

CHIPMOS TECHNOLOGIES BERMUDA LTD
Form 20-F
April 25, 2014
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As filed with the Securities and Exchange Commission on April 25, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 20-F

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2013

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report

Commission file number 0 31106

ChipMOS TECHNOLOGIES (Bermuda) LTD.

(Exact Name of Registrant as Specified in Its Charter)

Bermuda

(Jurisdiction of Incorporation or Organization)

No. 1, R&D Road 1, Hsinchu Science Park

Hsinchu, Taiwan

Republic of China

(Address of Principal Executive Offices)

Shou-Kang Chen

Chief Financial Officer

ChipMOS TECHNOLOGIES (Bermuda) LTD.

No. 1, R&D Road 1, Hsinchu Science Park

Hsinchu, Taiwan

Republic of China

Telephone: (886) 3 563 3988

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(Name, Telephone, E-mail and/or Facsimile Number and Address of Company Contract Person)

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Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Shares, par value US\$0.04 each	The NASDAQ Capital Market

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As of December 31, 2013, 29,684,530 Common Shares, par value US\$0.04 each, were outstanding (not including 2,093,705 Common Shares held by our subsidiary).

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or (15)(d) of the Securities Exchange Act of 1934. Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing.

US GAAP

International Financial Reporting Standards as issued by the International Accounting Standards Board Other

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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**CAUTIONARY STATEMENT FOR PURPOSES OF THE SAFE HARBOR PROVISIONS OF
THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995**

Except for historical matters, the matters discussed in this Annual Report on Form 20-F are forward-looking statements that are subject to significant risks and uncertainties. These statements are generally indicated by the use of forward-looking terminology such as the words anticipate , believe , estimate , expect , intend , may , plan , project , will or other similar words that express an indication of actions or events that may or are expected to occur in the future. These statements appear in a number of places throughout this Annual Report on Form 20-F and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which we operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and our actual results of operations, financial condition and liquidity, and the development of the industries in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this Annual Report on Form 20-F. Important factors that could cause those differences include, but are not limited to:

the volatility of the semiconductor industry and the market for end-user applications for semiconductor products;

overcapacity in the semiconductor testing and assembly markets;

the increased competition from other companies and our ability to retain and increase our market share;

our ability to successfully develop new technologies and remain a technological leader;

our ability to maintain control over capacity expansion and facility modifications;

our ability to generate growth or profitable growth;

our ability to hire and retain qualified personnel;

our ability to acquire required equipment and supplies to meet customer demand;

our ability to raise debt or equity financing as required to meet certain existing obligations;

the pending criminal indictment of our chairman and chief executive officer;

our reliance on the business and financial condition of certain major customers;

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the success of any of our future acquisitions, investments or joint ventures;

the outcome of any pending litigation;

the outbreak of contagious disease and occurrence of earthquakes, typhoons and other natural disasters, as well as industrial accidents;

the political stability of the regions to which we conduct operations; and

general local and global economic and financial conditions.

Forward-looking statements include, but are not limited to, statements regarding our strategy and future plans, future business condition and financial results, our capital expenditure plans, our capacity expansion plans, our expansion plans in Mainland China, technological upgrades, investment in research and development, future market demand, future regulatory or other developments in our industry. Please see Item 3. Key Information Risk Factors for a further discussion of certain factors that may cause actual results to differ materially from those indicated by our forward-looking statements.

This Annual Report on Form 20-F includes, refers to, or incorporates by reference, as applicable, financial statements and other financial information based on both IFRSs and ROC GAAP, and the information based on ROC GAAP is not comparable to information prepared in accordance with IFRSs.

