

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2019, DECEMBER 31, 2018 AND SEPTEMBER 30, 2018
(Expressed in thousands of New Taiwan dollars)
(The consolidated balance sheets as of September 30, 2019 and 2018 are reviewed, not audited)

Assets	Notes	September 30, 2019		December 31, 2018		September 30, 2018		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 6,420,873	6	\$ 3,335,181	4	\$ 2,817,507	3
1110	Financial assets at fair value	6(14)						
	through profit or loss - current		5,102	-	-	-	1,155	-
1120	Financial assets at fair value	6(2)						
	through other comprehensive							
	income - current		434,004	-	24,350	-	50,373	-
1170	Accounts receivable, net	6(3)	45,438,390	44	36,127,336	39	46,420,589	47
1200	Other receivables	6(3)(4)	1,994,868	2	2,089,219	2	1,970,130	2
130X	Inventories	6(5)	42,768,312	42	46,875,420	50	42,893,511	43
1410	Prepayments		471,736	1	342,572	-	457,660	-
1470	Other current assets	6(1) and 8	52,747	-	89,438	-	228,182	-
11XX	Total current assets		<u>97,586,032</u>	<u>95</u>	<u>88,883,516</u>	<u>95</u>	<u>94,839,107</u>	<u>95</u>
Non-current assets								
1517	Financial assets at fair value	6(2)						
	through other comprehensive							
	income - non-current		262,891	-	521,477	-	589,048	1
1550	Investments accounted for	6(6)						
	using equity method		167,300	-	246,346	-	289,560	-
1600	Property, plant and equipment	6(7)	1,024,456	1	995,294	1	958,799	1
1755	Right-of-use assets	6(8)	879,343	1	-	-	-	-
1760	Investment property - net	6(9)	104,332	-	104,942	-	105,146	-
1780	Intangible assets	6(10)	1,909,651	2	1,878,609	2	1,704,569	2
1840	Deferred income tax assets		703,649	1	660,027	1	732,431	1
1900	Other non-current assets	6(11)	146,973	-	534,597	1	509,922	-
15XX	Total non-current assets		<u>5,198,595</u>	<u>5</u>	<u>4,941,292</u>	<u>5</u>	<u>4,889,475</u>	<u>5</u>
1XXX	Total assets		<u>\$ 102,784,627</u>	<u>100</u>	<u>\$ 93,824,808</u>	<u>100</u>	<u>\$ 99,728,582</u>	<u>100</u>

(Continued)

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2019, DECEMBER 31, 2018 AND SEPTEMBER 30, 2018
(Expressed in thousands of New Taiwan dollars)
(The consolidated balance sheets as of September 30, 2019 and 2018 are reviewed, not audited)

