

**5490 XAC AUTOMATION CORP.**  
**2019Q2 Consolidated Financial Report**

Unit: NT\$ thousands

Balance Sheet				
Code	Accounting Title	2019/6/30	2018/12/31	2018/6/30
	<b>Assets</b>			
	Current assets			
1100	Cash and cash equivalents	839,931	810,220	862,342
1110	Current financial assets at fair value through profit or loss	93	654	0
1136	Current financial assets at amortised cost	122,380	119,716	118,824
1170	Accounts receivable, net	287,209	293,723	308,466
130X	Current inventories	374,934	369,553	533,913
1470	Other current assets	38,856	34,476	59,408
1479	Other current assets, others	38,856	34,476	59,408
11XX	Total current assets	1,663,403	1,628,342	1,882,953
	Non-current assets			
1535	Non-current financial assets at amortised cost	2,000	2,000	2,000
1600	Property, plant and equipment	86,464	90,611	94,372
1755	Right-of-use assets	39,629	0	0
1780	Intangible assets	15,217	18,033	20,804
1840	Deferred tax assets	25,976	26,107	20,487
1900	Other non-current assets	5,186	2,754	2,298
1920	Guarantee deposits paid	5,186	2,754	2,298
15XX	Total non-current assets	174,472	139,505	139,961
1XXX	Total assets	1,837,875	1,767,847	2,022,914
	<b>Liabilities and equity</b>			
	Liabilities			
	Current liabilities			
2100	Current borrowings	0	0	53,683
2120	Current financial liabilities at fair value through profit or loss	1,330	0	1,303
2170	Accounts payable	124,921	114,238	281,811
2200	Other payables	115,261	71,599	165,165
2201	Wages and salaries payable	68,063	71,599	70,768
2216	Dividends payable, non-cash assets distributions	47,198	0	94,397
2230	Current tax liabilities	12,888	17,236	4,786
2280	Current lease liabilities	7,553	0	0
2300	Other current liabilities	82,177	71,278	108,547
2399	Other current liabilities, others	82,177	71,278	108,547
21XX	Total current liabilities	344,130	274,351	615,295
	Non-current liabilities			
2550	Non-current provisions	3,420	4,177	4,314
2570	Deferred tax liabilities	20,006	19,734	17,917
2572	Deferred tax liabilities, income tax	20,006	19,734	17,917
2580	Non-current lease liabilities	32,221	0	0
2600	Other non-current liabilities	22,859	33,052	33,005
2640	Net defined benefit liability, non-current	22,859	33,052	33,005
25XX	Total non-current liabilities	78,506	56,963	55,236
2XXX	Total liabilities	422,636	331,314	670,531
	Equity			
	Equity attributable to owners of parent			
	Share capital			
3110	Ordinary share	947,466	943,966	943,966
3100	Total capital stock	947,466	943,966	943,966
	Capital surplus			
3200	Total capital surplus	56,795	60,295	51,650
	Retained earnings			
3310	Legal reserve	370,006	367,139	367,139
3320	Special reserve	4,981	2,345	2,345
3350	Unappropriated retained earnings (accumulated deficit)	44,430	75,994	(16,249)
3353	Current profit and loss	44,430	75,994	(16,249)
3300	Total retained earnings	419,417	445,478	353,235
	Other equity interest			

3490	Other equity, others			
3499	Other equity, others	(8,439)	(13,206)	3,532
3400	Total other equity interest	(8,439)	(13,206)	3,532
31XX	Total equity attributable to owners of parent	1,415,239	1,436,533	1,352,383
3XXX	Total equity	1,415,239	1,436,533	1,352,383
3X2X	Total liabilities and equity	1,837,875	1,767,847	2,022,914
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	0	0