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

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Selected Financial Data**

The following tables set forth our selected consolidated financial data. Commencing January 1, 2013, the Company prepared its consolidated financial statement in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board. According to Form 20-F Instruction G, the selected consolidated financial data under IFRSs for 2012 and 2013, under US GAAP for 2009 through 2011 and under ROC GAAP for 2009 through 2012 are provided below. The selected consolidated statements of financial position data as of December 31, 2012 and 2013 and our consolidated income statements and cash flows data for the years ended December 31, 2012 and 2013 under IFRSs are derived from our audited consolidated financial statements included herein, and should be read in conjunction with, and are qualified in their entirety by reference to, these audited consolidated financial statements and related notes beginning on page F-1 of this Annual Report on Form 20-F. These audited consolidated financial statements have been audited by Moore Stephens. The selected consolidated balance sheet data as of December 31, 2009, 2010, 2011 and 2012 and the consolidated statement of operations and cash flows data for the years ended December 31, 2009, 2010, 2011 and 2012 under US GAAP or ROC GAAP are derived from our audited consolidated financial statements not included herein.

	Year ended December 31,		
	2012	2013	2013
	NT\$	NT\$	US\$
	(in millions, except per share data)		
Consolidated Income Statements Data:			
IFRSs:			
Revenue	\$ 19,220.5	\$ 19,361.9	\$ 649.1
Cost of revenue	(16,767.9)	(15,922.4)	(533.8)
Gross profit	2,452.6	3,439.5	115.3
Other operating income	127.9	442.4	14.8
Research and development expenses	(505.4)	(564.5)	(18.9)
Sales and marketing expenses	(79.9)	(107.7)	(3.6)
Administrative and general expenses	(637.6)	(699.1)	(23.4)
Other operating expenses	(48.7)	(100.8)	(3.4)
Operating profit	1,308.9	2,409.8	80.8
Finance costs	(228.6)	(183.0)	(6.1)
Other non-operating income (expense), net	(232.5)	289.3	9.6
Profit before tax	847.8	2,516.1	84.3
Income tax	(178.1)	(827.1)	(27.7)
Profit for the year	\$ 669.7	\$ 1,689.0	\$ 56.6
Attributable to:			
Equity holders of the Company	\$ 629.8	\$ 1,335.3	\$ 44.8
Non-controlling interests	39.9	353.7	11.8
	\$ 669.7	\$ 1,689.0	\$ 56.6
Earnings per share:			
Basic	\$ 22.92	\$ 45.55	\$ 1.53
Diluted	\$ 22.25	\$ 44.27	\$ 1.48
Weighted-average number of shares outstanding:			
Basic	27.5	29.3	29.3
Diluted	28.3	30.2	30.2

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	2009 NT\$	Year ended December 31,		2012 NT\$
		2010 NT\$	2011 NT\$	
(in millions, except per share data)				
Consolidated Statement of Operations Data:				
ROC GAAP:				
Net revenue:				
Related parties ⁽¹⁾	\$ 668.9	\$ 2,033.3	\$ 379.0	\$
Others	11,481.4	15,176.4	17,831.9	19,220.5
Total net revenue	12,150.3	17,209.7	18,210.9	19,220.5
Cost of revenue	(15,661.5)	(16,564.0)	(16,549.2)	(16,638.5)
Gross profit (loss)	(3,511.2)	645.7	1,661.7	2,582.0
Operating expenses:				
Research and development	(375.3)	(412.7)	(409.8)	(492.8)
General and administrative	(657.8)	(677.6)	(651.9)	(625.6)
Sales and marketing	(561.2)	(64.4)	(66.5)	(78.4)
Total operating expenses	(1,594.3)	(1,154.7)	(1,128.2)	(1,196.8)
Income (Loss) from operations	(5,105.5)	(509.0)	533.5	1,385.2
Other income (expenses), net	116.7	2,320.6	(455.8)	(464.4)
Income (Loss) before income tax and non-controlling interests	(4,988.8)	1,811.6	77.7	920.8
Income tax benefit (expense)	420.7	99.3	(45.5)	(131.5)
Income (Loss) before non-controlling interests	(4,568.1)	1,910.9	32.2	789.3
Net (income) loss attributable to non-controlling interests	149.4	&nbs		