciation, other facilities	(7,718)	(7,444)	(7,476)
1739	Accumulated impairment, other facilities	(0)	(0)	(0)
1750	Natural resources, net	0	0	0
1755	Right-of-use assets	8,431	8,042	13,529
1760	Investment property, net	0	0	0
1780	Intangible assets	2,218	2,521	755
1805	Goodwill	0	0	0
1821	Other intangible assets, net	2,218	2,521	755
1830	Non-current biological assets	0	0	0
1840	Deferred tax assets	8,041	7,000	9,509
1900	Other non-current assets	144,661	163,931	239,880
1915	Prepayments for business facilities	0	0	0
1920	Guarantee deposits paid	38,465	37,977	41,634
1930	Long-term notes and accounts receivable	0	0	0
1935	Long-term lease payments receivable	0	0	0
194D	Long-term finance lease receivable, net	103,401	123,168	192,603
1975	Net defined benefit asset, non-current	2,795	2,786	5,643
1980	Other non-current financial assets	0	0	0
1985	Long-term Lease Prepayments	0	0	0
1990	Other non-current assets, others	0	0	0
15XX	Total non-current assets	186,074	204,162	284,456
1XXX	Total assets	1,029,917	976,421	1,052,244
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	70,000	5,000	42,491
2130	Current contract liabilities	38,965	41,889	16,409
2150	Notes payable	15,232	12,378	41
2170	Accounts payable	115,995	111,901	58,220
2180	Accounts payable to related parties	12,911	22,581	12,430
2190	Construction contracts payable	0	0	0

2200	Other payables	81,145	68,384	87,079
2219	Other payables, others	81,145	68,384	87,079
2220	Other payables to related parties	286	343	743
2230	Current tax liabilities	5,059	631	7,175
2250	Current provisions	53,512	44,125	56,054
2265	Progress billings	0	0	0
2280	Current lease liabilities	8,961	9,522	9,738
2300	Other current liabilities	65,540	65,361	81,269
2320	Long-term liabilities, current portion	64,633	64,633	80,239
2355	Current lease obligations payable	0	0	0
2399	Other current liabilities, others	907	728	1,030
21XX	Total current liabilities	467,606	382,115	371,649
	Non-current liabilities			
2500	Non-current financial liabilities at fair value through profit or loss	0	0	0
2520	Non-current financial liabilities at amortised cost	0	0	0
2530	Bonds payable	0	0	0
2540	Non-current portion of non-current borrowings	38,075	54,234	162,963
2550	Non-current provisions	0	0	0
2570	Deferred tax liabilities	966	1,063	1,951
2580	Non-current lease liabilities	1,577	2,140	8,616
2600	Other non-current liabilities	722	728	1,035
2610	Long-term notes and accounts payable	0	0	0
2613	Non-current lease obligations payable	0	0	0
2640	Net defined benefit liability, non-current	0	0	0
2645	Guarantee deposits received	722	728	1,035
2670	Other non-current liabilities, others	0	0	0
25XX	Total non-current liabilities	41,340	58,165	174,565
2XXX	Total liabilities	508,946	440,280	546,214
	Equity			
	Equity attributable to owners of parent			
	Share capital			
3110	Ordinary share	466,038	466,038	466,038
3120	Preference share	0	0	0
3150	Stock dividend to be distributed	0	0	0
3100	Total Share Capital	466,038	466,038	466,038
	Capital surplus			
3200	Total capital surplus	11,229	5,679	5,679
	Retained earnings			
3310	Legal reserve	20,824	17,266	17,266
3350	Unappropriated retained earnings (accumulated deficit)	22,880	56,163	26,052
3300	Total retained earnings	43,704	73,429	43,318
	Other equity interest			
3410	Exchange differences on translation of foreign financial statements	0	0	0
3490	Other equity, others	0	0	0
3400	Total other equity interest	0	0	0
3500	Treasury shares	(0)	(9,005)	(9,005)
31XX	Total equity attributable to owners of parent	520,971	536,141	506,030
36XX	Non-controlling interests	0	0	0
3XXX	Total equity	520,971	536,141	506,030

