

6148 AZION CORPORATION

2019Q4 Consolidated Financial Report

Unit: NT\$ thousands

Balance Sheet			
Code	Accounting Title	2019/12/31	2018/12/31
	Assets		
	Current assets		
1100	Cash and cash equivalents	253,238	483,665
1110	Current financial assets at fair value through profit or loss	9,935	0
1120	Current financial assets at fair value through other comprehensive income	0	0
1136	Current financial assets at amortised cost	76,082	96,317
1140	Current contract assets	0	0
1150	Notes receivable, net	3,012	983
1160	Notes receivable due from related parties, net	0	3,000
1170	Accounts receivable, net	85,221	519,639
1172	Accounts receivable	85,221	398,473
1175	Lease payments receivable	0	121,166
1180	Accounts receivable due from related parties, net	905	1,034
1181	Accounts receivable due from related parties	905	1,034
1190	Construction contracts receivable	0	0
1195	Construction contracts receivable due from related parties	0	0
1197	Finance lease receivable, net	126,253	0
1200	Other receivables	724	843
1201	Tax refund receivable	0	0
1206	Other non-operating receivables, others	0	0
1210	Other receivables due from related parties	166	166
1220	Current tax assets	102	75
130X	Current inventories	115,055	28,163
1300	Inventories, merchandising business	115,055	28,163
1301	Merchandise inventory	115,055	28,163
1400	Current biological assets	0	0
1410	Prepayments	17,768	107,431
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	5,975	1,761
1476	Other current financial assets	0	0
1479	Other current assets, others	5,975	1,761
11XX	Total current assets	694,436	1,243,077
	Non-current assets		
1510	Non-current financial assets at fair value through profit or loss	16,694	16,067
1550	Investments accounted for using equity method	0	0
1600	Property, plant and equipment	1,390	1,790
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	867	933
1656	Computer and telecommunication equipment, cost	8,139	7,589
1658	Accumulated depreciation, computer and telecommunication equipment	(7,272)	(6,656)

1659	Accumulated impairment, computer and telecommunication equipment	(0)	(0)
1660	Testing equipment, net	331	741
1661	Testing equipment, cost	4,604	4,355
1663	Accumulated depreciation, testing equipment	(4,273)	(3,614)
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	0	0
1691	Office equipment, cost	319	319
1693	Accumulated depreciation, office equipment	(319)	(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	192	116
1736	Other facilities, cost	18,288	22,553
1738	Accumulated depreciation, other facilities	(18,096)	(22,437)
1739	Accumulated impairment, other facilities	(0)	(0)
1750	Natural resources, net	0	0
1755	Right-of-use assets	28,634	0
1760	Investment property, net	0	0
1780	Intangible assets	1,168	1,084
1805	Goodwill	0	0
1821	Other intangible assets, net	1,168	1,084
1830	Non-current biological assets	0	0
1840	Deferred tax assets	5,952	4,266
1900	Other non-current assets	224,391	282,312
1915	Prepayments for business facilities	0	0
1920	Guarantee deposits paid	39,695	31,119
1930	Long-term notes and accounts receivable	0	246,153
1935	Long-term lease payments receivable	0	246,153
194D	Long-term finance lease receivable, net	179,525	0
1975	Net defined benefit asset, non-current	5,171	5,040
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	278,229	305,519
1XXX	Total assets	972,665	1,548,596
	Liabilities and equity		
	Liabilities		
	Current liabilities		
2100	Current borrowings	87,071	177,367
2130	Current contract liabilities	35,399	191,975
2150	Notes payable	21,567	237
2170	Accounts payable	28,639	142,788
2180	Accounts payable to related parties	3,286	7,848
2190	Construction contracts payable	0	0