Liabilities and Equity	Notes	September 30, 2019		December 31, 2018		September 30, 2018		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(12)	\$ 30,271,741	29	\$ 26,112,763	28	\$ 23,125,484	23
2110	Short-term notes and bills payable	6(13)	699,246	1	1,828,513	2	1,629,067	2
2120	Financial liabilities at fair value through profit or loss - current	6(14)	4,780	-	3,994	-	1,002	-
2130	Contract liabilities - current	6(24)	179,047	-	118,246	-	152,703	-
2170	Accounts payable		42,373,508	41	37,997,769	40	47,066,101	47
2200	Other payables	6(15)	1,692,931	2	1,722,862	2	1,672,791	2
2230	Current income tax liabilities		627,811	1	639,616	1	541,179	-
2280	Lease liabilities - current		142,305	-	-	-	-	-
2320	Long-term liabilities, current portion	6(16)(17)	186,580	-	1,937,468	2	2,132,254	2
2365	Refund liabilities - current	6(24)	831,047	1	879,111	1	1,543,882	2
2399	Other current liabilities		45,863	-	43,961	-	26,874	-
21XX	Total current liabilities		<u>77,054,859</u>	<u>75</u>	<u>71,284,303</u>	<u>76</u>	<u>77,891,337</u>	<u>78</u>
Non-current liabilities								
2530	Bonds payable	6(16)	1,160,743	1	-	-	-	-
2540	Long-term loans	6(17)	-	-	122,860	-	184,600	-
2570	Deferred income tax liabilities		484,141	1	465,646	1	493,820	1
2580	Lease liabilities - non-current		451,898	-	-	-	-	-
2600	Other non-current liabilities	6(18)	128,745	-	144,411	-	77,251	-
25XX	Total non-current liabilities		<u>2,225,527</u>	<u>2</u>	<u>732,917</u>	<u>1</u>	<u>755,671</u>	<u>1</u>
2XXX	Total liabilities		<u>79,280,386</u>	<u>77</u>	<u>72,017,220</u>	<u>77</u>	<u>78,647,008</u>	<u>79</u>
Equity attributable to owners of parent								
Share capital								
3110	Share capital - common stock	6(19)	5,903,358	6	5,551,889	6	5,525,691	6
3130	Certificates of entitlement to new shares from convertible bonds		-	-	24,217	-	26,198	-
Capital surplus								
3200	Capital surplus	6(20)	9,502,681	9	8,773,382	9	8,722,471	9
Retained earnings								
3310	Legal reserve	6(21)	2,019,788	2	1,741,965	2	1,741,965	2
3320	Special reserve		143,568	-	109,102	-	109,102	-
3350	Unappropriated retained earnings		5,961,688	6	5,749,889	6	5,141,194	5
Other equity interest								
3400	Other equity interest	6(22)	(27,546)	-	(143,568)	-	(185,697)	(1)
31XX	Equity attributable to owners of the parent		<u>23,503,537</u>	<u>23</u>	<u>21,806,876</u>	<u>23</u>	<u>21,080,924</u>	<u>21</u>
36XX	Non-controlling interest	6(23)	<u>704</u>	<u>-</u>	<u>712</u>	<u>-</u>	<u>650</u>	<u>-</u>
3XXX	Total equity		<u>23,504,241</u>	<u>23</u>	<u>21,807,588</u>	<u>23</u>	<u>21,081,574</u>	<u>21</u>
Commitments and contingent liabilities								
3X2X	Total liabilities and equity		<u>\$ 102,784,627</u>	<u>100</u>	<u>\$ 93,824,808</u>	<u>100</u>	<u>\$ 99,728,582</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars, except for earnings per share)
(Reviewed, not audited)

Items	Notes	Three months ended September 30				Nine months ended September 30				
		2019		2018		2019		2018		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(24)	\$ 96,190,729	100	\$ 84,770,506	100	\$ 238,412,935	100	\$ 187,653,961	100
5000	Operating costs	6(5)	(93,213,619)	(97)	(81,674,262)	(96)	(230,426,514)	(96)	(179,709,562)	(96)
5900	Net operating margin		<u>2,977,110</u>	<u>3</u>	<u>3,096,244</u>	<u>4</u>	<u>7,986,421</u>	<u>4</u>	<u>7,944,399</u>	<u>4</u>
	Operating expenses	6(28)								
6100	Selling expenses		(1,060,629)	(1)	(1,029,704)	(1)	(3,071,893)	(1)	(2,935,292)	(2)
6200	General and administrative expenses		(244,201)	-	(244,211)	(1)	(714,959)	(1)	(709,267)	-
6300	Research and development expenses		(122,612)	-	(99,094)	-	(302,428)	-	(265,864)	-
6450	Impairment loss determined in accordance with IFRS 9	12(2)	(424)	-	(19,608)	-	(1,671)	-	(61,476)	-
6000	Total operating expenses		<u>(1,427,866)</u>	<u>(1)</u>	<u>(1,392,617)</u>	<u>(2)</u>	<u>(4,090,951)</u>	<u>(2)</u>	<u>(3,971,899)</u>	<u>(2)</u>
6900	Operating profit		<u>1,549,244</u>	<u>2</u>	<u>1,703,627</u>	<u>2</u>	<u>3,895,470</u>	<u>2</u>	<u>3,972,500</u>	<u>2</u>
	Non-operating income and expenses									
7010	Other income	6(25)	20,341	-	15,533	-	36,981	-	32,235	-
7020	Other gains and losses	6(26)	(25,905)	-	4,404	-	26,694	-	70,475	-
7050	Finance costs	6(27)	(485,290)	(1)	(431,223)	(1)	(1,498,972)	(1)	(1,160,825)	(1)
7060	Share of loss of associates and joint ventures accounted for using equity method	6(6)	(29,213)	-	(36,800)	-	(79,750)	-	(59,583)	-
7000	Total non-operating income and expenses		<u>(520,067)</u>	<u>(1)</u>	<u>(448,086)</u>	<u>(1)</u>	<u>(1,515,047)</u>	<u>(1)</u>	<u>(1,117,698)</u>	<u>(1)</u>
7900	Profit before income tax		1,029,177	1	1,255,541	1	2,380,423	1	2,854,802	1
7950	Income tax expense	6(30)	(211,811)	-	(267,957)	-	(556,145)	-	(666,644)	-
8200	Profit for the period		<u>\$ 817,366</u>	<u>1</u>	<u>\$ 987,584</u>	<u>1</u>	<u>\$ 1,824,278</u>	<u>1</u>	<u>\$ 2,188,158</u>	<u>1</u>