3X2X	Total liabilities and equity	1,029,917	976,421	1,052,244
3997	Number of share capital awaiting retirement	0	0	0
3998	Equivalent issue shares of advance receipts for ordinary share	0	0	0
3999	Number of shares in entity held by entity and by its subsidiaries	0	950,000	950,000

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

Statement of Comprehensive Income				
Code	Accounting Title	2023/1/1To3/31	2022/1/1To3/31	
	Operating revenue			
	Net sales revenue			
4100	Net sales revenue	75,191	41,599	
	Rental revenue			
4300	Total rental revenue	0	28	
	Construction and engineering revenue			
4500	Total construction and engineering revenue	0	0	
	Service revenue			
4600	Total service revenue	83,108	55,475	
	Other operating revenue			
4800	Other operating revenue, net	1,699	3,282	
4000	Total operating revenue	159,998	100,384	
	Operating costs			
	Cost of sales			
5110	Total cost of sales	72,264	32,819	
	Cost of rental sales			
5300	Total cost of rental sales	0	0	
	Cost of services			
5600	Total cost of services	50,685	34,140	
5800	Other operating costs	515	782	
5000	Total operating costs	123,464	67,741	
5900	Gross profit (loss) from operations	36,534	32,643	
5910	Unrealized profit (loss) from sales	0	0	
5920	Realized profit (loss) on from sales	0	0	
5950	Gross profit (loss) from operations	36,534	32,643	
	Operating expenses			
6100	Selling expenses	10,548	10,727	
6200	Administrative expenses	17,890	14,519	
6300	Research and development expenses	917	1,340	
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	383	1,002	
6000	Total operating expenses	29,738	27,588	
6900	Net operating income (loss)	6,796	5,055	
	Non-operating income and expenses			
	Interest income			
7100	Total interest income	56	82	
	Other income			
7010	Total other income	93	12	
	Other gains and losses			
7210	Gains on disposals of property, plant and equipment	0	6	
7230	Foreign exchange gains	1,383	2,990	
7235	Gains on financial assets (liabilities) at fair value through profit or loss	503	579	
7590	Miscellaneous disbursements	0	4	

7610	Losses on disposals of property, plant and equipment	0	0
7670	Impairment loss	0	0
7673	Impairment loss recognised in profit or loss, property, plant and equipment	0	0
7020	Other gains and losses, net	1,886	3,571
	Gains (losses) arising from derecognition of financial assets measured at amortised cost		
7030	Gains (losses) arising from derecognition of financial assets measured at amortised cost	0	0
	Finance costs		
7510	Interest expense	266	215
7050	Finance costs, net	266	215
	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	1,769	3,450
7900	Profit (loss) from continuing operations before tax	8,565	8,505
	Tax expense (income)		
7950	Total tax expense (income)	3,290	3,037
8000	Profit (loss) from continuing operations	5,275	5,468
	Profit (loss) from discontinued operations		
8100	Total profit (loss) from discontinued operations	0	0
8200	Profit (loss)	5,275	5,468
	Other comprehensive income		
	Components of other comprehensive income that will not be reclassified to profit or loss		
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	0	0
8310	Components of other comprehensive income that will not be reclassified to profit or loss	0	0
	Components of other comprehensive income that will be reclassified to profit or loss		
8361	Exchange differences on translation	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	0	0
8500	Total comprehensive income	5,275	5,468
	Profit (loss), attributable to:		
8610	Profit (loss), attributable to owners of parent	5,275	5,468
8620	Profit (loss), attributable to non-controlling interests	0	0
	Comprehensive income attributable to:		
8710	Comprehensive income, attributable to owners of parent	5,275	5,468
8720	Comprehensive income, attributable to non-controlling interests	0	0
	Basic earnings per share		
9710	Basic earnings (loss) per share from continuing operations	0.12	0.12
9720	Basic earnings (loss) per share from discontinued operations	0.00	0.00
9750	Total basic earnings per share	0.12	0.12
	Diluted earnings per share		
9810	Diluted earnings (loss) per share from continuing operations	0.12	0.12
9820	Diluted earnings (loss) per share from discontinued operations	0.00	0.00
9850	Total diluted earnings per share	0.12	0.12

