

6148 AZION CORPORATION

2022Q4 Consolidated Financial Report

Unit: NT\$ thousands

Balance Sheet			
Code	Accounting Title	2022/12/31	2021/12/31
	Assets		
	Current assets		
1100	Cash and cash equivalents	279,270	402,804
1110	Current financial assets at fair value through profit or loss	0	0
1120	Current financial assets at fair value through other comprehensive income	0	0
1136	Current financial assets at amortised cost	53,408	63,834
1140	Current contract assets	0	0
1150	Notes receivable, net	0	0
1160	Notes receivable due from related parties, net	0	0
1170	Accounts receivable, net	191,390	188,438
1172	Accounts receivable	191,390	188,438
1175	Lease payments receivable	0	0
1180	Accounts receivable due from related parties, net	342	1,411
1181	Accounts receivable due from related parties	342	1,411
1190	Construction contracts receivable	0	0
1195	Construction contracts receivable due from related parties	0	0
1197	Finance lease receivable, net	97,010	123,623
1200	Other receivables	137	806
1201	Tax refund receivable	0	0
1206	Other non-operating receivables, others	0	0
1210	Other receivables due from related parties	63	63
1220	Current tax assets	3,298	0
130X	Current inventories	102,729	52,273
1300	Inventories, merchandising business	102,729	52,273
1301	Merchandise inventory	102,729	52,273
1400	Current biological assets	0	0
1410	Prepayments	44,310	26,643
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	302	149
1476	Other current financial assets	0	0
1479	Other current assets, others	302	149
11XX	Total current assets	772,259	860,044
	Non-current assets		
1510	Non-current financial assets at fair value through profit or loss	18,128	17,598
1550	Investments accounted for using equity method	0	0
1600	Property, plant and equipment	4,540	2,485
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	1,783	2,345
1656	Computer and telecommunication equipment, cost	9,251	9,298
1658	Accumulated depreciation, computer and telecommunication equipment	(7,468)	(6,953)

1659	Accumulated impairment, computer and telecommunication equipment	(0)	(0)
1660	Testing equipment, net	0	31
1661	Testing equipment, cost	4,306	4,475
1663	Accumulated depreciation, testing equipment	(4,306)	(4,444)
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	4	39
1691	Office equipment, cost	191	417
1693	Accumulated depreciation, office equipment	(187)	(378)
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	2,753	70
1736	Other facilities, cost	10,197	8,271
1738	Accumulated depreciation, other facilities	(7,444)	(8,201)
1739	Accumulated impairment, other facilities	(0)	(0)
1750	Natural resources, net	0	0
1755	Right-of-use assets	8,042	15,503
1760	Investment property, net	0	0
1780	Intangible assets	2,521	972
1805	Goodwill	0	0
1821	Other intangible assets, net	2,521	972
1830	Non-current biological assets	0	0
1840	Deferred tax assets	7,000	11,975
1900	Other non-current assets	163,931	242,509
1915	Prepayments for business facilities	0	0
1920	Guarantee deposits paid	37,977	40,720
1930	Long-term notes and accounts receivable	0	0
1935	Long-term lease payments receivable	0	0
194D	Long-term finance lease receivable, net	123,168	196,156
1975	Net defined benefit asset, non-current	2,786	5,633
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	204,162	291,042
1XXX	Total assets	976,421	1,151,086
	Liabilities and equity		
	Liabilities		
	Current liabilities		
2100	Current borrowings	5,000	49,353
2130	Current contract liabilities	41,889	8,707
2150	Notes payable	12,378	415
2170	Accounts payable	111,901	97,264
2180	Accounts payable to related parties	22,581	18,001
2190	Construction contracts payable	0	0

2200	Other payables	68,384	67,815
2219	Other payables, others	68,384	67,815
2220	Other payables to related parties	343	315
2230	Current tax liabilities	631	7,175
2250	Current provisions	44,125	68,493
2265	Progress billings	0	0
2280	Current lease liabilities	9,522	9,813
2300	Other current liabilities	65,361	81,061
2320	Long-term liabilities, current portion	64,633	80,239
2355	Current lease obligations payable	0	0
2399	Other current liabilities, others	728	822
21XX	Total current liabilities	382,115	408,412
	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	54,234	183,023
2550	Non-current provisions	0	0
2570	Deferred tax liabilities	1,063	1,380
2580	Non-current lease liabilities	2,140	10,974
2600	Other non-current liabilities	728	1,035
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	728	1,035
2670	Other non-current liabilities, others	0	0
25XX	Total non-current liabilities	58,165	196,412
2XXX	Total liabilities	440,280	604,824
	Equity		
	Equity attributable to owners of parent		
	Share capital		
3110	Ordinary share	466,038	466,038
3120	Preference share	0	0
3150	Stock dividend to be distributed	0	0
3100	Total Share Capital	466,038	466,038
	Capital surplus		
3200	Total capital surplus	5,679	5,679
	Retained earnings		
3310	Legal reserve	17,266	12,765
3350	Unappropriated retained earnings (accumulated deficit)	56,163	70,785
3300	Total retained earnings	73,429	83,550
	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	(9,005)	(9,005)
31XX	Total equity attributable to owners of parent	536,141	546,262
36XX	Non-controlling interests	0	0
3XXX	Total equity	536,141	546,262

