

English Translation of Financial Statements Originally Issued in Chinese

SENSORTEK TECHNOLOGY CORP.

FINANCIAL STATEMENTS

JUNE 30, 2020, DECEMBER 31, 2019

AND JUNE 30, 2019

The financial statements have been originally issued in Chinese. If there is any inconsistency or ambiguity between the English version and the Chinese version, the Chinese version shall prevail.

Provided by: Sensortek Technology Corp.  
 Financial year: Yearly  
 Unit: NTS thousand

Accounting Title	2020/06/30	2019/12/31	2019/06/30
<b>Balance Sheet</b>			
<b>Current assets</b>			
Cash and cash equivalents	1,895,897	909,984	491,204
Current financial assets at amortised cost	2,738,000	1,191,800	510,800
Accounts receivable, net	324,144	363,800	334,373
Accounts receivable due from related parties, net	146,583	175,262	258,542
Other receivables	6,100	4,142	909
Current inventories	605,743	439,684	355,887
Prepayments	69,528	55,516	40,325
<b>Total current assets</b>	<b>5,785,995</b>	<b>3,140,188</b>	<b>1,992,040</b>
<b>Non-current assets</b>			
Non-current financial assets at fair value through other comprehensive income	30,038	0	0
Property, plant and equipment	77,339	91,748	45,765
Right-of-use assets	15,283	17,466	19,650
Intangible assets	4,722	2,300	2,760
Other non-current assets	7,615	5,863	500
<b>Total non-current assets</b>	<b>134,997</b>	<b>117,377</b>	<b>68,675</b>
<b>Total assets</b>	<b>5,920,992</b>	<b>3,257,565</b>	<b>2,060,715</b>
<b>Current liabilities</b>			
Current borrowings	94,884	0	0
Accounts payable	527,754	669,038	586,899
Other payables	1,253,099	424,611	234,349
Other payables to related parties	12,666	7,133	8,076
Current tax liabilities	89,353	187,228	83,139
Current lease liabilities	4,078	4,045	4,013
Other current liabilities	2,788	1,614	2,950
<b>Total current liabilities</b>	<b>1,984,622</b>	<b>1,293,669</b>	<b>919,426</b>
<b>Non-current liabilities</b>			
Non-current lease liabilities	10,485	12,532	14,563
Other non-current liabilities	126,640	128,110	95,397
<b>Total non-current liabilities</b>	<b>137,125</b>	<b>140,642</b>	<b>109,960</b>
<b>Total liabilities</b>	<b>2,121,747</b>	<b>1,434,311</b>	<b>1,029,386</b>
<b>Share capital</b>			
Ordinary share	413,563	377,813	377,813
Stock dividend to be distributed	75,563	0	0
<b>Total Share Capital</b>	<b>489,126</b>	<b>377,813</b>	<b>377,813</b>
<b>Capital surplus</b>			
Total capital surplus	2,181,737	49,228	36,524
<b>Retained earnings</b>			
Legal reserve	170,464	38,174	38,174
Unappropriated retained earnings (accumulated deficit)	958,000	1,358,039	578,818
<b>Total retained earnings</b>	<b>1,128,464</b>	<b>1,396,213</b>	<b>616,992</b>
<b>Other equity interest</b>			
Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	-82	0	0
<b>Total other equity interest</b>	<b>-82</b>	<b>0</b>	<b>0</b>
<b>Total equity</b>	<b>3,799,245</b>	<b>1,823,254</b>	<b>1,031,329</b>
<b>Total liabilities and equity</b>	<b>5,920,992</b>	<b>3,257,565</b>	<b>2,060,715</b>
Equivalent issue shares of advance receipts for ordinary share	0	0	0
Number of shares in entity held by entity and by its subsidiaries	0	0	0

Provided by: Sensortek Technology Corp.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2020/2nd	2019/2nd	2020/01/01To2020/06/30	2019/01/01To2019/06/30
<b>Income Statement</b>				
Total operating revenue	1,024,529	1,240,435	2,375,012	1,956,091
Total operating costs	603,957	693,674	1,405,182	1,106,613
Gross profit (loss) from operations	420,572	546,761	969,830	849,478
Gross profit (loss) from operations	420,572	546,761	969,830	849,478
<b>Operating expenses</b>				
Selling expenses	19,358	23,419	43,783	39,198
Administrative expenses	21,417	33,051	55,942	57,472
Research and development expenses	71,403	83,473	156,625	136,656
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	0	10	0	30
Total operating expenses	112,178	139,953	256,350	233,356
Net operating income (loss)	308,394	406,808	713,480	616,122
<b>Non-operating income and expenses</b>				
Total interest income	5,561	1,385	10,264	2,323
Other gains and losses, net	-1,948	5,076	2,989	6,627
Finance costs, net	594	177	780	334
Total non-operating income and expenses	3,019	6,284	12,473	8,616
Profit (loss) from continuing operations before tax	311,413	413,092	725,953	624,738
Total tax expense (income)	36,484	53,369	86,950	81,059
Profit (loss) from continuing operations	274,929	359,723	639,003	543,679
Profit (loss)	274,929	359,723	639,003	543,679
<b>Other comprehensive income</b>				
Unrealised gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	-82	0	-82	0
Components of other comprehensive income that will be reclassified to profit or loss	-82	0	-82	0
Total other comprehensive income	-82	0	-82	0
Total comprehensive income	274,847	359,723	638,921	543,679
<b>Basic earnings per share</b>				
Basic earnings (loss) per share from continuing operations	5.93	7.93	13.93	12.04
Total basic earnings per share	5.93	7.93	13.93	12.04
<b>Diluted earnings per share</b>				
Diluted earnings (loss) per share from continuing operations	5.92	7.91	13.90	11.93
Total diluted earnings per share	5.92	7.91	13.90	11.93

Provided by: Sensortek Technology Corp.