Unit: NT\$ thousands

Statements of Cash Flows			
Code	Accounting Title	2023/1/1To3/31	2022/1/1To3/31

	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	8,565	8,505
A00020	Profit (loss) from discontinued operations before tax	0	0
A10000	Profit (loss) before tax	8,565	8,505
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	2,728	2,428
A20200	Amortization expense	303	232
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	383	1,002
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(503)	(579)
A20900	Interest expense	266	215
A21200	Interest income	(56)	(82)
A21900	Share-based payments	5,567	0
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	(6)
A23700	Impairment loss on non-financial assets	2,495	399
A23800	Reversal of impairment loss on non-financial assets	0	0
A24100	Unrealized foreign exchange loss (gain)	397	(2,573)
A29900	Other adjustments to reconcile profit (loss)	(9)	(10)
A20010	Total adjustments to reconcile profit (loss)	11,571	1,026
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31130	Decrease (increase) in notes receivable	(8,356)	0
A31150	Decrease (increase) in accounts receivable	(44,978)	68,979
A31160	Decrease (increase) in accounts receivable due from related parties	(1,141)	879
A31180	Decrease (increase) in other receivable	4	84
A31190	Decrease (increase) in other receivable due from related parties	63	(20)
A31200	Adjustments for decrease (increase) in inventories	(48,605)	(1,877)
A31230	Decrease (increase) in prepayments	(9,525)	(9,231)
A31240	Adjustments for decrease (increase) in other current assets	(685)	(1,936)
A31990	Decrease (increase) in other operating assets	24,240	12,254
A31000	Total changes in operating assets	(88,983)	69,132
	Changes in operating liabilities		
A32125	Increase (decrease) in contract liabilities	(2,924)	7,702
A32130	Increase (decrease) in notes payable	2,854	(374)
A32150	Increase (decrease) in accounts payable	3,691	(39,493)
A32160	Increase (decrease) in accounts payable to related parties	(9,670)	(5,571)
A32180	Increase (decrease) in other payable	(22,338)	(26,431)
A32190	Increase (decrease) in other payable to related parties	(57)	428
A32200	Increase (decrease) in provisions	9,387	(12,439)
A32230	Adjustments for increase (decrease) in other current liabilities	179	208
A32250	Increase (decrease) in deferred credits	0	0
A32000	Total changes in operating liabilities	(18,878)	(75,970)
A30000	Total changes in operating assets and liabilities	(107,861)	(6,838)
A20000	Total adjustments	(96,290)	(5,812)
A33000	Cash inflow (outflow) generated from operations	(87,725)	2,693
A33100	Interest received	56	45
A33300	Interest paid	(226)	(220)
A33500	Income taxes refund (paid)	0	0