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

Statement of Comprehensive Income					
Code	Accounting Title	2019/4/1To6/30	2018/4/1To6/30	2019/1/1To6/30	2018/1/1To6/30
	Operating revenue				
4000	Total operating revenue	331,781	445,443	592,735	697,578
	Operating costs				
5000	Total operating costs	202,924	319,263	372,107	520,249
5900	Gross profit (loss) from operations	128,857	126,180	220,628	177,329
5950	Gross profit (loss) from operations	128,857	126,180	220,628	177,329
	Operating expenses				
6100	Selling expenses	9,899	9,116	17,470	20,115
6200	Administrative expenses	25,814	26,451	50,695	51,874
6300	Research and development expenses	73,398	86,188	145,022	179,273
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	(4,529)	1,329	(15,766)	(2)
6000	Total operating expenses	104,582	123,084	197,421	251,260
	Net other income (expenses)				
6500	Net other income (expenses)	0	0	0	0
6900	Net operating income (loss)	24,275	3,096	23,207	(73,931)
	Non-operating income and expenses				
	Other income				
7100	Interest income	1,549	1,551	2,881	3,199
7010	Total other income	1,549	1,551	2,881	3,199
	Other gains and losses				
7020	Other gains and losses, net	1,931	3,129	3,201	2,474
	Finance costs				
7510	Interest expense	176	93	359	301
7050	Finance costs, net	176	93	359	301
7000	Total non-operating income and expenses	3,304	4,587	5,723	5,372
7900	Profit (loss) from continuing operations before tax	27,579	7,683	28,930	(68,559)
	Tax expense (income)				
7951	Current tax expense (income)	6,763	6,076	7,793	(4,840)
7950	Total tax expense (income)	6,763	6,076	7,793	(4,840)
8000	Profit (loss) from continuing operations	20,816	1,607	21,137	(63,719)
8200	Profit (loss)	20,816	1,607	21,137	(63,719)
	Other comprehensive income				
	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	(4,534)	1,537	2,862	7,346
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(970)	307	509	1,469
8360	Components of other comprehensive income that will be reclassified to profit or loss	(3,564)	1,230	2,353	5,877
8300	Other comprehensive income, net	(3,564)	1,230	2,353	5,877
8500	Total comprehensive income	17,252	2,837	23,490	(57,842)
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	20,816	1,607	21,137	(63,719)
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	17,252	2,837	23,490	(57,842)
	Basic earnings per share				
9710	Basic earnings (loss) per share from continuing operations	0.22	0.02	0.22	(0.68)
9750	Total basic earnings per share	0.22	0.02	0.22	(0.68)
	Diluted earnings per share				
9810	Diluted earnings (loss) per share from continuing operations	0.22	0.02	0.22	0.00
9850	Total diluted earnings per share	0.22	0.02	0.22	0.00

Unit: NT\$ thousands

Statements of Cash Flows			
Code	Accounting Title	2019/1/1To6/30	2018/1/1To6/30
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	28,930	(68,559)
A10000	Profit (loss) before tax	28,930	(68,559)
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	8,534	4,907
A20200	Amortization expense	3,011	3,106
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(15,766)	(2)
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	1,891	2,874
A20900	Interest expense	359	301
A21200	Interest income	(2,881)	(3,199)
A21900	Share-based payments	2,414	0
A29900	Other adjustments to reconcile profit (loss)	(5,568)	21,052
A20010	Total adjustments to reconcile profit (loss)	(8,006)	29,039
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31115	Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	0	0
A31150	Decrease (increase) in accounts receivable	22,280	(11,489)
A31200	Decrease (increase) in inventories	(811)	(273,122)
A31990	Decrease (increase) in other operating assets	(4,380)	(23,435)
A31000	Total changes in operating assets	17,089	(308,046)
	Changes in operating liabilities		
A32150	Increase (decrease) in accounts payable	10,683	166,630
A32200	Increase (decrease) in provisions	38	(3,622)
A32240	Increase (decrease) in net defined benefit liability	(10,193)	(498)
A32990	Increase (decrease) in other operating liabilities	6,508	29,899
A32000	Total changes in operating liabilities	7,036	192,409
A30000	Total changes in operating assets and liabilities	24,125	(115,637)
A20000	Total adjustments	16,119	(86,598)
A33000	Cash inflow (outflow) generated from operations	45,049	(155,157)
A33100	Interest received	2,841	3,515
A33300	Interest paid	(316)	(301)
A33500	Income taxes refund (paid)	(12,141)	(10,403)
AAAA	Net cash flows from (used in) operating activities	35,433	(162,346)
	Cash flows from (used in) investing activities		
B02700	Acquisition of property, plant and equipment	(439)	(2,411)
B03700	Increase in refundable deposits	(2,432)	(944)
B04500	Acquisition of intangible assets	(45)	(105)
B06600	Decrease in other financial assets	(2,624)	40,969
BBBB	Net cash flows from (used in) investing activities	(5,540)	37,509
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	0	176,382
C00200	Decrease in short-term loans	0	(122,699)
C04020	Payments of lease liabilities	(3,733)	0
CCCC	Net cash flows from (used in) financing activities	(3,733)	53,683
DDDD	Effect of exchange rate changes on cash and cash equivalents	3,551	5,473
EEEE	Net increase (decrease) in cash and cash equivalents	29,711	(65,681)
E00100	Cash and cash equivalents at beginning of period	810,220	928,023
E00200	Cash and cash equivalents at end of period	839,931	862,342
E00210	Cash and cash equivalents reported in the statement of financial position	839,931	862,342

