

K Laser Consolidated Financial Statement

Financial Statement – Balance Sheet

Provided by: K LASER TECHNOLOGY INC.

Financial year: 2019 Consolidated Nine Months

Unit: NT\$ thousand

Accounting Title	2019/9/30	2018/12/31	2018/9/30
Balance Sheet			
Assets			
Current assets			
Cash and cash equivalents	1,365,082	1,237,725	1,189,697
Current financial assets at fair value through profit or loss	190,006	85,324	121,247
Notes receivable, net	103,019	40,335	35,256
Accounts receivable, net	991,218	1,178,766	1,117,852
Accounts receivable due from related parties, net	506,428	524,534	443,295
Other receivables	51,464	65,973	73,221
Current tax assets	17,491	7,267	15,637
Current inventories	944,212	979,537	991,439
Prepayments	0	410	407
Prepaid rents	0	410	407
Other current assets	155,275	206,378	224,988
Total current assets	4,324,195	4,326,249	4,213,039
Non-current assets			
Non-current financial assets at fair value through other comprehensive income	112,692	126,379	132,118
Investments accounted for using equity method	750,045	742,554	786,443
Property, plant and equipment	1,164,409	1,246,743	1,229,144
Right-of-use assets	256,446	0	0
Investment property, net	48,468	51,537	51,767
Intangible assets	4,161	6,917	7,462
Deferred tax assets	29,981	29,869	36,267
Other non-current assets	69,128	79,909	81,562
Long-term Lease Prepayments	0	19,363	19,309
Other non-current assets, others	69,128	60,546	62,253
Total non-current assets	2,435,330	2,283,908	2,324,763
Total assets	6,759,525	6,610,157	6,537,802
Liabilities and equity			
Liabilities			
Current liabilities			
Current borrowings	884,947	911,153	660,921
Short-term notes and bills payable	189,910	99,960	274,898
Notes payable	126,922	228,762	162,853
Notes payable to related parties	0	0	3,648
Accounts payable	492,331	481,826	542,180
Accounts payable to related parties	35,271	44,743	25,721
Other payables	340,007	338,252	309,288
Current tax liabilities	21,886	20,911	21,413
Current lease liabilities	40,282	0	0
Other current liabilities	761,915	97,968	109,206
Long-term liabilities, current portion	725,000	64,000	64,000
Long-term borrowings, current portion	725,000	64,000	64,000
Other current liabilities, others	36,915	33,968	45,206
Total current liabilities	2,893,471	2,223,575	2,110,128
Non-current liabilities			
Non-current portion of non-current borrowings	315,000	976,000	976,000
Non-current lease liabilities	199,565	0	0
Other non-current liabilities	21,285	22,362	20,787
Net defined benefit liability, non-current	21,285	22,362	20,787
Total non-current liabilities	535,850	998,362	996,787
Total liabilities	3,429,321	3,221,937	3,106,915
Equity			
Equity attributable to owners of parent			
Share capital			
Ordinary share	1,593,246	1,593,246	1,653,246
Total capital stock	1,593,246	1,593,246	1,653,246
Capital surplus			
Total capital surplus	543,948	529,962	548,318
Retained earnings			
Legal reserve	213,042	206,459	206,459
Special reserve	201,126	162,918	162,918
Unappropriated retained earnings (accumulated deficit)	427,317	488,494	486,795
Total retained earnings	841,485	857,871	856,172
Other equity interest			
Exchange differences on translation of foreign financial statements	-235,715	-195,571	-225,311
Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	-26,067	-5,574	-1,914
Total other equity interest	-261,782	-201,145	-227,225
Treasury shares	79,337	93,118	119,526
Total equity attributable to owners of parent	2,637,560	2,686,816	2,710,985
Non-controlling interests	692,644	701,404	719,902
Total equity	3,330,204	3,388,220	3,430,887
Total liabilities and equity	6,759,525	6,610,157	6,537,802
Equivalent issue shares of advance receipts for ordinary share	0	0	0
Number of shares in entity held by entity and by its subsidiaries	6,000,000	6,714,000	8,000,000

Financial Statement – Income Statement

Provided by: K LASER TECHNOLOGY INC.