2200	Other payables	46,257	262,580
2219	Other payables, others	46,257	262,580
2220	Other payables to related parties	650	751
2230	Current tax liabilities	2,078	8,671
2250	Current provisions	43,188	45,995
2265	Progress billings	0	0
2280	Current lease liabilities	8,864	0
2300	Other current liabilities	75,164	76,747
2320	Long-term liabilities, current portion	74,521	74,442
2355	Current lease obligations payable	0	0
2399	Other current liabilities, others	643	2,305
21XX	Total current liabilities	352,163	914,959
	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	88,264	73,596
2550	Non-current provisions	0	0
2570	Deferred tax liabilities	1,267	1,445
2580	Non-current lease liabilities	22,972	0
2600	Other non-current liabilities	11,708	50,224
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	11,708	50,224
2670	Other non-current liabilities, others	0	0
25XX	Total non-current liabilities	124,211	125,265
2XXX	Total liabilities	476,374	1,040,224
	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 capital stock	470,000	470,000
	Capital surplus		
3200	Total capital surplus	145	0
	Retained earnings		
3310	Legal reserve	5,033	0
3350	Unappropriated retained earnings (accumulated deficit)	34,740	57,906
3300	Total retained earnings	39,773	57,906
	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	(13,627)	(19,534)
31XX	Total equity attributable to owners of parent	496,291	508,372
36XX	Non-controlling interests	0	0
3XXX	Total equity	496,291	508,372

3X2X	Total liabilities and equity	972,665	1,548,596
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	1,396,243	2,000,000

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

Statement of Comprehensive Income			
Code	Accounting Title	2019/1/1To12/31	2018/1/1To12/31
	Operating revenue		
	Net sales revenue		
4100	Net sales revenue	238,143	479,845
	Rental revenue		
4300	Total rental revenue	112	205
	Construction and engineering revenue		
4500	Total construction and engineering revenue	0	0
	Service revenue		
4600	Total service revenue	438,058	183,383
	Other operating revenue		
4800	Other operating revenue, net	30,812	39,290
4000	Total operating revenue	707,125	702,723
	Operating costs		
	Cost of sales		
5110	Total cost of sales	217,587	424,747
	Cost of rental sales		
5300	Total cost of rental sales	30	43
	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	382,162	145,922
5800	Other operating costs	2,746	3,334
5000	Total operating costs	602,525	574,046
5900	Gross profit (loss) from operations	104,600	128,677
5910	Unrealized profit (loss) from sales	0	0
5920	Realized profit (loss) on from sales	0	0
5950	Gross profit (loss) from operations	104,600	128,677
	Operating expenses		
6100	Selling expenses	40,439	41,628
6200	Administrative expenses	36,827	41,059
6300	Research and development expenses	6,503	5,921
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	(256)	909
6000	Total operating expenses	83,513	89,517
6900	Net operating income (loss)	21,087	39,160
	Non-operating income and expenses		
	Other income		
7010	Total other income	10,822	9,922
	Other gains and losses		
7210	Gains on disposals of property, plant and equipment	15	(25)
7225	Gains on disposals of investments	0	171
7230	Foreign exchange gains	1,963	6,299

7235	Gains on financial assets (liabilities) at fair value through profit or loss	0	0
7590	Miscellaneous disbursements	0	0
7625	Losses on disposals of investments	0	0
7630	Foreign exchange losses	0	0
7635	Losses on financial assets (liabilities) at fair value through profit or loss	(562)	575
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	2,540	5,870
	Finance costs		
7510	Interest expense	1,681	1,831
7050	Finance costs, net	1,681	1,831
	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	6,504
7000	Total non-operating income and expenses	11,681	20,465
7900	Profit (loss) from continuing operations before tax	32,768	59,625
	Tax expense (income)		
7950	Total tax expense (income)	5,375	9,292
8000	Profit (loss) from continuing operations	27,393	50,333
	Profit (loss) from discontinued operations		
8100	Total profit (loss) from discontinued operations	0	0
8200	Profit (loss)	27,393	50,333
	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	80	(149)
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	16	(80)
8310	Components of other comprehensive income that will not be reclassified to profit or loss	64	(69)
	Components of other comprehensive income that will be reclassified to profit or loss		
8361	Exchange differences on translation	0	6
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	6
8300	Other comprehensive income, net	64	(63)
8500	Total comprehensive income	27,457	50,270
	Profit (loss), attributable to:		
8610	Profit (loss), attributable to owners of parent	27,393	50,333
8620	Profit (loss), attributable to non-controlling interests	0	0
	Comprehensive income attributable to:		
8710	Comprehensive income, attributable to owners of parent	27,457	50,270
8720	Comprehensive income, attributable to non-controlling interests	0	0
	Basic earnings per share		
9710	Basic earnings (loss) per share from continuing operations	0.60	0.77
9720		0.00	0.00