3X2X	Total liabilities and equity	976,421	1,151,086
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	950,000	950,000

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

Statement of Comprehensive Income			
Code	Accounting Title	2022/1/1To12/31	2021/1/1To12/31
	Operating revenue		
	Net sales revenue		
4100	Net sales revenue	211,910	312,901
	Rental revenue		
4300	Total rental revenue	47	112
	Construction and engineering revenue		
4500	Total construction and engineering revenue	0	0
	Service revenue		
4600	Total service revenue	282,254	301,204
	Other operating revenue		
4800	Other operating revenue, net	10,281	17,620
4000	Total operating revenue	504,492	631,837
	Operating costs		
	Cost of sales		
5110	Total cost of sales	192,525	266,297
	Cost of rental sales		
5300	Total cost of rental sales	0	0
	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	159,356	200,998
5800	Other operating costs	2,636	3,397
5000	Total operating costs	354,517	470,692
5900	Gross profit (loss) from operations	149,975	161,145
5910	Unrealized profit (loss) from sales	0	0
5920	Realized profit (loss) on from sales	0	0
5950	Gross profit (loss) from operations	149,975	161,145
	Operating expenses		
6100	Selling expenses	44,867	41,634
6200	Administrative expenses	73,891	77,974
6300	Research and development expenses	4,592	5,099
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	464	(109)
6000	Total operating expenses	123,814	124,598
6900	Net operating income (loss)	26,161	36,547
	Non-operating income and expenses		
	Interest income		
7101	Interest income from bank deposits	927	199
7105	Other interest income	10	9
7107	Interest income from contract assets	98	50
7100	Total interest income	1,035	258
	Other income		

7130	Dividend income	3,000	2,600
7190	Other income, others	11,856	16,141
7010	Total other income	14,856	18,741
	Other gains and losses		
7210	Gains on disposals of property, plant and equipment	7	7
7225	Gains on disposals of investments	0	3,771
7227	Income from subleasing right-of-use assets	250	0
7230	Foreign exchange gains	6,755	653
7235	Gains on financial assets (liabilities) at fair value through profit or loss	530	1,000
7590	Miscellaneous disbursements	4	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	0	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	7,538	5,431
	Finance costs		
7510	Interest expense	1,446	813
7050	Finance costs, net	1,446	813
	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	21,983	23,617
7900	Profit (loss) from continuing operations before tax	48,144	60,164
	Tax expense (income)		
7950	Total tax expense (income)	10,256	9,947
8000	Profit (loss) from continuing operations	37,888	50,217
	Profit (loss) from discontinued operations		
8100	Total profit (loss) from discontinued operations	0	(6,723)
8200	Profit (loss)	37,888	43,494
	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	(2,886)	342
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	(577)	69
8310	Components of other comprehensive income that will not be reclassified to profit or loss	(2,309)	273
	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	(2,309)	273
8500	Total comprehensive income	35,579	43,767

	Profit (loss), attributable to:		
8610	Profit (loss), attributable to owners of parent	37,888	44,738
8620	Profit (loss), attributable to non-controlling interests	0	(1,244)
	Comprehensive income attributable to:		
8710	Comprehensive income, attributable to owners of parent	35,579	45,011
8720	Comprehensive income, attributable to non-controlling interests	0	(1,244)
	Basic earnings per share		
9710	Basic earnings (loss) per share from continuing operations	0.83	1.10
9720	Basic earnings (loss) per share from discontinued operations	0.00	(0.12)
9750	Total basic earnings per share	0.83	0.98
	Diluted earnings per share		
9810	Diluted earnings (loss) per share from continuing operations	0.83	1.10
9820	Diluted earnings (loss) per share from discontinued operations	0.00	(0.12)
9850	Total diluted earnings per share	0.83	0.98

Unit: NT\$ thousands

Statements of Cash Flows			
Code	Accounting Title	2022/1/1To12/31	2021/1/1To12/31
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	48,144	60,164
A00020	Profit (loss) from discontinued operations before tax	0	(6,723)
A10000	Profit (loss) before tax	48,144	53,441
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	10,019	9,812
A20200	Amortization expense	1,292	475
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	464	(109)
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(530)	(1,000)
A20900	Interest expense	1,446	813
A21200	Interest income	(1,035)	(258)
A21300	Dividend income	(3,000)	(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)	(7)
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
A23500	Impairment loss on financial assets	0	0
A23700	Impairment loss on non-financial assets	3,013	3,438
A23800	Reversal of impairment loss on non-financial assets	0	(1,210)
A24100	Unrealized foreign exchange loss (gain)	1,446	114
A29900	Other adjustments to reconcile profit (loss)	(39)	(20)
A20010	Total adjustments to reconcile profit (loss)	12,819	9,407
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31130	Decrease (increase) in notes receivable	0	324
A31150	Decrease (increase) in accounts receivable	(3,416)	(136,973)
A31160	Decrease (increase) in accounts receivable due from related parties	1,069	(344)
A31180	Decrease (increase) in other receivable	669	(86)
A31190	Decrease (increase) in other receivable due from related parties	0	0

