

English Translation of Financial Statements Originally Issued in Chinese

SENSORTEK TECHNOLOGY CORP.

FINANCIAL STATEMENTS

SEPTEMBER 30, 2019, DECEMBER 31, 2018

AND SEPTEMBER 30, 2018

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.

Financial Statement – Balance Sheet

Provided by: Sensortek Technology Corp.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/09/30	2018/12/31	2018/09/30
Balance Sheet			
Current assets			
Cash and cash equivalents	865,692	539,578	425,313
Current financial assets at amortised cost	813,900	0	0
Accounts receivable, net	301,391	192,416	162,537
Accounts receivable due from related parties, net	286,643	91,971	58,954
Other receivables	33,532	22,533	53,472
Current inventories	363,881	329,718	328,078
Prepayments	31,641	40,193	19,193
Total current assets	2,696,680	1,216,409	1,047,547
Non-current assets			
Property, plant and equipment	62,189	51,238	58,298
Right-of-use assets	18,558	0	0
Intangible assets	2,526	1,965	266
Other non-current assets	5,864	488	478
Total non-current assets	89,137	53,691	59,042
Total assets	2,785,817	1,270,100	1,106,589
Current liabilities			
Accounts payable	693,840	401,143	445,057
Accounts payable to related parties	0	0	302
Other payables	353,203	151,109	116,211
Other payables to related parties	7,340	3,565	2,816
Current tax liabilities	138,444	48,258	26,781
Current lease liabilities	4,029	0	0
Other current liabilities	4,136	1,447	3,465
Total current liabilities	1,200,992	605,522	594,632
Non-current liabilities			
Non-current lease liabilities	13,549	0	0
Other non-current liabilities	126,381	82,931	82,418
Total non-current liabilities	139,930	82,931	82,418
Total liabilities	1,340,922	688,453	677,050
Share capital			
Ordinary share	377,813	241,146	241,146
Total share capital	377,813	241,146	241,146
Capital surplus			
Total capital surplus	36,524	8,680	8,680
Retained earnings			
Legal reserve	38,174	5,546	5,546
Unappropriated retained earnings (accumulated deficit)	992,384	326,275	174,167
Total retained earnings	1,030,558	331,821	179,713
Total equity	1,444,895	581,647	429,539
Total liabilities and equity	2,785,817	1,270,100	1,106,589
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

Financial Statement – Income Statement

Provided by: Sensortek Technology Corp.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/3rd	2018/3rd	2019/01/01To2019/09/30	2018/01/01To2018/09/30
Income Statement				
Net sales revenue	1,457,762	705,180	3,413,853	1,207,115
Total operating revenue	1,457,762	705,180	3,413,853	1,207,115
Total cost of sales	835,515	422,297	1,942,128	833,005
Total operating costs	835,515	422,297	1,942,128	833,005
Gross profit (loss) from operations	622,247	282,883	1,471,725	374,110
Gross profit (loss) from operations	622,247	282,883	1,471,725	374,110
Operating expenses				
Selling expenses	30,010	14,436	69,208	27,163
Administrative expenses	11,497	12,239	68,969	22,855
Research and development expenses	113,371	72,052	250,027	127,344
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	10	0	40	-16
Total operating expenses	154,888	98,727	388,244	177,346
Net operating income (loss)	467,359	184,156	1,083,481	196,764
Non-operating income and expenses				
Total other income	2,419	672	4,742	810
Other gains and losses, net	-707	1,025	5,920	1,448
Finance costs, net	200	0	534	251
Total non-operating income and expenses	1,512	1,697	10,128	2,007
Profit (loss) from continuing operations before tax	468,871	185,853	1,093,609	198,771
Total tax expense (income)	55,305	22,302	136,364	24,604
Profit (loss) from continuing operations	413,566	163,551	957,245	174,167
Profit (loss)	413,566	163,551	957,245	174,167
Total comprehensive income	413,566	163,551	957,245	174,167
Basic earnings per share				
Total basic earnings per share	10.95	4.56	25.42	4.86
Diluted earnings per share				
Total diluted earnings per share	10.89	4.14	25.16	4.41

Financial Statement – Statements of Changes in Stockholders' Equity

Provided by: Sensortek Technology Corp.
 Financial year: Yearly
 Unit: NT\$ thousand