AAAA	Net cash flows from (used in) operating activities	(87,895)	2,518
	Cash flows from (used in) investing activities		
B00040	Acquisition of financial assets at amortised cost	(51,386)	0
B00050	Proceeds from disposal of financial assets at amortised cost	0	20,400
B01800	Acquisition of investments accounted for using equity method	0	0
B02300	Proceeds from disposal of subsidiaries	0	0
B02700	Acquisition of property, plant and equipment	(172)	(594)
B02800	Proceeds from disposal of property, plant and equipment	0	25
B03700	Increase in refundable deposits	(488)	(914)
B03800	Decrease in refundable deposits	0	0
B04500	Acquisition of intangible assets	0	(15)
B06000	Increase in long-term lease and installment receivables	0	0
B06100	Decrease in long-term lease and installment receivables	0	0
B07500	Interest received	0	0
B07600	Dividends received	0	0
BBBB	Net cash flows from (used in) investing activities	(52,046)	18,902
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	65,000	0
C00200	Decrease in short-term loans	0	(7,332)
C01600	Proceeds from long-term debt	0	0
C01700	Repayments of long-term debt	(16,159)	(20,060)
C03000	Increase in guarantee deposits received	0	0
C03100	Decrease in guarantee deposits received	(6)	0
C04000	Decrease in lease payable	0	0
C04020	Payments of lease liabilities	(2,444)	(2,433)
C04700	Capital reduction payments to shareholders	0	0
C04900	Payments to acquire treasury shares	0	0
C05000	Proceeds from sale of treasury shares	8,988	0
CCCC	Net cash flows from (used in) financing activities	55,379	(29,825)
DDDD	Effect of exchange rate changes on cash and cash equivalents	6	3,492
EEEE	Net increase (decrease) in cash and cash equivalents	(84,556)	(4,913)
E00100	Cash and cash equivalents at beginning of period	279,270	402,804
E00200	Cash and cash equivalents at end of period	194,714	397,891
E00210	Cash and cash equivalents reported in the statement of financial position	194,714	397,891

Unit: NT\$ thousands

Statements of Change in Equity												
		3110	3100	3200	3310	3320	3350	3300	3410	3400	3500	31
		Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Total other equity interest	Treasury shares	equ attrib to ov of p
A1	Equity at beginning of period	466,038	466,038	5,679	17,266	0	56,163	73,429	0	0	(9,005)	53
A3	Effects of retrospective application and retrospective restatement	0	0	0	0	0	0	0	0	0	0	
A4	Retrospective adjustment of equity	0	0	0	0		0	0			0	

	attributable to former owner due to reorganization of entities under common control											
A5	Equity at beginning of period after adjustments	466,038	466,038	5,679	17,266	0	56,163	73,429	0	0	(9,005)	53
B1	Legal reserve appropriated				3,558		(3,558)	0				
B5	Cash dividends of ordinary share						(35,000)	(35,000)				(3
D1	Profit (loss)						5,275	5,275				
D3	Other comprehensive income						0	0	0	0		
D5	Total comprehensive income						5,275	5,275	0	0		
L1	Purchase of treasury shares										9,005	
L3	Retirement of treasury share	0	0	(17)			0	0			0	
N1	Share-based payments	0	0	5,567					0	0	0	
Y1	Total increase (decrease) in equity	0	0	5,550	3,558	0	(33,283)	(29,725)	0	0	9,005	(1
Z1	Equity at end of period	466,038	466,038	11,229	20,824	0	22,880	43,704	0	0	0	52

Unit: NT\$ thousands

Last year's Statements of Change in Equity												
		3110	3100	3200	3310	3320	3350	3300	3410	3400	3500	31
		Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Total other equity interest	Treasury shares	equ attributable to owners of parent
A1	Equity at beginning of period	466,038	466,038	5,679	12,765	0	70,785	83,550	0	0	(9,005)	54
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	
A5	Equity at beginning of period after adjustments	466,038	466,038	5,679	12,765	0	70,785	83,550	0	0	(9,005)	54

B1	Legal reserve appropriated				4,501		(4,501)	0				
B5	Cash dividends of ordinary share						(45,700)	(45,700)				(4
D1	Profit (loss)						5,468	5,468				
D3	Other comprehensive income						0	0	0	0		
D5	Total comprehensive income						5,468	5,468	0	0		
L1	Purchase of treasury shares										0	
L3	Retirement of treasury share	0	0	0			0	0			0	
N1	Share-based payments	0	0	0					0	0	0	
Y1	Total increase (decrease) in equity	0	0	0	4,501	0	(44,733)	(40,232)	0	0	0	(4
Z1	Equity at end of period	466,038	466,038	5,679	17,266	0	26,052	43,318	0	0	(9,005)	50