

6148 AZION CORPORATION

2022Q3 Consolidated Financial Report

Unit: NT\$ thousands

Balance Sheet				
Code	Accounting Title	2022/9/30	2021/12/31	2021/9/30
	Assets			
	Current assets			
1100	Cash and cash equivalents	269,404	402,804	277,686
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	58,193	63,834	85,764
1140	Current contract assets	0	0	0
1150	Notes receivable, net	0	0	0
1160	Notes receivable due from related parties, net	0	0	0
1170	Accounts receivable, net	105,748	188,438	145,043
1172	Accounts receivable	105,748	188,438	145,043
1175	Lease payments receivable	0	0	0
1180	Accounts receivable due from related parties, net	285	1,411	373
1181	Accounts receivable due from related parties	285	1,411	373
1190	Construction contracts receivable	0	0	0
1195	Construction contracts receivable due from related parties	0	0	0
1197	Finance lease receivable, net	98,635	123,623	140,435
1200	Other receivables	133	806	721
1201	Tax refund receivable	0	0	0
1206	Other non-operating receivables, others	0	0	0
1210	Other receivables due from related parties	64	63	63
1220	Current tax assets	4,964	0	1,151
130X	Current inventories	118,476	52,273	92,093
1300	Inventories, merchandising business	118,476	52,273	92,093
1301	Merchandise inventory	118,476	52,273	92,093
1400	Current biological assets	0	0	0
1410	Prepayments	39,241	26,643	21,179
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	57	149	1,581
1476	Other current financial assets	0	0	0
1479	Other current assets, others	57	149	1,581
11XX	Total current assets	695,200	860,044	766,089
	Non-current assets			
1510	Non-current financial assets at fair value through profit or loss	18,277	17,598	17,031
1550	Investments accounted for using equity method	0	0	0
1600	Property, plant and equipment	4,921	2,485	2,495
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	1,963	2,345	2,293
1656	Computer and telecommunication equipment, cost	9,043	9,298	9,592
1658	Accumulated depreciation, computer and telecommunication equipment	(7,080)	(6,953)	(7,299)

1659	Accumulated impairment, computer and telecommunication equipment	(0)	(0)	(0)
1660	Testing equipment, net	0	31	57
1661	Testing equipment, cost	4,306	4,475	4,503
1663	Accumulated depreciation, testing equipment	(4,306)	(4,444)	(4,446)
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	12	39	47
1691	Office equipment, cost	191	417	417
1693	Accumulated depreciation, office equipment	(179)	(378)	(370)
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	2,603	70	98
1736	Other facilities, cost	9,778	8,271	18,201
1738	Accumulated depreciation, other facilities	(7,175)	(8,201)	(18,103)
1739	Accumulated impairment, other facilities	(0)	(0)	(0)
1740	Unfinished construction and equipment under acceptance	343	0	0
1750	Natural resources, net	0	0	0
1755	Right-of-use assets	9,254	15,503	17,478
1760	Investment property, net	0	0	0
1780	Intangible assets	2,472	972	446
1805	Goodwill	0	0	0
1821	Other intangible assets, net	2,472	972	446
1830	Non-current biological assets	0	0	0
1840	Deferred tax assets	8,444	11,975	10,270
1900	Other non-current assets	185,501	242,509	276,871
1915	Prepayments for business facilities	0	0	0
1920	Guarantee deposits paid	33,507	40,720	51,911
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	146,332	196,156	219,674
1975	Net defined benefit asset, non-current	5,662	5,633	5,286
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	228,869	291,042	324,591
1XXX	Total assets	924,069	1,151,086	1,090,680
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	36,990	49,353	30,989
2130	Current contract liabilities	15,104	8,707	12,072
2150	Notes payable	68	415	19,727
2170	Accounts payable	79,019	97,264	72,223
2180	Accounts payable to related parties	10,671	18,001	2,978