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WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars, except for earnings per share)
(Reviewed, not audited)

Items	Notes	Three months ended September 30				Nine months ended September 30				
		2019		2018		2019		2018		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
Other comprehensive income (loss)										
Components of other comprehensive income (loss) that will not be reclassified to profit or loss										
8316	Unrealised gain(loss) on valuation of equity investment instruments measured at fair value through other comprehensive income	6(22)	\$ 137,826	-	\$ 6,498	-	\$ 220,507	-	(\$ 243,524)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(30)	-	-	-	-	-	-	839	-
8310	Other comprehensive income(loss) that will not be reclassified to profit or loss		<u>137,826</u>	<u>-</u>	<u>6,498</u>	<u>-</u>	<u>220,507</u>	<u>-</u>	<u>(242,685)</u>	<u>-</u>
Components of other comprehensive income (loss) that will be reclassified to profit or loss										
8361	Financial statements translation differences of foreign operations	6(22)(23)	(158,685)	-	(831)	-	(1,925)	-	449,328	-
8370	Share of other comprehensive loss of associates and joint ventures accounted for using equity method	6(6)	(93)	-	(2,456)	-	(1,447)	-	(5,546)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(30)	-	-	(228)	-	(13,087)	-	(624)	-
8360	Other comprehensive income that will be reclassified to profit or loss		<u>(158,778)</u>	<u>-</u>	<u>(3,515)</u>	<u>-</u>	<u>(16,459)</u>	<u>-</u>	<u>443,158</u>	<u>-</u>
8300	Total other comprehensive income (loss) for the period		<u>(\$ 20,952)</u>	<u>-</u>	<u>\$ 2,983</u>	<u>-</u>	<u>\$ 204,048</u>	<u>-</u>	<u>\$ 200,473</u>	<u>-</u>
8500	Total comprehensive income for the period		<u>\$ 796,414</u>	<u>1</u>	<u>\$ 990,567</u>	<u>1</u>	<u>\$ 2,028,326</u>	<u>1</u>	<u>\$ 2,388,631</u>	<u>1</u>
Profit attributable to:										
8610	Owners of the parent		\$ 817,278	1	\$ 987,498	1	\$ 1,824,029	1	\$ 2,187,934	1
8620	Non-controlling interest		88	-	86	-	249	-	224	-
			<u>\$ 817,366</u>	<u>1</u>	<u>\$ 987,584</u>	<u>1</u>	<u>\$ 1,824,278</u>	<u>1</u>	<u>\$ 2,188,158</u>	<u>1</u>
Comprehensive income attributable to:										
8710	Owners of the parent		\$ 796,328	1	\$ 990,483	1	\$ 2,028,077	1	\$ 2,388,400	1
8720	Non-controlling interest		86	-	84	-	249	-	231	-
			<u>\$ 796,414</u>	<u>1</u>	<u>\$ 990,567</u>	<u>1</u>	<u>\$ 2,028,326</u>	<u>1</u>	<u>\$ 2,388,631</u>	<u>1</u>
Earnings per share (in dollars)										
9750	Basic earnings per share	6(30)	\$ 1.38		\$ 1.79		\$ 3.13		\$ 3.96	
9850	Diluted earnings per share		<u>\$ 1.32</u>		<u>\$ 1.67</u>		<u>\$ 3.03</u>		<u>\$ 3.71</u>	

The accompanying notes are an integral part of these consolidated financial statements.