Financial year: 2019 Consolidated Nine Months

Unit: NT\$ thousand

Accounting Title	2019/3rd	2018/3rd	2019/01/01To2019/09/30	2018/01/01To2018/09/30
Statement of comprehensive income				
Operating revenue				
Net sales revenue				
Sales revenue	1,444,557	1,322,527	3,865,452	3,789,522
Net sales revenue	1,444,557	1,322,527	3,865,452	3,789,522
Total operating revenue	1,444,557	1,322,527	3,865,452	3,789,522
Operating costs				
Cost of sales				
Total cost of sales	1,102,656	1,026,271	2,970,324	2,993,015
Total operating costs	1,102,656	1,026,271	2,970,324	2,993,015
Gross profit (loss) from operations	341,901	296,256	895,128	796,507
Realized profit (loss) on from sales	0	0	12,527	8,095
Gross profit (loss) from operations	341,901	296,256	907,655	804,602
Operating expenses				
Selling expenses	138,334	82,868	297,507	248,392
Administrative expenses	107,682	85,347	288,491	262,232
Research and development expenses	64,038	62,418	182,508	186,662
Total operating expenses	310,054	230,633	768,506	697,286
Net operating income (loss)	31,847	65,623	139,149	107,316
Non-operating income and expenses				
Other income				
Interest income	1,340	4,040	9,762	11,213
Dividend income	837	0	837	2,485
Other income, others	7,604	26,692	12,556	34,139
Total other income	9,781	30,732	23,155	47,837
Other gains and losses				
Gains on disposals of investments	1,935	0	2,964	18,530
Foreign exchange gains	8,493	5,682	17,884	36,435
Gains on financial assets (liabilities) at fair value through profit or loss	0	11	363	0
Miscellaneous disbursements	10,567	32,859	32,593	60,491
Losses on disposals of property, plant and equipment	375	13,168	1,878	14,377
Losses on disposals of investments	0	1,599	0	0
Losses on financial assets (liabilities) at fair value through profit or loss	18	0	0	321
Other gains and losses, net	-532	-41,933	-13,260	-20,224
Finance costs				
Interest expense	10,425	8,037	30,673	24,746
Finance costs, net	10,425	8,037	30,673	24,746
Share of profit (loss) of associates and joint ventures accounted for using equity method				
Share of profit (loss) of associates and joint ventures accounted for using equity method, net	7,180	-2,819	-51,365	-46,583
Total non-operating income and expenses	6,004	-22,057	-72,143	-43,716
Profit (loss) from continuing operations before tax	37,851	43,566	67,006	63,600
Tax expense (income)				
Total tax expense (income)	9,746	19,425	29,979	42,337
Profit (loss) from continuing operations	28,105	24,141	37,027	21,263
Profit (loss)	28,105	24,141	37,027	21,263
Other comprehensive income				
Components of other comprehensive income that will not be reclassified to profit or loss				
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	-3,621	6,041	-13,395	-55,459
Components of other comprehensive income that will not be reclassified to profit or loss	-3,621	6,041	-13,395	-55,459
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translation	-96,095	-77,464	-40,732	-49,070
Components of other comprehensive income that will be reclassified to profit or loss	-96,095	-77,464	-40,732	-49,070
Other comprehensive income, net	-99,716	-71,423	-54,127	-104,529
Total comprehensive income	-71,611	-47,282	-17,100	-83,266
Profit (loss), attributable to:				
Profit (loss), attributable to owners of parent	20,452	27,405	45,729	53,485
Profit (loss), attributable to non-controlling interests	7,653	-3,264	-8,702	-32,222
Comprehensive income attributable to:				
Comprehensive income, attributable to owners of parent	-75,886	-37,973	-15,001	-14,262
Comprehensive income, attributable to non-controlling interests	4,275	-9,309	-2,099	-69,004
Basic earnings per share				
Basic earnings (loss) per share from continuing operations	0.13	0.17	0.3	0.33
Total basic earnings per share	0.13	0.17	0.3	0.33
Diluted earnings per share				
Diluted earnings (loss) per share from continuing operations	0.13	0.17	0.3	0.33
Total diluted earnings per share	0.13	0.17	0.3	0.33

Financial Statement – Statements of Cash Flows

Provided by: K LASER TECHNOLOGY INC.

