

(Amounts in thousand New Taiwan Dollars except Earnings Per Share)

	2020Q2		2020Q1		2019Q2		QoQ	YoY
<b>Net sales</b>	487,270	100%	498,026	100%	437,495	100%	-2%	11%
Cost of goods sold	(339,698)		(314,917)		(322,259)		8%	5%
<b>Gross profits</b>	147,572	30%	183,109	37%	115,236	26%	-19%	28%
Operating expenses								
Selling expenses	(17,302)		(24,184)		(27,208)		-28%	-36%
Administrative expenses	(45,905)		(49,981)		(59,589)		-8%	-23%
Research and development expenses	(180,198)		(173,466)		(211,238)		4%	-15%
Expected Credit Losses	2,369		7,771		6,135		-70%	-61%
Total operating expenses	(241,036)		(239,860)		(291,900)		0%	-17%
<b>Operating income (loss)</b>	(93,464)	-19%	(56,751)	-11%	(176,664)	-40%	65%	-47%
Non-operating income and gain (expense & loss)	7,933		16,287		14,981		-51%	-47%
Income (loss) before income tax	(85,531)		(40,464)		(161,683)		111%	-47%
Income tax (expense)benefit	15,521		10,748		29,310		44%	-47%
<b>Net income (loss)</b>	(70,010)		(29,716)		(132,373)		136%	-47%
<b>Net income (loss) attributable to:</b>								
Shareholders of the parent	(69,561)		(28,669)		(132,327)			
Non-controlling interests	(449)		(1,047)		(46)			
<b>Net income (loss)</b>	(70,010)		(29,716)		(132,373)			
<b>Earnings Per Share</b> (in New Taiwan Dollars)	(0.37)		(0.15)		(0.70)			



(Amounts in thousand New Taiwan Dollars except Key Indics)

Selected Items from Balance Sheet	2020/6/30	2019/12/31	2019/6/30
Cash, cash equivalents and investments in marketable financial instruments	1,774,386	1,885,507	1,995,284
Notes and accounts receivable	120,246	215,151	182,488
Inventory (net)	342,613	204,225	214,779
Other current asset	148,224	143,933	158,257
<b>Total current asset</b>	<b>2,385,469</b>	<b>2,448,816</b>	<b>2,550,808</b>
Long-term investments	68,035	69,101	72,376
Net PP&E	579,951	589,198	629,744
Intangible assets	79,807	123,791	169,200
Other assets	765,358	755,874	730,367
<b>Total assets</b>	<b>3,878,620</b>	<b>3,986,780</b>	<b>4,152,495</b>
Notes & accounts payable	261,409	196,726	265,802
Other current liabilities	413,807	444,077	397,808
Non-current liabilities	7,090	11,242	19,865
<b>Total liabilities</b>	<b>682,306</b>	<b>652,045</b>	<b>683,475</b>
Equity attributable to shareholders of the parent	3,195,660	3,332,546	3,465,846
Non-controlling interests	654	2,189	3,174
<b>Total shareholders' equity</b>	<b>3,196,314</b>	<b>3,334,735</b>	<b>3,469,020</b>
<b>Key Indices</b>			
A/R Turnover Days	31	40	37
Inventory Turnover Days	76	72	67
Current Ratio	3.5	3.8	3.8

## Consolidated Condensed Cash Flow Statements



(Amounts in thousand New Taiwan Dollars)

