AERO WIN TECHNOLOGY CORPORATION

BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

CURRENT ASSETS		December 31 (Audited		December 31, 2018 (Audited)	
Cash and cash equivalents	ASSETS	Amount	%	Amount	%
Notes receivable	CURRENT ASSETS				
Machine 115,035 8 124,268 8 124,268 8 124,268 8 124,268 8 124,268 8 124,268 125,576 6,6807 1 1 1 1 1 1 1 1 1	<u>*</u>	\$ 325,862	22		16
Other receivables Inventories, net Inventories, net Inventories, net Inventories, net Inventories, net 400,351 a. d. 90,3285 27. Prepayments 5,576 c. d. 81. d. 9,004 d. 1. 1. 13,307 d. 1		115.025			-
Immentories, net	•				
Perspayments					
Total current assets 868,952 57 791,813 54					
NONCURRENT ASSETS		15,047	1	13,307	1
Property, plant and equipment 569,133 38 578,308 39 Right-of-use assets 1.697 2 27,168 2 27,168 2 20,168 2 20,168 2 20,168 2 20,168 2 20,168 2 20,168 2 20,168 2 20,168 2 20,168 2 20,168 2 20,168 2 20,168 2 20,168 2 20,168 2 20,168 2 2 2 2 2 2 2 2 2	Total current assets	868,952	57	791,813	54
Right-of-use asset	NONCURRENT ASSETS				
Deferred income tax assets	Property, plant and equipment	569,133	38	578,308	39
Deferred income tax assets	· ·	1,697		-	-
Other noncurrent assets 43,206 3 72,014 5 Total noncurrent assets 646,372 43 683,455 46 TOTAL \$ 1,515,324 100 \$ 1,475,268 100 LIABILITIES Short-term borrowings \$ 166,004 111 \$ 130,000 9 Notes payable 8 - 99 - Accounts payables 74,353 5 85,649 6 Other payables 74,353 5 85,649 6 Current tax liabilities 6,070 - 7,437 - Current portion of long-term borrowings 117,324 8 86,417 6 Other current liabilities 432,866 29 389,275 26 NONCURRENT LIABILITIES 110 -			2		2
Total noncurrent assets					-
DIABILITIES AND EQUITY	Other noncurrent assets	43,206	3	72,014	5
CURRENT LIABILITIES	Total noncurrent assets	646,372	43	683,455	46
CURRENT LIABILITIES	TOTAL	\$ 1,515,324	100	\$ 1,475,268	100
Short-term borrowings \$ 166,004 11 \$ 130,000 9 Notes payable 8 - 999 Accounts payable 74,353 5 85,649 6 Current tax liabilities 74,353 5 85,649 6 Current tax liabilities 6,070 - 7,437 - Lease liabilities-Current 1,086 - 7,437 - Current portion of long-term borrowings 117,324 8 86,417 6 Other current liabilities 432,866 29 389,275 26 NONCURRENT LIABILITIES	LIABILITIES AND EQUITY				
Notes payable	CURRENT LIABILITIES				
Accounts payable 67,185 5 77,702 5 Other payables 74,353 5 85,649 6 Current tax liabilities 6,070 - 7,437 - Lease liabilities-Current 1,086 - 7,437 6 Current portion of long-term borrowings 117,324 8 86,417 6 Other current liabilities 836 - 1,971 - Total current liabilities 432,866 29 389,275 26 NONCURRENT LIABILITIES Long term borrowings 145,555 9 159,710 11 Deferred income tax liabilities - 110 - 110 Deferred income tax liabilities - 110 - 110 Lease liabilities-Noncurrent 623 110 - 110 Lease liabilities-Noncurrent 623 300 - 110 Guarantee deposits 30 - 300 - 300 - 110 Total noncurrent liabilities 159,810 10 174,213 12 Total noncurrent liabilities 592,676 39 563,488 38 EQUITY ATTRIBUTABLE TO SHAREHOLDERS Capital Capital-common stock 685,468 45 685,438 46 Capital collected in advance 267	Short-term borrowings	\$ 166,004	11	\$ 130,000	9
Other payables 74,353 5 85,649 6 Current tax liabilities 6,070 - 7,437 - Lease liabilities-Current 1,086 - - - Current portion of long-term borrowings 117,324 8 86,417 6 Other current liabilities 836 - 1,971 - Total current liabilities 432,866 29 389,275 26 NONCURRENT LIABILITIES Long term borrowings 145,555 9 159,710 11 Deferred income tax liabilities - - 110 - Not defined benefit liability 13,602 1 14,363 1 Guarantee deposits 30 - 30 - Total noncurrent liabilities 159,810 10 174,213 12 Total liabilities 592,676 39 563,488 38 EQUITY ATTRIBUTABLE TO SHAREHOLDERS Capital Capital collected in advance 267 - - - Capi		8			-
Current tax liabilities					