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)
(Reviewed, not audited)

Notes	Equity attributable to owners of the parent													
	Share Capital			Retained Earnings				Other Equity Interest				Total	Non-controlling interest	Total equity
	Share capital - common stock	Certificates of bond-to-stock conversion	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Unrealised gain or loss on available-for-sale financial assets					
2018														
	\$ 5,522,227	\$ 392	\$ 8,660,739	\$ 1,489,975	\$ -	\$ 4,516,703	(\$ 975,052)	\$ -	\$ 865,950	\$ 20,080,934	\$ 634	\$ 20,081,568		
	-	-	-	-	-	(75,668)	-	843,629	(865,950)	(97,989)	-	(97,989)		
	<u>5,522,227</u>	<u>392</u>	<u>8,660,739</u>	<u>1,489,975</u>	<u>-</u>	<u>4,441,035</u>	<u>(975,052)</u>	<u>843,629</u>	<u>-</u>	<u>19,982,945</u>	<u>634</u>	<u>19,983,579</u>		
	-	-	-	-	-	2,187,934	-	-	-	2,187,934	224	2,188,158		
6(22)	-	-	-	-	-	839	443,155	(243,528)	-	200,466	7	200,473		
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,188,773</u>	<u>443,155</u>	<u>(243,528)</u>	<u>-</u>	<u>2,388,400</u>	<u>231</u>	<u>2,388,631</u>		
Appropriations of 2017 earnings:														
6(21)	-	-	-	251,990	-	(251,990)	-	-	-	-	-	-		
	-	-	-	-	109,102	(109,102)	-	-	-	-	-	-		
	-	-	-	-	-	(1,381,423)	-	-	-	(1,381,423)	-	(1,381,423)		
6(19)(20)	3,464	25,806	61,732	-	-	-	-	-	-	91,002	-	91,002		
6(23)	-	-	-	-	-	-	-	-	-	-	(215)	(215)		
6(22)	-	-	-	-	-	253,901	-	(253,901)	-	-	-	-		
	<u>\$ 5,525,691</u>	<u>\$26,198</u>	<u>\$ 8,722,471</u>	<u>\$ 1,741,965</u>	<u>\$ 109,102</u>	<u>\$ 5,141,194</u>	<u>(\$ 531,897)</u>	<u>\$ 346,200</u>	<u>\$ -</u>	<u>\$ 21,080,924</u>	<u>\$ 650</u>	<u>\$ 21,081,574</u>		
2019														
	\$ 5,551,889	\$24,217	\$ 8,773,382	\$ 1,741,965	\$ 109,102	\$ 5,749,889	(\$ 392,100)	\$ 248,532	\$ -	\$ 21,806,876	\$ 712	\$ 21,807,588		
	-	-	-	-	-	1,824,029	-	-	-	1,824,029	249	1,824,278		
6(22)	-	-	-	-	-	-	(16,459)	220,507	-	204,048	-	204,048		
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,824,029</u>	<u>(16,459)</u>	<u>220,507</u>	<u>-</u>	<u>2,028,077</u>	<u>249</u>	<u>2,028,326</u>		
Appropriations of 2018 earnings:														
6(21)	-	-	-	277,823	-	(277,823)	-	-	-	-	-	-		
	-	-	-	-	34,466	(34,466)	-	-	-	-	-	-		
	-	-	-	-	-	(1,387,967)	-	-	-	(1,387,967)	-	(1,387,967)		
6(16)(20)	-	-	37,762	-	-	-	-	-	-	37,762	-	37,762		
6(19)(20)	351,469	(24,217)	691,537	-	-	-	-	-	-	1,018,789	-	1,018,789		
6(23)	-	-	-	-	-	-	-	-	-	-	(257)	(257)		
6(22)	-	-	-	-	-	88,026	-	(88,026)	-	-	-	-		
	<u>\$ 5,903,358</u>	<u>\$ -</u>	<u>\$ 9,502,681</u>	<u>\$ 2,019,788</u>	<u>\$ 143,568</u>	<u>\$ 5,961,688</u>	<u>(\$ 408,559)</u>	<u>\$ 381,013</u>	<u>\$ -</u>	<u>\$ 23,503,537</u>	<u>\$ 704</u>	<u>\$ 23,504,241</u>		