Unit: NT\$ thousands

Statements of Change in Equity												
	3110	3100	3200	3310	3320	3350	3300	3410	3490	3400	31XX	3XXX
	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	Others	Total other equity interest	Total equity attributable to owners of parent	Total equity
	943,966	943,966	60,295	367,139	2,345	75,994	445,478	(4,981)	(8,225)	(13,206)	1,436,533	1,436,533

A1	Equity at beginning of period												
B1	Legal reserve appropriated				2,867		(2,867)	0				0	0
B3	Special reserve appropriated					2,636	(2,636)	0				0	0
B5	Cash dividends of ordinary share						(47,198)	(47,198)				(47,198)	(47,198)
D1	Profit (loss)						21,137	21,137				21,137	21,137
D3	Other comprehensive income								2,353		2,353	2,353	2,353
D5	Total comprehensive income						21,137	21,137	2,353		2,353	23,490	23,490
N1	Share-based payments	3,500	3,500	(3,500)						2,414	2,414	2,414	2,414
Y1	Total increase (decrease) in equity	3,500	3,500	(3,500)	2,867	2,636	(31,564)	(26,061)	2,353	2,414	4,767	(21,294)	(21,294)
Z1	Equity at end of period	947,466	947,466	56,795	370,006	4,981	44,430	419,417	(2,628)	(5,811)	(8,439)	1,415,239	1,415,239

Unit: NT\$ thousands

Last year's Statements of Change in Equity													
	3110	3100	3200	3310	3320	3350	3300	3410	3490	3400	31XX	3XXX	
	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	Others	Total other equity interest	Total equity attributable to owners of parent	Total equity	
A1	Equity at beginning of period	943,966	943,966	51,650	357,433	0	153,918	511,351	(2,345)	0	(2,345)	1,504,622	1,504,622
B1	Legal reserve appropriated				9,706		(9,706)	0			0	0	0
B3	Special reserve appropriated					2,345	(2,345)	0			0	0	0
B5	Cash dividends of ordinary share						(94,397)	(94,397)			(94,397)	(94,397)	(94,397)
D1	Profit (loss)						(63,719)	(63,719)			(63,719)	(63,719)	(63,719)
D3	Other comprehensive income							5,877	0	5,877	5,877	5,877	5,877
D5	Total comprehensive income						(63,719)	(63,719)	5,877	0	5,877	(57,842)	(57,842)
Y1	Total increase (decrease) in equity				9,706	2,345	(170,167)	(158,116)	5,877	0	5,877	(152,239)	(152,239)
Z1	Equity at end of period	943,966	943,966	51,650	367,139	2,345	(16,249)	353,235	3,532	0	3,532	1,352,383	1,352,383