Lease liabilities-Current			5		6
Current portion of long-term borrowings 117,324 8 86,417 6 Other current liabilities 836 - 1,971 - Total current liabilities 432,866 29 389,275 26 NONCURRENT LIABILITIES Long term borrowings 145,555 9 159,710 11 - - 110 - - - 110 - - - 110 - - - - 110 -<				7,437	-
Other current liabilities 836 - 1,971 - Total current liabilities 432,866 29 389,275 26 NONCURRENT LIABILITIES Long term borrowings 145,555 9 159,710 11 Deferred income tax liabilities - - 110 - Lease liabilities-Noncurrent 623 - - - Net defined benefit liability 13,602 1 14,363 1 Guarantee deposits 30 - 30 - Total noncurrent liabilities 159,810 10 174,213 12 Total liabilities 592,676 39 563,488 38 EQUITY ATTRIBUTABLE TO SHAREHOLDERS Capital Capital-common stock 685,468 45 685,438 46 Capital collected in advance 267 -				- 06 417	-
Total current liabilities	1 6		8		
NONCURRENT LIABILITIES Long term borrowings 145,555 9 159,710 11 Deferred income tax liabilities - Lease liabilities-Noncurrent 623 - Net defined benefit liability 13,602 1 14,363 1 Guarantee deposits 30 - 30 Total noncurrent liabilities 159,810 10 174,213 12 Total liabilities 592,676 39 563,488 38 EQUITY ATTRIBUTABLE TO SHAREHOLDERS Capital Capital-common stock 685,468 45 685,438 46 Capital collected in advance 267 - - - Capital surplus Additional paid-In Capital-Common Stock 53,007 4 52,792 4 Employee stock option 78 - 195 - Others 179 - 179 - Others 179 - 179 - Retained earnings 4 53,166 4 Retained earnings 131,972 9 126,277 9 Unappropriated as legal capital reserve 51,677 3 46,899 3 Unappropriated earnings 131,972 9 126,277 9 Total shareholders' equity 922,648 61 911,780 62	Other current liabilities	830		1,971	
Long term borrowings	Total current liabilities	432,866	29	389,275	26
Deferred income tax liabilities	NONCURRENT LIABILITIES				
Lease liabilities-Noncurrent 623 - <th< td=""><td>Long term borrowings</td><td>145,555</td><td>9</td><td>159,710</td><td>11</td></th<>	Long term borrowings	145,555	9	159,710	11
Net defined benefit liability	Deferred income tax liabilities	-	-	110	-
Guarantee deposits 30 - 30 - Total noncurrent liabilities 159,810 10 174,213 12 Total liabilities 592,676 39 563,488 38 EQUITY ATTRIBUTABLE TO SHAREHOLDERS Capital Capital Collected in advance 685,468 45 685,438 46 Capital collected in advance 267 -			-	-	-
Total noncurrent liabilities 159,810 10 174,213 12 Total liabilities 592,676 39 563,488 38 EQUITY ATTRIBUTABLE TO SHAREHOLDERS Capital Capital-common stock 685,468 45 685,438 46 Capital collected in advance 267 -	•		1		1
Total liabilities 592,676 39 563,488 38	Guarantee deposits	30		30	
EQUITY ATTRIBUTABLE TO SHAREHOLDERS Capital Capital-common stock 685,468 45 685,438 46 Capital collected in advance 267 685,735 45 685,438 46 Capital surplus Additional paid-In Capital-Common Stock 53,007 4 52,792 4 Employee stock option 78 - 195 - Others 179 - 179 - Others 179 - 179 - Retained earnings Appropriated as legal capital reserve 51,677 3 46,899 3 Unappropriated earnings 131,972 9 126,277 9 Unappropriated earnings 131,972 9 126,277 9 Total shareholders' equity 922,648 61 911,780 62	Total noncurrent liabilities	159,810	10	174,213	12
Capital 685,468 45 685,438 46 Capital collected in advance 267 - - - Capital surplus - - - - - Additional paid-In Capital-Common Stock 53,007 4 52,792 4 Employee stock option 78 - 195 - Others 179 - 179 - Retained earnings 53,264 4 53,166 4 Retained earnings 51,677 3 46,899 3 Unappropriated as legal capital reserve 51,677 3 46,899 3 Unappropriated earnings 131,972 9 126,277 9 Total shareholders' equity 922,648 61 911,780 62	Total liabilities	592,676	39	563,488	38