2019/09/30 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		581,647
Legal reserve appropriated	0	0	0	32,628	-32,628	0	0		0
Cash dividends of ordinary share	0	0	0	0	-141,070	-141,070	0		-141,070
Stock dividends of ordinary share	117,438	117,438	0	0	-117,438	-117,438	0		0
Other changes in capital surplus	0	0	692	0	0	0	0		692
Profit (loss)	0	0	0	0	957,245	957,245	0		957,245
Total comprehensive income	0	0	0	0	957,245	957,245	0		957,245
Others	19,229	19,229	27,152	0	0	0	0		46,381
Total increase (decrease) in equity	136,667	136,667	27,844	32,628	666,109	698,737	0		863,248
Equity at end of period	377,813	377,813	36,524	38,174	992,384	1,030,558	0		1,444,895

2018/09/30 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	240,039	240,039	8,593	5,015	5,309	10,324	0		258,956
Legal reserve appropriated	0	0	0	531	-531	0	0		0
Cash dividends of ordinary share	0	0	0	0	-4,778	-4,778	0		-4,778
Profit (loss)	0	0	0	0	174,167	174,167	0		174,167
Total comprehensive income	0	0	0	0	174,167	174,167	0		174,167
Others	1,107	1,107	87	0	0	0	0		1,194
Total increase (decrease) in equity	1,107	1,107	87	531	168,858	169,389	0		170,583
Equity at end of period	241,146	241,146	8,680	5,546	174,167	179,713	0		429,539

Financial Statement – Statements of Cash Flows

Provided by: Sensortek Technology Corp.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/01/01To2019/09/30	2018/01/01To2018/09/30
Statements of Cash Flows		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	1,093,609	198,771
Profit (loss) before tax	1,093,609	198,771
Depreciation expense	35,265	27,678
Amortization expense	1,564	899
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	40	-16
Interest expense	534	251
Interest income	-4,742	-788
Impairment loss on non-financial assets	35,424	15,265
Unrealized foreign exchange loss (gain)	-1,124	-4,679
Total adjustments to reconcile profit (loss)	66,961	38,610
Decrease (increase) in accounts receivable	-109,576	-69,693
Decrease (increase) in accounts receivable due from related parties	-195,955	-24,086
Decrease (increase) in other receivable	-8,951	-53,538
Decrease (increase) in inventories	-69,587	-121,837
Decrease (increase) in prepayments	6,622	-5,622
Total changes in operating assets	-377,447	-274,776
Increase (decrease) in accounts payable	294,481	270,631
Increase (decrease) in accounts payable to related parties	0	-3,502
Increase (decrease) in other payable	168,519	23,767
Increase (decrease) in other payable to related parties	3,775	-231
Increase (decrease) in other current liabilities	2,689	2,786
Increase (decrease) in other operating liabilities	77,140	40,707
Total changes in operating liabilities	546,604	334,158
Total changes in operating assets and liabilities	169,157	59,382
Total adjustments	236,118	97,992
Cash inflow (outflow) generated from operations	1,329,727	296,763
Interest received	2,710	788
Interest paid	-292	-251
Income taxes refund (paid)	-46,338	-37
Net cash flows from (used in) operating activities	1,285,807	297,263
Cash flows from (used in) investing activities		
Acquisition of financial assets at amortised cost	-813,900	0
Acquisition of property, plant and equipment	-37,958	-12,238
Increase in refundable deposits	-5,375	-22
Acquisition of intangible assets	-2,125	0
Net cash flows from (used in) investing activities	-859,358	-12,260
Cash flows from (used in) financing activities		
Increase in guarantee deposits received	41,801	65,226
Payments of lease liabilities	-3,207	0
Cash dividends paid	-141,070	-4,778
Other financing activities	692	0
Net cash flows from (used in) financing activities	-101,784	60,448
Effect of exchange rate changes on cash and cash equivalents	1,449	5,608
Net increase (decrease) in cash and cash equivalents	326,114	351,059
Cash and cash equivalents at beginning of period	539,578	74,254
Cash and cash equivalents at end of period	865,692	425,313
Cash and cash equivalents reported in the statement of financial position	865,692	425,313