2190	Construction contracts payable	0	0	0
2200	Other payables	52,045	67,815	47,818
2219	Other payables, others	52,045	67,815	47,818
2220	Other payables to related parties	586	315	286
2230	Current tax liabilities	638	7,175	1,351
2250	Current provisions	49,111	68,493	68,972
2265	Progress billings	0	0	0
2280	Current lease liabilities	9,344	9,813	9,768
2300	Other current liabilities	74,722	81,061	88,955
2320	Long-term liabilities, current portion	73,571	80,239	88,003
2355	Current lease obligations payable	0	0	0
2399	Other current liabilities, others	1,151	822	952
21XX	Total current liabilities	328,298	408,412	355,139
	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	73,372	183,023	203,083
2550	Non-current provisions	0	0	0
2570	Deferred tax liabilities	3,042	1,380	1,176
2580	Non-current lease liabilities	4,092	10,974	13,436
2600	Other non-current liabilities	750	1,035	921
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	750	1,035	921
2670	Other non-current liabilities, others	0	0	0
25XX	Total non-current liabilities	81,256	196,412	218,616
2XXX	Total liabilities	409,554	604,824	573,755
	Equity			
	Equity attributable to owners of parent			
	Share capital			
3110	Ordinary share	466,038	466,038	470,000
3120	Preference share	0	0	0
3150	Stock dividend to be distributed	0	0	0
3100	Total Share Capital	466,038	466,038	470,000
	Capital surplus			
3200	Total capital surplus	5,679	5,679	5,584
	Retained earnings			
3310	Legal reserve	17,266	12,765	12,765
3350	Unappropriated retained earnings (accumulated deficit)	34,537	70,785	41,448
3300	Total retained earnings	51,803	83,550	54,213
	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	(9,005)	(9,005)	(12,872)
31XX	Total equity attributable to owners of parent	514,515	546,262	516,925
36XX	Non-controlling interests	0	0	0

3XXX	Total equity	514,515	546,262	516,925
3X2X	Total liabilities and equity	924,069	1,151,086	1,090,680
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	950,000	950,000	1,346,243

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

Statement of Comprehensive Income					
Code	Accounting Title	2022/7/1To9/30	2021/7/1To9/30	2022/1/1To9/30	2021/1/1To9/30
	Operating revenue				
	Net sales revenue				
4100	Net sales revenue	31,594	74,004	109,290	170,672
	Rental revenue				
4300	Total rental revenue	0	37	47	84
	Construction and engineering revenue				
4500	Total construction and engineering revenue	0	0	0	0
	Service revenue				
4650	Technical service revenue	71,229	79,326	186,853	204,476
4600	Total service revenue	71,229	79,326	186,853	204,476
	Other operating revenue				
4800	Other operating revenue, net	2,297	4,126	8,378	13,889
4000	Total operating revenue	105,120	157,493	304,568	389,121
	Operating costs				
	Cost of sales				
5110	Total cost of sales	31,470	66,519	101,085	153,159
	Cost of rental sales				
5300	Total cost of rental sales	0	0	0	0
	Cost of construction and engineering service sales				
5520	Cost of engineering sales	0	0	0	0
5500	Total cost of construction and engineering service sales	0	0	0	0
	Cost of services				
5650	Costs to provide technical services	44,826	49,733	107,722	140,208
5600	Total cost of services	44,826	49,733	107,722	140,208
5800	Other operating costs	610	866	2,057	2,534
5000	Total operating costs	76,906	117,118	210,864	295,901
5900	Gross profit (loss) from operations	28,214	40,375	93,704	93,220
5950	Gross profit (loss) from operations	28,214	40,375	93,704	93,220
	Operating expenses				
6100	Selling expenses	11,677	10,786	32,863	30,124
6200	Administrative expenses	22,812	21,087	52,255	55,095
6300	Research and development expenses	1,039	1,285	3,498	3,886
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	(1,037)	318	228	1,431
6000	Total operating expenses	34,491	33,476	88,844	90,536
6900	Net operating income (loss)	(6,277)	6,899	4,860	2,684
	Non-operating income and expenses				
	Interest income				
7100	Total interest income	116	34	455	118
	Other income				
7010	Total other income	9,487	17,747	9,624	18,719
	Other gains and losses				

7020	Other gains and losses, net	2,684	3,147	8,479	4,753
	Finance costs				
7050	Finance costs, net	488	208	949	583
	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	0	0
7000	Total non-operating income and expenses	11,799	20,720	17,609	23,007
7900	Profit (loss) from continuing operations before tax	5,522	27,619	22,469	25,691
	Tax expense (income)				
7950	Total tax expense (income)	1,940	3,071	8,516	4,538
8000	Profit (loss) from continuing operations	3,582	24,548	13,953	21,153
	Profit (loss) from discontinued operations				
8100	Total profit (loss) from discontinued operations	0	0	0	(6,723)
8200	Profit (loss)	3,582	24,548	13,953	14,430
	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	0	0	0	0
8312	Gains (losses) on revaluation	0	0	0	0
8313	Change in fair value of financial liability attributable to change in credit risk of liability	0	0	0	0
8314	Equity related to non-current assets or disposal groups classified as held for sale that will not be reclassified to profit or loss	0	0	0	0
8315	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	0	0	0	0
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	0	0	0	0
8317	Gains (losses) on hedging instrument that will not be reclassified to profit or loss	0	0	0	0
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	0	0
8341	Other components of other comprehensive income that will not be reclassified to profit or loss	0	0	0	0
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	0	0	0	0
8310	Components of other comprehensive income that will not be reclassified to profit or loss	0	0	0	0
	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	0	0	0	0
8365	Equity related to non-current assets or disposal groups classified as held for sale	0	0	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	0	0
8391	Other components of other comprehensive income that will be reclassified to profit or loss	0	0	0	0
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	0	0	0	0
8360	Components of other comprehensive income that will be reclassified to profit or loss	0	0	0	0
8300	Total other comprehensive income	0	0	0	0
8500	Total comprehensive income	3,582	24,548	13,953	14,430
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	3,582	24,548	13,953	15,674
8620	Profit (loss), attributable to non-controlling interests	0	0	0	(1,244)

