

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

	2020Q3		2020Q2		2019Q3		QoQ	YoY
Net sales	511,427	100%	487,270	100%	488,346	100%	5%	5%
Cost of goods sold	(356,000)		(339,698)		(263,864)		5%	35%
Gross profits	155,427	30%	147,572	30%	224,482	46%	5%	-31%
Operating expenses								
Selling expenses	(24,342)		(17,302)		(43,733)		41%	-44%
Administrative expenses	(55,255)		(45,905)		(56,880)		20%	-3%
Research and development expenses	(171,344)		(180,198)		(206,103)		-5%	-17%
Expected Credit Losses	2,037		2,369		(11,635)		-14%	-118%
Total operating expenses	(248,904)		(241,036)		(318,351)		3%	-22%
Operating income (loss)	(93,477)	-18%	(93,464)	-19%	(93,869)	-19%	0%	-0%
Non-operating income and gain (expense & loss)	24,389		7,933		29,684		207%	-18%
Income (loss) before income tax	(69,088)		(85,531)		(64,185)		-19%	8%
Income tax (expense)benefit	268		15,521		13,634		-98%	-98%
Net income (loss)	(68,820)		(70,010)		(50,551)		-2%	36%
Net income (loss) attributable to:								
Shareholders of the parent	(69,704)		(69,561)		(50,846)			
Non-controlling interests	884		(449)		295			
Net income (loss)	(68,820)		(70,010)		(50,551)			
Earnings Per Share (in New Taiwan Dollars)	(0.37)		(0.37)		(0.27)			

Consolidated Condensed Balance Sheets



(Amounts in thousand New Taiwan Dollars except Key Indics)

Selected Items from Balance Sheet

	2020/9/30	2019/12/31	2019/9/30
Cash, cash equivalents and investments in	1,610,076	1,885,507	1,853,304
Notes and accounts receivable	171,269	215,151	267,583
Inventory (net)	330,544	204,225	207,892
Other current asset	118,502	143,933	179,930
Total current asset	2,230,391	2,448,816	2,508,709
Long-term investments	105,334	69,101	70,431
Net PP&E	585,211	589,198	621,097
Intangible assets	60,088	123,791	145,393
Other assets	773,137	755,874	739,007
Total assets	3,754,161	3,986,780	4,084,637
Notes & accounts payable	244,359	196,726	252,112
Other current liabilities	349,182	444,077	411,630
Non-current liabilities	16,005	11,242	9,771
Total liabilities	609,546	652,045	673,513
Equity attributable to shareholders of the parent	3,143,058	3,332,546	3,407,784
Non-controlling interests	1,557	2,189	3,340
Total shareholders' equity	3,144,615	3,334,735	3,411,124

Key Indices

A/R Turnover Days	35	40	45
Inventory Turnover Days	72	72	72
Current Ratio	3.8	3.8	3.8

Consolidated Condensed Cash Flow Statements



(Amounts in thousand New Taiwan Dollars)

Cash flows from (used in) operating activities:

	2020Q3	2020H1	2019Q3	2019H1
Profit (loss) before tax	(69,088)	(125,995)	(64,185)	(240,781)
Adjustments to reconcile profit (loss):				
Depreciation expense	8,530	16,794	12,481	26,508
Amortization expense	20,805	48,038	25,152	49,327
Expected Credit Losses	(2,037)	(10,140)	11,635	(6,057)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(14,700)	2,064	627	(2,556)
Interest expense	167	198	229	767
Interest income	(2,253)	(6,064)	(5,124)	(13,400)
Dividend income	(90)	0	(66)	0
Share-based payments	7,028	4,072	203	1,592
Share of loss (profit) of associates and joint ventures accounted for using equity method	(12)	(25)	(13)	(27)
Loss (gain) on disposal of property, plan and equipment	(1)	(406)	200	(335)
Unrealized foreign currency exchange loss (gain)	(938)	662	(694)	1,732
Changes in operating assets and liabilities	(10,592)	(71,840)	(108,745)	(170,311)
Cash inflow (outflow) generated from operations:	(63,181)	(142,642)	(128,300)	(353,541)
Interest received	2,253	6,064	13,193	7,906
Dividend received	90	0	66	0
Interest paid	(167)	(198)	(229)	(767)
Income taxes refund (paid)	(3,868)	(790)	(693)	417
Net cash flows from (used in) operating activities	(64,873)	(137,566)	(115,963)	(345,985)

Cash flows from (used in) investing activities:

Acquisition from financial assets carried at cost	(59,400)	(94,100)		0
Proceeds from financial assets carried at cost	26	41,034	529,786	77,871
Acquisition from financial assets at fair value through profit or loss	(1,067,002)	(336,561)	(100,069)	(337,948)
Proceeds from financial assets at fair value through profit or loss	991,787	207,550	159,181	578,772
Acquisition of property, plant and equipment	(496)	(2,500)	(4,012)	(3,246)
Proceeds from disposal of property, plant and equipment	0	433	(28)	2,654
Decrease (Increase) in refundable deposits	(543)	3,098	1,164	1,089
Acquisition of intangible assets	(1,738)	(6,653)	(1,356)	(32,940)
Proceeds from disposal of intangible assets		0	(4)	365
Net cash flows from (used in) investing activities:	(137,366)	(187,699)	584,662	286,617

Net cash flows from (used in) financing activities:

Decrease (Increase) in guarantee deposits	(3)	256	6	0
Repayment of lease liabilities	(3,157)	(5,808)	(7,457)	(12,873)
Increase in non-controlling interests	0	0	0	14,424
Acquisition of Treasury shares	0	(30,078)	0	0
Treasury shares sold to employees	0	0	27,679	0
Net cash flows from (used in) financing activities:	(3,160)	(35,630)	20,228	1,551

Effect of exchange rate changes on cash and cash equivalents	10,542	(12,518)	(33,999)	4,174
Net increase (decrease) in cash and cash equivalents	(194,857)	(373,413)	454,928	(53,643)
Cash and cash equivalents at beginning of period	962,316	1,335,729	663,181	716,824
Cash and cash equivalents at end of period	767,459	962,316	1,118,109	663,181