The accompanying notes are an integral part of these consolidated financial statements.

WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)
(Reviewed, not audited)

	Notes	2019	2018
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 2,380,423	\$ 2,854,802
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(28)	214,219	59,022
Amortisation	6(28)	6,679	7,906
Impairment loss determined in accordance with IFRS 9	12(2)	1,671	61,476
Impairment loss	6(26)	27,718	-
Net income on financial liabilities at fair value through profit or loss	6(26)	(65,606)	(78,229)
Share of loss of associates and joint ventures accounted for using equity method	6(6)	79,750	59,583
Loss on disposal of property, plant and equipment, net	6(26)	165	392
Interest expense	6(27)	815,269	674,531
Interest income	6(25)	(15,528)	(6,567)
Dividend income	6(25)	(5,977)	(17,588)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		(9,286,910)	(12,059,933)
Other receivables		114,173	(593,583)
Inventories		4,487,067	(8,873,955)
Prepayments		(107,567)	(94,787)
Changes in operating liabilities			
Financial assets and liabilities at fair value through profit or loss		61,287	70,280
Contract liabilities		48,160	45,085
Accounts payable		3,978,250	21,209,748
Other payables		(33,026)	194,536
Other current liabilities (included in refund liabilities)		(46,260)	(33,214)
Accrued pension liabilities		(14,772)	366
Cash inflow generated from operations		2,639,185	3,479,871
Interest received		15,528	6,567
Dividends received		5,977	17,588
Interest paid		(807,548)	(640,985)
Income taxes paid		(582,433)	(666,302)
Net cash flows from operating activities		<u>1,270,709</u>	<u>2,196,739</u>

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WT MICROELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)
(Reviewed, not audited)

	Notes	2019	2018
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		(\$ 20,000)	(\$ 31,601)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(2)	92,627	279,894
Decrease in other financial assets		36,349	244,121
Acquisition of property, plant and equipment	6(34)	(85,202)	(111,028)
Proceeds from disposal of property, plant and equipment		519	402
Acquisition of intangible assets	6(10)	(18,038)	(2,043)
Net cash payments for business combination	6(32)(34)	(15,396)	(72,409)
Decrease (increase) in other non-current assets		14,280	(9,299)
Acquisition of right-of-use assets		(18,088)	-
Net cash flows (used in) from investing activities		(12,949)	298,037
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase (decrease) in short-term borrowings	6(35)	4,199,884	(421,526)
(Decrease) increase in short-term notes and bills payable	6(35)	(1,138,191)	121,898
Payments of long-term loans	6(35)	(810,660)	(562,500)
Proceeds from issuing bonds	6(16)(35)	1,195,000	-
Repayments of bonds	6(16)(35)	(49,900)	-
Decrease in other non-current liabilities		(1,021)	(6,157)
Changes in non-controlling interest	6(23)	(257)	(215)
Payment of lease liabilities	6(35)	(117,475)	-
Cash dividends paid	6(21)	(1,387,967)	(1,381,423)
Net cash flows from (used in) financing activities		1,889,413	(2,249,923)
Effect of exchange rate changes		(61,481)	284,579
Net increase in cash and cash equivalents		3,085,692	529,432
Cash and cash equivalents at beginning of period		3,335,181	2,288,075
Cash and cash equivalents at end of period		<u>\$ 6,420,873</u>	<u>\$ 2,817,507</u>

The accompanying notes are an integral part of these consolidated financial statements.