Financial year: 2019 Consolidated Nine Months

Unit: NT\$ thousand

Accounting Title	2019/01/01T o 2019/09/30	2018/01/01T o 2018/09/30
Statement of cash flows		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	67,006	63,600
Profit (loss) before tax	67,006	63,600
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	173,237	142,608
Amortization expense	2,976	3,482
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	59,716	9,027
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	-363	321
Interest expense	30,673	24,746
Interest income	-9,762	-11,213
Dividend income	-837	-2,485
Share-based payments	16,205	1,352
Share of loss (profit) of associates and joint ventures accounted for using equity method	51,365	46,583
Loss (gain) on disposal of property, plant and equipment	1,878	14,377
Loss (gain) on disposal of other assets	-5	0
Loss (gain) on disposal of investments	-2,964	-18,530
Other adjustments to reconcile profit (loss)	0	316
Total adjustments to reconcile profit (loss)	322,119	210,584
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	-62,684	8,378
Decrease (increase) in accounts receivable	196,176	23,407
Decrease (increase) in accounts receivable due from related parties	-49,408	31,528
Decrease (increase) in other receivable	6,686	22,022
Decrease (increase) in inventories	35,325	-126,313
Decrease (increase) in other current assets	48,210	-7,561
Decrease (increase) in other operating assets	-1,937	-8,834
Total changes in operating assets	172,368	-57,373
Changes in operating liabilities		
Increase (decrease) in notes payable	-101,840	11,204
Increase (decrease) in notes payable to related parties	0	-11,520
Increase (decrease) in accounts payable	10,505	156,031
Increase (decrease) in accounts payable to related parties	-9,472	-98,352
Increase (decrease) in other payable	7,993	686
Increase (decrease) in other current liabilities	2,947	24,674
Increase (decrease) in net defined benefit liability	-1,077	-95
Total changes in operating liabilities	-90,944	82,628
Total changes in operating assets and liabilities	81,424	25,255
Total adjustments	403,543	235,839
Cash inflow (outflow) generated from operations	470,549	299,439
Interest received	9,762	11,213
Interest paid	-30,443	-24,986
Income taxes refund (paid)	-39,262	-44,042
Net cash flows from (used in) operating activities	410,606	241,624
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	0	-8,872
Acquisition of financial assets at fair value through profit or loss	-651,195	-45,938
Proceeds from disposal of financial assets at fair value through profit or loss	543,571	49,099
Acquisition of investments accounted for using equity method	-75,906	-119,647
Proceeds from disposal of investments accounted for using equity method	0	42,217
Proceeds from capital reduction of investments accounted for using equity method	0	0
Acquisition of property, plant and equipment	-83,689	-110,731
Proceeds from disposal of property, plant and equipment	19,216	2,102
Increase in refundable deposits	-6,645	-3,876
Decrease in other receivables	6,708	0
Acquisition of intangible assets	-220	-2,012
Decrease in other financial assets	2,891	-4,598
Dividends received	5,041	7,635
Net cash flows from (used in) investing activities	-240,228	-194,621
Cash flows from (used in) financing activities		
Decrease in short-term loans	-26,206	-112,983
Increase in short-term notes and bills payable	90,000	75,000
Proceeds from long-term debt	150,000	210,000
Repayments of long-term debt	-150,000	-252,893
Payments of lease liabilities	-29,748	0
Cash dividends paid	-62,043	-91,462
Payments to acquire treasury shares	-17,422	-88,324
Treasury shares sold to employees	31,904	0
Acquisition of ownership interests in subsidiaries	-9,084	-2,052
Disposal of ownership interests in subsidiaries (without losing control)	3,483	0
Change in non-controlling interests	-3,958	-36,507
Net cash flows from (used in) financing activities	-23,074	-299,221
Effect of exchange rate changes on cash and cash equivalents	-19,947	-30,467
Net increase (decrease) in cash and cash equivalents	127,357	-282,685
Cash and cash equivalents at beginning of period	1,237,725	1,472,382
Cash and cash equivalents at end of period	1,365,082	1,189,697
Cash and cash equivalents reported in the statement of financial position	1,365,082	1,189,697