	Basic earnings (loss) per share from discontinued operations		
9750	Total basic earnings per share	0.60	0.77
	Diluted earnings per share		
9810	Diluted earnings (loss) per share from continuing operations	0.60	0.76
9820	Diluted earnings (loss) per share from discontinued operations	0.00	0.00
9850	Total diluted earnings per share	0.60	0.76

Unit: NT\$ thousands

Statements of Cash Flows			
Code	Accounting Title	2019/1/1To12/31	2018/1/1To12/31
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	32,768	59,625
A00020	Profit (loss) from discontinued operations before tax	0	0
A10000	Profit (loss) before tax	32,768	59,625
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	7,794	2,042
A20200	Amortization expense	566	509
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(256)	909
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(562)	575
A20900	Interest expense	1,681	1,831
A21200	Interest income	(1,095)	(4,225)
A21300	Dividend income	(1,000)	(3,000)
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	0	(6,504)
A22500	Loss (gain) on disposal of property, plan and equipment	(15)	25
A23100	Loss (gain) on disposal of investments	0	0
A23200	Loss (gain) on disposal of investments accounted for using equity method	0	(171)
A23500	Impairment loss on financial assets	0	0
A23700	Impairment loss on non-financial assets	4,386	0
A23800	Reversal of impairment loss on non-financial assets	0	(335)
A24100	Unrealized foreign exchange loss (gain)	(1,111)	(2,303)
A29900	Other adjustments to reconcile profit (loss)	(51)	(60)
A20010	Total adjustments to reconcile profit (loss)	10,337	(10,707)
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31130	Decrease (increase) in notes receivable	(2,029)	(267)
A31150	Decrease (increase) in accounts receivable	315,582	(137,844)
A31160	Decrease (increase) in accounts receivable due from related parties	129	4,934
A31180	Decrease (increase) in other receivable	(96)	24
A31190	Decrease (increase) in other receivable due from related parties	0	(166)
A31200	Decrease (increase) in inventories	(91,261)	99,684
A31230	Decrease (increase) in prepayments	92,841	29,952
A31240	Decrease (increase) in other current assets	(4,214)	3,903
A31000	Total changes in operating assets	310,952	220
	Changes in operating liabilities		
A32125	Increase (decrease) in contract liabilities	(158,650)	32,784
A32130	Increase (decrease) in notes payable	21,330	(17,918)
A32150	Increase (decrease) in accounts payable	(116,909)	(50,270)
A32160	Increase (decrease) in accounts payable to related parties	(4,910)	4,267
A32180	Increase (decrease) in other payable	(12,590)	17,522