	2020H1	2020Q2	2020Q1	2019H1	2019Q2	2019Q1
<b>Cash flows from (used in) operating activities:</b>						
Profit (loss) before tax	(125,995)	(85,531)	(40,464)	(240,781)	(161,683)	(79,098)
<i>Adjustments to reconcile profit (loss):</i>						
Depreciation expense	16,794	8,183	8,611	26,508	12,143	14,365
Amortization expense	48,038	22,667	25,371	49,327	25,788	23,539
Expected Credit Losses	(10,140)	(2,369)	(7,771)	(6,057)	(6,135)	78
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	2,064	1,774	290	(2,556)	(1,948)	(608)
Interest expense	198	(4)	202	767	395	372
Interest income	(6,064)	(2,874)	(3,190)	(13,400)	(6,451)	(6,949)
Dividend income	0	0	0	0	0	0
Share-based payments	4,072	1,867	2,205	1,592	1,359	233
Share of loss (profit) of associates and joint ventures accounted for	(25)	(12)	(13)	(27)	(14)	(13)
Loss (gain) on disposal of property, plant and equipment	(406)	0	(406)	(335)	(378)	43
Unrealized foreign currency exchange loss (gain)	662	(68)	730	1,732	2,213	(481)
Changes in operating assets and liabilities	(71,840)	(37,432)	(34,408)	(170,311)	38,538	(208,849)
<b>Cash inflow (outflow) generated from operations:</b>	<b>(142,642)</b>	<b>(93,799)</b>	<b>(48,843)</b>	<b>(353,541)</b>	<b>(96,173)</b>	<b>(257,368)</b>
Interest received	6,064	2,874	3,190	7,906	4,160	3,746
Dividend received	0	0	0	0	0	0
Interest paid	(198)	4	(202)	(767)	(395)	(372)
Income taxes refund (paid)	(790)	(983)	193	417	(3,367)	3,784
<b>Net cash flows from (used in) operating activities</b>	<b>(137,566)</b>	<b>(91,904)</b>	<b>(45,662)</b>	<b>(345,985)</b>	<b>(95,775)</b>	<b>(250,210)</b>
<b>Cash flows from (used in) investing activities:</b>						
Acquisition from financial assets carried at cost	(94,100)	(5,000)	(89,100)	0		
Proceeds from financial assets carried at cost	41,034	19,555	21,479	77,871	7,404	70,467
Acquisition from financial assets at fair value through profit or loss	(336,561)	(336,561)		(337,948)	(120,465)	(217,483)
Proceeds from financial assets at fair value through profit or loss	207,550	207,550		578,772	198,529	380,243
Acquisition of property, plant and equipment	(2,500)	(530)	(1,970)	(3,246)	(2,802)	(444)
Proceeds from disposal of property, plant and equipment	433	1	432	2,654	2,654	
Decrease (Increase) in refundable deposits	3,098	3,014	84	1,089	1,133	(44)
Acquisition of intangible assets	(6,653)	(754)	(5,899)	(32,940)	358	(33,298)
Proceeds from disposal of intangible assets	0			365	365	
<b>Net cash flows from (used in) investing activities:</b>	<b>(187,699)</b>	<b>(112,725)</b>	<b>(74,974)</b>	<b>286,617</b>	<b>87,176</b>	<b>199,441</b>
<b>Net cash flows from (used in) financing activities:</b>						
Decrease (Increase) in guarantee deposits	256	0	256	0	(3)	3
Repayment of lease liabilities	(5,808)	(3,145)	(2,663)	(12,873)	(6,775)	(6,098)
Increase in non-controlling interests	0	0	0	14,424	13,699	725
Acquisition of Treasury shares	(30,078)	(23,539)	(6,539)	0	0	0
<b>Net cash flows from (used in) financing activities:</b>	<b>(35,630)</b>	<b>(26,684)</b>	<b>(8,946)</b>	<b>1,551</b>	<b>6,921</b>	<b>(5,370)</b>
Effect of exchange rate changes on cash and cash equivalents	(12,518)	(8,003)	(4,515)	4,174	1,760	2,414
Net increase (decrease) in cash and cash equivalents	(373,413)	(239,316)	(134,097)	(53,643)	82	(53,725)
Cash and cash equivalents at beginning of period	1,335,729	1,201,632	1,335,729	716,824	663,099	716,824
<b>Cash and cash equivalents at end of period</b>	<b>962,316</b>	<b>962,316</b>	<b>1,201,632</b>	<b>663,181</b>	<b>663,181</b>	<b>663,099</b>