Financial Statement – Statements of Changes in Stockholders' Equity

Provided by: K LASER TECHNOLOGY INC.
 Financial year: 2019 Consolidated Nine Months
 Unit: NT\$ thousand

2019/09/30 Statement of Stockholders' Equity

Unit: NT\$ thousand

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Retained earnings	Translation of foreign currency	Other equity	Share-based payments	Non-controlling interests	Total equity			
Equity at beginning of period	1,593,246	1,593,246	529,962	206,459	162,918	488,494	857,871	-195,571	-5,574	-201,145	-93,118	2,686,816	701,404	3,388,220
Legal reserve appropriated				6,583		-6,583	0					0		0
Special reserve appropriated					38,226	-38,226	0					0		0
Cash dividends of ordinary share					0	-62,043	-62,043					-62,043		-62,043
Profit (loss)						45,729	45,729					45,729	-8,702	37,027
Other comprehensive income						0	0	-40,165	-20,565	-60,730		-60,730	6,603	-54,127
Total comprehensive income						45,729	45,729	-40,165	-20,565	-60,730		-15,001	-2,099	-17,100
Purchase of treasury shares												-17,422	-17,422	-17,422
Difference between consideration and carrying amount of subsidiaries acquired or disposed			-1,855											-1,834
Changes in ownership interests in subsidiaries			939										939	0
Share-based payments			14,902									31,203	46,105	46,105
Changes in non-controlling interests														-6,661
Increase (decrease) in equity	0	0	13,986	6,583	38,208	-61,177	-16,386	-40,144	-20,493	-60,637	13,781	-49,256	-8,760	-58,016
Equity at end of period	1,593,246	1,593,246	543,948	213,042	201,126	427,317	841,485	-235,715	-26,067	-261,782	-79,337	2,637,560	692,644	3,330,204

2018/09/30 Statement of Stockholders' Equity

Unit: NT\$ thousand

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Retained earnings	Translation of foreign currency	Other equity	Share-based payments	Non-controlling interests	Total equity			
Equity at beginning of period	1,653,246	1,653,246	548,370	190,957	162,918	561,320	915,195	-177,585	0	-177,585	-31,202	2,908,024	804,567	3,712,591
Effects of retrospective application and retrospective restatement										18,107	18,107	0	18,107	21,493
Equity at beginning of period after adjustments	1,653,246	1,653,246	548,370	190,957	162,918	561,320	915,195	-177,585	18,107	-159,478	-31,202	2,926,131	826,060	3,752,191
Legal reserve appropriated				15,502		-15,502	0					0		0
Cash dividends of ordinary share						-91,462	-91,462					-91,462		-91,462
Changes in equity of associates and joint ventures accounted for using equity method						-21,046	-21,046					-21,046		-21,046
Profit (loss)						53,485	53,485					53,485	-32,222	21,263
Other comprehensive income						0	0	-47,726	-20,021	-67,747		-67,747	-36,782	-104,529
Total comprehensive income						53,485	53,485	-47,726	-20,021	-67,747		-14,262	-69,004	-83,266
Purchase of treasury shares												-88,324	-88,324	-88,324
Changes in ownership interests in subsidiaries			-52										-52	-52
Changes in non-controlling interests														-37,154
Increase (decrease) in equity	0	0	-52	15,502	0	-74,525	-59,023	-47,726	-20,021	-67,747	-88,324	-215,146	-106,158	-321,304
Equity at end of period	1,653,246	1,653,246	548,318	206,459	162,918	486,795	856,172	-225,311	-1,914	-227,225	-119,526	2,710,985	719,902	3,430,887