A32190	Increase (decrease) in other payable to related parties	(101)	(2,946)
A32200	Increase (decrease) in provisions	(2,807)	(5,013)
A32230	Increase (decrease) in other current liabilities	(1,662)	(179,904)
A32250	Increase (decrease) in deferred credits	0	0
A32000	Total changes in operating liabilities	(276,299)	(201,478)
A30000	Total changes in operating assets and liabilities	34,653	(201,258)
A20000	Total adjustments	44,990	(211,965)
A33000	Cash inflow (outflow) generated from operations	77,758	(152,340)
A33300	Interest paid	(2,179)	(1,268)
A33500	Income taxes refund (paid)	(13,875)	(4,654)
AAAA	Net cash flows from (used in) operating activities	61,704	(158,262)
	Cash flows from (used in) investing activities		
B00050	Proceeds from disposal of financial assets at amortised cost	20,235	127,563
B00060	Proceeds from repayments of financial assets at amortised cost	0	0
B00100	Acquisition of financial assets at fair value through profit or loss	(10,000)	0
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	0	0
B01800	Acquisition of investments accounted for using equity method	0	0
B01900	Proceeds from disposal of investments accounted for using equity method	0	166,007
B02300	Proceeds from disposal of subsidiaries	0	0
B02700	Acquisition of property, plant and equipment	(1,069)	(314)
B02800	Proceeds from disposal of property, plant and equipment	26	4
B03700	Increase in refundable deposits	(8,576)	(1,884)
B03800	Decrease in refundable deposits	0	0
B04500	Acquisition of intangible assets	(650)	(1,410)
B06000	Increase in long-term lease and installment receivables	0	0
B06100	Decrease in long-term lease and installment receivables	66,374	29,986
B07500	Interest received	1,218	4,010
B07600	Dividends received	4,000	8,923
BBBB	Net cash flows from (used in) investing activities	71,558	332,885
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	0	177,779
C00200	Decrease in short-term loans	(89,101)	0
C01600	Proceeds from long-term debt	106,500	0
C01700	Repayments of long-term debt	(91,753)	(88,543)
C03000	Increase in guarantee deposits received	0	41
C03100	Decrease in guarantee deposits received	(38,516)	0
C04000	Decrease in lease payable	0	0
C04020	Payments of lease liabilities	(7,892)	0
C04500	Cash dividends paid	(45,590)	0
C04700	Capital reduction payments to shareholders	(197,195)	0
C04900	Payments to acquire treasury shares	0	(19,534)
C05000	Proceeds from sale of treasury shares	12	0
CCCC	Net cash flows from (used in) financing activities	(363,535)	69,743
DDDD	Effect of exchange rate changes on cash and cash equivalents	(154)	1,870
EEEE	Net increase (decrease) in cash and cash equivalents	(230,427)	246,236
E00100	Cash and cash equivalents at beginning of period	483,665	237,429
E00200	Cash and cash equivalents at end of period	253,238	483,665
E00210	Cash and cash equivalents reported in the statement of financial position	253,238	483,665

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	0	0	57,906	57,906	0	0	(19,534)	508,370
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	0	0	57,906	57,906	0	0	(19,534)	508,370
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				0
C11	Capital surplus used to offset accumulated deficits				0		0	0				0
D1	Profit (loss)						27,393	27,393				27,393
D3	Other comprehensive income						64	64	0	0		64
D5	Total comprehensive income						27,457	27,457	0	0		27,457
L1	Purchase of treasury shares										12	12
L3	Retirement of treasury share	0		0	145		0	0			5,895	6,040
T1	Others	0	0	0	0	0	0	0	0	0	0	0
Y1	Total increase (decrease) in equity	0	0	0	145	5,033	(23,166)	(18,133)	0	0	5,907	(12,081)
Z1	Equity at end of period	470,000	0	470,000	145	5,033	34,740	39,773	0	0	(13,627)	496,290

Unit: NT\$ thousands

Last year's Statements of Change in Equity												
		3110	3100	3200	3310	3320	3350	3300	3410	3400	3500	31XX
		Total										

		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	equity attributable to owners of parent
A1	Equity at beginning of period	900,020	900,020	19,665	0	0	(246,450)	(246,450)	(6)	(6)	0	673,229
A3	Effects of retrospective application and retrospective restatement	0	0	0	0	0	7,642	7,642	0	0		7,642
A5	Equity at beginning of period after adjustments	900,020	900,020	19,665	0	0	(238,808)	(238,808)	(6)	(6)	0	680,871
B1	Legal reserve appropriated				0		0	0				0
B5	Cash dividends of ordinary share				0	0	0	0				0
B9	Stock dividends of ordinary share			0	0	0	0	0				0
B13	Legal reserve used to offset accumulated deficits				0		0	0				0
C7	Changes in equity of associates and joint ventures accounted for using equity method			0								0
C11	Capital surplus used to offset accumulated deficits			(19,665)			19,665	19,665				0
D1	Profit (loss)						50,333	50,333				50,333
D3	Other comprehensive income						(69)	(69)	6	6		(63)
D5	Total comprehensive income						50,264	50,264	6	6		50,270
E3	Capital reduction	(203,235)	(203,235)									(203,235)
F1	Capital reduction to offset accumulated deficits	(226,785)	(226,785)				226,785	226,785				0
L1	Purchase of treasury shares										(19,534)	(19,534)
M3	Disposal of subsidiaries or investments accounted for using equity method											0
Y1	Total increase (decrease) in equity	(430,020)	(430,020)	(19,665)	0	0	296,714	296,714	6	6	(19,534)	(172,499)
Z1	Equity at	470,000	470,000	0	0	0	57,906	57,906	0	0	(19,534)	508,372