	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	3,582	24,548	13,953	15,674
8720	Comprehensive income, attributable to non-controlling interests	0	0	0	(1,244)
	Basic earnings per share				
9710	Basic earnings (loss) per share from continuing operations	0.08	0.53	0.31	0.46
9720	Basic earnings (loss) per share from discontinued operations	0.00	0.00	0.00	(0.12)
9750	Total basic earnings per share	0.08	0.53	0.31	0.34
	Diluted earnings per share				
9810	Diluted earnings (loss) per share from continuing operations	0.08	0.53	0.31	0.46
9820	Diluted earnings (loss) per share from discontinued operations	0.00	0.00	0.00	(0.12)
9850	Total diluted earnings per share	0.08	0.53	0.31	0.34

Unit: NT\$ thousands

Statements of Cash Flows				
Code	Accounting Title	2022/1/1To9/30	2021/1/1To9/30	
	Cash flows from (used in) operating activities, indirect method			
A00010	Profit (loss) from continuing operations before tax	22,469	25,691	
A00020	Profit (loss) from discontinued operations before tax	0	(6,723)	
A10000	Profit (loss) before tax	22,469	18,968	
	Adjustments			
	Adjustments to reconcile profit (loss)			
A20100	Depreciation expense	7,423	7,431	
A20200	Amortization expense	949	293	
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	228	1,431	
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(679)	(433)	
A20900	Interest expense	949	583	
A21200	Interest income	(455)	(118)	
A21300	Dividend income	0	(2,600)	
A21900	Share-based payments	0	3,730	
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	(7)	(3)	
A22900	Loss (gain) on disposal of other assets	(250)	(3,771)	
A23100	Loss (gain) on disposal of investments	0	0	
A23200	Loss (gain) on disposal of investments accounted for using equity method	0	0	
A23700	Impairment loss on non-financial assets	1,034	900	
A23800	Reversal of impairment loss on non-financial assets	0	0	
A24100	Unrealized foreign exchange loss (gain)	(4,373)	187	
A29900	Other adjustments to reconcile profit (loss)	(29)	(15)	
A20010	Total adjustments to reconcile profit (loss)	4,790	7,615	
	Changes in operating assets and liabilities			
	Changes in operating assets			
A31130	Decrease (increase) in notes receivable	0	324	
A31150	Decrease (increase) in accounts receivable	82,462	(95,118)	
A31160	Decrease (increase) in accounts receivable due from related parties	1,126	694	
A31180	Decrease (increase) in other receivable	673	2	
A31190	Decrease (increase) in other receivable due from related parties	(1)	0	
A31200	Adjustments for decrease (increase) in inventories	(67,237)	(26,460)	
A31230	Decrease (increase) in prepayments	(12,598)	3,747	
A31240	Adjustments for decrease (increase) in other current assets	92	(4,699)	
A31990	Decrease (increase) in other operating assets	75,416	54,016	