Capital-common stock 685,468 45 685,438 46 Capital collected in advance 267 - - - 685,735 45 685,438 46 Capital surplus - - - 4 52,792 4 Employee stock option 78 - 195 - - 179 - 179 - 179 - - 179 - 179 - 179 - 179 - - 4 53,166 4 Retained earnings - 51,677 3 46,899 3 Unappropriated as legal capital reserve 51,677 3 46,899 3 Unappropriated earnings 131,972 9 126,277 9 Total shareholders' equity 922,648 61 911,780 62	=				
Capital collected in advance 267 - 4 52,792 4 53,166 4 7 7 - 179 - 179 - 179 - 179 - 179 - 179 - 179 - 180,100 180,100 180,100 180,100 180,100 180,100 180,100 <th< td=""><td>*</td><td>685,468</td><td>45</td><td>685,438</td><td>46</td></th<>	*	685,468	45	685,438	46
Capital surplus Additional paid-In Capital-Common Stock 53,007 4 52,792 4 Employee stock option 78 - 195 - Others 179 - 179 - Retained earnings 53,264 4 53,166 4 Retained earnings 51,677 3 46,899 3 Unappropriated as legal capital reserve 51,677 3 46,899 3 Unappropriated earnings 131,972 9 126,277 9 183,649 12 173,176 12 Total shareholders' equity 922,648 61 911,780 62	Capital collected in advance	267			-
Additional paid-In Capital-Common Stock 53,007 4 52,792 4 Employee stock option 78 - 195 - Others 179 - 179 - S3,264 4 53,166 4 Retained earnings 51,677 3 46,899 3 Unappropriated as legal capital reserve 51,677 3 46,899 3 Unappropriated earnings 131,972 9 126,277 9 183,649 12 173,176 12 Total shareholders' equity 922,648 61 911,780 62		685,735	45	685,438	46
Employee stock option Others 78 - 195 - 179 - 179 - - 179 - - 179 - 179 - 179 - 179 - 179 - 179 - 179 - 179 170 170 170 18		52.005		52.502	
Others 179 - 179 - 53,264 4 53,166 4 Retained earnings Appropriated as legal capital reserve 51,677 3 46,899 3 Unappropriated earnings 131,972 9 126,277 9 183,649 12 173,176 12 Total shareholders' equity 922,648 61 911,780 62			4		4
Estained earnings Appropriated as legal capital reserve 51,677 3 46,899 3 Unappropriated earnings 131,972 9 126,277 9 183,649 12 173,176 12 Total shareholders' equity 922,648 61 911,780 62			-		-
Retained earnings Appropriated as legal capital reserve 51,677 3 46,899 3 Unappropriated earnings 131,972 9 126,277 9 183,649 12 173,176 12 Total shareholders' equity 922,648 61 911,780 62	Officis				4
Appropriated as legal capital reserve 51,677 3 46,899 3 Unappropriated earnings 131,972 9 126,277 9 183,649 12 173,176 12 Total shareholders' equity 922,648 61 911,780 62	Retained earnings				
Total shareholders' equity 183,649 12 173,176 12 Total shareholders' equity 922,648 61 911,780 62		51,677	3	46,899	3
Total shareholders' equity 922,648 61 911,780 62	Unappropriated earnings				
		183,649	12	173,176	12
TOTAL \$ 1,515,324 100 \$ 1,475,268 100	Total shareholders' equity	922,648	61	911,780	62
	TOTAL	\$ 1,515,324	100	\$ 1,475,268	100

AERO WIN TECHNOLOGY CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2019		2018	
	Amount	%	Amount	%
NET REVENUE	\$ 771,103	100	\$ 774,548	100
COST OF REVENUE	612,281	79	626,510	81
GROSS PROFIT	158,822	21_	148,038	19
OPERATING EXPENSES				
Sales and marketing	20,288	3	21,710	3
General and administrative	37,513	5	41,159	5
Research and development	55,874	7	43,606	6
Total operating expenses	113,675	15	106,475	14
INCOME FROM OPERATIONS	45,147	6	41,563	5
NON-OPERATING INCOME AND EXPENSES				
Other income	1,078	_	974	_
Other gains and losses	14,544	2	20,828	3
Finance costs	(5,160)	(1)	(5,041)	(1)
Total non-operating income and expenses	10,462	1_	16,761	2
INCOME BEFORE INCOME TAX	55,609	7	58,324	7
INCOME TAX EXPENSE	11,016	1	10,546	1
NET INCOME	44,593	6	47,778	6
OTHER COMPREHENSIVE INCOME (LOSS) Actuarial gain (loss) from defined benefit plan	153		883	
Other comprehensive income for the year, net of income tax	153		883	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	\$ 44,746	6	\$ 48,661	6
EARNINGS PER SHARE (NT\$) Basic earnings per share Diluted earnings per share	\$ 0.65 \$ 0.65		\$ 0.70 \$ 0.69	