Financial year: Yearly

Unit: NTS thousand

Accounting Title	2020/01/01To2020/06/30	2019/01/01To2019/06/30
<b>Statements of Cash Flows</b>		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	725,953	624,738
Profit (loss) before tax	725,953	624,738
Depreciation expense	36,876	22,262
Amortization expense	1,933	1,021
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	0	30
Interest expense	780	334
Interest income	-10,264	-2,323
Share-based payments	33,904	0
Impairment loss on non-financial assets	1,141	29,833
Unrealized foreign exchange loss (gain)	2,959	-1,984
Total adjustments to reconcile profit (loss)	67,329	49,173
Decrease (increase) in accounts receivable	39,305	-142,356
Decrease (increase) in accounts receivable due from related parties	27,798	-166,811
Decrease (increase) in other receivable	40	22,009
Decrease (increase) in inventories	-167,200	-56,002
Decrease (increase) in prepayments	-19,679	684
Total changes in operating assets	-119,736	-342,476
Increase (decrease) in accounts payable	-140,342	186,707
Increase (decrease) in other payable	33,389	89,915
Increase (decrease) in other payable to related parties	5,633	4,511
Adjustments for increase (decrease) in other current liabilities	1,174	1,503
Increase (decrease) in other operating liabilities	-22,654	39,134
Total changes in operating liabilities	-122,800	321,770
Total changes in operating assets and liabilities	-242,536	-20,706
Total adjustments	-175,207	28,467
Cash inflow (outflow) generated from operations	550,746	653,205
Interest received	8,266	1,954
Interest paid	-585	-169
Income taxes refund (paid)	-185,376	-46,330
Net cash flows from (used in) operating activities	373,051	608,660
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	-30,120	0
Acquisition of financial assets at amortised cost	-2,494,000	-510,800
Proceeds from repayments of financial assets at amortised cost	947,800	0
Acquisition of property, plant and equipment	-27,619	-13,053
Increase in refundable deposits	-1,813	-12
Decrease in refundable deposits	60	0
Acquisition of intangible assets	-4,309	-3,416
Net cash flows from (used in) investing activities	-1,610,001	-527,281
Cash flows from (used in) financing activities		
Increase in short-term loans	387,483	0
Decrease in short-term loans	-292,347	0
Increase in guarantee deposits received	0	11,181
Payments of lease liabilities	-2,137	-2,137
Cash dividends paid	0	-141,070
Proceeds from issuing shares	2,134,355	0
Other financing activities	0	692
Net cash flows from (used in) financing activities	2,227,354	-131,334
Effect of exchange rate changes on cash and cash equivalents	-4,491	1,581
Net increase (decrease) in cash and cash equivalents	985,913	-48,374
Cash and cash equivalents at beginning of period	909,984	539,578
Cash and cash equivalents at end of period	1,895,897	491,204
Cash and cash equivalents reported in the statement of financial position	1,895,897	491,204

**2020/06/30 Statement of Stockholders' Equity**

Unit: NT\$ thousand

Accounting Title	Ordinary share	Stock dividend to be distributed	Total share capital	Capital surplus	Legal reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity
Equity at beginning of period	377,813	0	377,813	49,228	38,174	1,358,039	1,396,213	0	0	0	1,823,254
Legal reserve appropriated	0	0	0	0	132,290	-132,290	0	0	0	0	0
Cash dividends of ordinary share	0	0	0	0	0	-831,189	-831,189	0	0	0	-831,189
Stock dividends of ordinary share	0	75,563	75,563	0	0	-75,563	-75,563	0	0	0	0
Profit (loss)	0	0	0	0	0	639,003	639,003	0	0	0	639,003
Other comprehensive income	0	0	0	0	0	0	0	-82	-82	-82	-82
Total comprehensive income	0	0	0	0	0	639,003	639,003	-82	-82	-82	638,921
Issue of shares	35,750	0	35,750	2,098,605	0	0	0	0	0	0	2,134,355
Share-based payments	0	0	0	33,904	0	0	0	0	0	0	33,904
Total increase (decrease) in equity	35,750	75,563	111,313	2,132,509	132,290	-400,039	-267,749	-82	-82	-82	1,975,991
Equity at end of period	413,563	75,563	489,126	2,181,737	170,464	958,000	1,128,464	-82	-82	-82	3,799,245

**2019/06/30 Statement of Stockholders' Equity**

Unit: NT\$ thousand

Accounting Title	Ordinary share	Total share capital	Capital surplus	Legal reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Total other equity interest	Treasury shares	Total equity
Equity at beginning of period	241,146	241,146	8,680	5,546	326,275	331,821	0	0	581,647
Legal reserve appropriated	0	0	0	32,628	-32,628	0	0	0	0
Cash dividends of ordinary share	0	0	0	0	-141,070	-141,070	0	0	-141,070
Stock dividends of ordinary share	117,438	117,438	0	0	-117,438	-117,438	0	0	0
Other changes in capital surplus	19,229	19,229	27,844	0	0	0	0	0	47,073
Profit (loss)	0	0	0	0	543,679	543,679	0	0	543,679
Total comprehensive income	0	0	0	0	543,679	543,679	0	0	543,679
Total increase (decrease) in equity	136,667	136,667	27,844	32,628	252,543	285,171	0	0	449,682
Equity at end of period	377,813	377,813	36,524	38,174	578,818	616,992	0	0	1,031,329