A31200	Adjustments for decrease (increase) in inventories	(53,469)	12,032
A31230	Decrease (increase) in prepayments	(17,667)	(1,717)
A31240	Adjustments for decrease (increase) in other current assets	(153)	(3,267)
A31990	Decrease (increase) in other operating assets	100,205	94,346
A31000	Total changes in operating assets	27,238	(35,685)
	Changes in operating liabilities		
A32125	Increase (decrease) in contract liabilities	33,182	(31,790)
A32130	Increase (decrease) in notes payable	11,963	(74)
A32150	Increase (decrease) in accounts payable	12,154	69,086
A32160	Increase (decrease) in accounts payable to related parties	4,580	11,226
A32180	Increase (decrease) in other payable	647	6,160
A32190	Increase (decrease) in other payable to related parties	28	464
A32200	Increase (decrease) in provisions	(24,368)	10,890
A32230	Adjustments for increase (decrease) in other current liabilities	(94)	351
A32250	Increase (decrease) in deferred credits	0	0
A32000	Total changes in operating liabilities	38,092	66,313
A30000	Total changes in operating assets and liabilities	65,330	30,628
A20000	Total adjustments	78,149	40,035
A33000	Cash inflow (outflow) generated from operations	126,293	93,476
A33100	Interest received	1,035	258
A33300	Interest paid	(1,524)	(794)
A33500	Income taxes refund (paid)	(14,863)	(15,848)
AAAA	Net cash flows from (used in) operating activities	110,941	77,092
	Cash flows from (used in) investing activities		
B00050	Proceeds from disposal of financial assets at amortised cost	10,426	1,824
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	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	0
B02300	Proceeds from disposal of subsidiaries	0	(13,115)
B02700	Acquisition of property, plant and equipment	(4,267)	(2,697)
B02800	Proceeds from disposal of property, plant and equipment	26	7
B03700	Increase in refundable deposits	0	(11,815)
B03800	Decrease in refundable deposits	2,743	0
B04500	Acquisition of intangible assets	(2,841)	(793)
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	3,000	2,600
BBBB	Net cash flows from (used in) investing activities	9,087	(23,989)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	0	36,144
C00200	Decrease in short-term loans	(44,353)	0
C01600	Proceeds from long-term debt	0	147,192
C01700	Repayments of long-term debt	(144,395)	(106,635)
C03000	Increase in guarantee deposits received	0	0
C03100	Decrease in guarantee deposits received	(307)	(240)
C04000	Decrease in lease payable	0	0

C04020	Payments of lease liabilities	(9,844)	(10,058)
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	(244,599)	61,144
DDDD	Effect of exchange rate changes on cash and cash equivalents	1,037	(631)
EEEE	Net increase (decrease) in cash and cash equivalents	(123,534)	113,616
E00100	Cash and cash equivalents at beginning of period	402,804	289,188
E00200	Cash and cash equivalents at end of period	279,270	402,804
E00210	Cash and cash equivalents reported in the statement of financial position	279,270	402,804

Unit: NT\$ thousands

Statements of Change in Equity												
		3110	3150	3100	3200	3310	3350	3300	3410	3400	3500	3550
		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
A1	Equity at beginning of period	466,038	0	466,038	5,679	12,765	70,785	83,550	0	0	(9,005)	150,377
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	466,038	0	466,038	5,679	12,765	70,785	83,550	0	0	(9,005)	150,377
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)						37,888	37,888				
D3	Other comprehensive income						(2,309)	(2,309)	0	0		
D5	Total comprehensive income						35,579	35,579	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	(14,622)	(10,121)	0	0	0	
Z1	Equity at end of period	466,038	0	466,038	5,679	17,266	56,163	73,429	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	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 equity holders 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)						44,738	44,738				
D3	Other comprehensive income						273	273	0	0		

D5	Total comprehensive income						45,011	45,011	0	0		
L1	Purchase of treasury shares										0	
L3	Retirement of treasury share	(3,962)		(3,962)	76		0	0			13,627	
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	0
Y1	Total increase (decrease) in equity	(3,962)	0	(3,962)	5,534	4,986	3,025	8,011	0	0	13,627	
Z1	Equity at end of period	466,038	0	466,038	5,679	12,765	70,785	83,550	0	0	(9,005)	