A31000	Total changes in operating assets	79,933	(67,494)
	Changes in operating liabilities		
A32125	Increase (decrease) in contract liabilities	6,397	(28,425)
A32130	Increase (decrease) in notes payable	(347)	19,238
A32150	Increase (decrease) in accounts payable	(20,763)	43,883
A32160	Increase (decrease) in accounts payable to related parties	(7,330)	(3,797)
A32180	Increase (decrease) in other payable	(15,691)	(13,799)
A32190	Increase (decrease) in other payable to related parties	271	435
A32200	Increase (decrease) in provisions	(19,382)	11,369
A32230	Adjustments for increase (decrease) in other current liabilities	329	481
A32250	Increase (decrease) in deferred credits	0	0
A32000	Total changes in operating liabilities	(56,516)	29,385
A30000	Total changes in operating assets and liabilities	23,417	(38,109)
A20000	Total adjustments	28,207	(30,494)
A33000	Cash inflow (outflow) generated from operations	50,676	(11,526)
A33100	Interest received	455	118
A33300	Interest paid	(1,028)	(602)
A33500	Income taxes refund (paid)	(14,824)	(15,844)
AAAA	Net cash flows from (used in) operating activities	35,279	(27,854)
	Cash flows from (used in) investing activities		
B00040	Acquisition of financial assets at amortised cost	0	(20,106)
B00050	Proceeds from disposal of financial assets at amortised cost	5,641	0
B00100	Acquisition of financial assets at fair value through profit or loss	0	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
B02300	Proceeds from disposal of subsidiaries	0	(13,115)
B02700	Acquisition of property, plant and equipment	(3,983)	(2,301)
B02800	Proceeds from disposal of property, plant and equipment	26	0
B03700	Increase in refundable deposits	0	(23,006)
B03800	Decrease in refundable deposits	7,213	0
B04500	Acquisition of intangible assets	(2,449)	(85)
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	2,600
BBBB	Net cash flows from (used in) investing activities	6,448	(56,013)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	0	17,589
C00200	Decrease in short-term loans	(13,800)	0
C01600	Proceeds from long-term debt	0	147,192
C01700	Repayments of long-term debt	(116,319)	(78,811)
C03000	Increase in guarantee deposits received	0	0
C03100	Decrease in guarantee deposits received	(285)	(354)
C04000	Decrease in lease payable	0	0
C04020	Payments of lease liabilities	(7,351)	(7,641)
C04500	Cash dividends paid	(45,700)	(37,000)
C04700	Capital reduction payments to shareholders	0	0
C04900	Payments to acquire treasury shares	0	0
C05000	Proceeds from sale of treasury shares	0	9,741

C05800	Change in non-controlling interests	0	22,000
CCCC	Net cash flows from (used in) financing activities	(183,455)	72,716
DDDD	Effect of exchange rate changes on cash and cash equivalents	8,328	(351)
EEEE	Net increase (decrease) in cash and cash equivalents	(133,400)	(11,502)
E00100	Cash and cash equivalents at beginning of period	402,804	289,188
E00200	Cash and cash equivalents at end of period	269,404	277,686
E00210	Cash and cash equivalents reported in the statement of financial position	269,404	277,686

Unit: NT\$ thousands

Statements of Change in Equity		3110	3150	3100	3200	3310	3350	3300	3410	3400	3500	
		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	Attributable to owners of the parent
A1	Equity at beginning of period	466,038	0	466,038	5,679	12,765	70,785	83,550	0	0	(9,005)	
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	466,038	0	466,038	5,679	12,765	70,785	83,550	0	0	(9,005)	
B1	Legal reserve appropriated					4,501	(4,501)	0				
B5	Cash dividends of ordinary share					0	(45,700)	(45,700)				
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)						13,953	13,953				
D3	Other comprehensive income						0	0	0	0		
D5	Total comprehensive income						13,953	13,953	0	0		
L3	Retirement of treasury share				0						0	
M7	Changes in ownership interests in subsidiaries				0							

N1	Share-based payments				0							
O1	Changes in non-controlling interests											
T1	Others	0	0	0	0	0	0	0	0	0	0	
Y1	Total increase (decrease) in equity	0	0	0	0	4,501	(36,248)	(31,747)	0	0	0	
Z1	Equity at end of period	466,038	0	466,038	5,679	17,266	34,537	51,803	0	0	(9,005)	

Unit: NT\$ thousands

Last year's Statements of Change in Equity												
		3110	3150	3100	3200	3310	3350	3300	3410	3400	3500	3600
		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	Equity attributable to owners of the parent
A1	Equity at beginning of period	470,000	0	470,000	145	7,779	67,760	75,539	0	0	(22,632)	
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	145	7,779	67,760	75,539	0	0	(22,632)	
B1	Legal reserve appropriated					4,986	(4,986)	0				
B5	Cash dividends of ordinary share					0	(37,000)	(37,000)				
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)						15,674	15,674				
D3	Other comprehensive income						0	0	0	0		
D5	Total comprehensive income						15,674	15,674	0	0		
L1	Purchase of treasury shares										0	

L3	Retirement of treasury share	0		0	(19)		0	0			9,760	
M3	Disposal of subsidiaries or investments accounted for using equity method				0							
M7	Changes in ownership interests in subsidiaries				1,728						0	
N1	Share-based payments				3,730						0	
O1	Changes in non-controlling interests											
T1	Others	0	0	0	0	0	0	0	0	0	0	
Y1	Total increase (decrease) in equity	0	0	0	5,439	4,986	(26,312)	(21,326)	0	0	9,760	
Z1	Equity at end of period	470,000	0	470,000	5,584	12,765	41,448	54,213	0	0	(12,872)	