

K Laser Consolidated Financial Statement

Financial Statement – Balance Sheet

Provided by: K LASER TECHNOLOGY INC.

Finacial year: 2019 Six Months

Unit: NT\$ thousand

Accounting Title	2019/6/30	2018/12/31	2018/6/30
Balance Sheet			
Assets			
Current assets			
Cash and cash equivalents	1,329,155	1,237,725	1,553,886
Current financial assets at fair value through profit or loss	55,438	85,324	79,419
Notes receivable, net	114,983	40,335	34,573
Accounts receivable, net	1,041,833	1,178,766	1,019,668
Accounts receivable due from related parties, net	424,238	524,534	380,698
Other receivables	56,635	65,973	88,099
Current tax assets	11,815	7,267	13,492
Current inventories	962,953	979,537	880,710
Prepayments	0	410	421
Prepaid rents	0	410	421
Other current assets	161,294	206,378	205,393
Total current assets	4,158,344	4,326,249	4,256,359
Non-current assets			
Non-current financial assets at fair value through other comprehensive income	116,721	126,379	117,204
Investments accounted for using equity method	707,287	742,554	814,432
Property, plant and equipment	1,204,414	1,246,743	1,280,381
Right-of-use assets	263,234	0	0
Investment property, net	50,816	51,537	54,063
Intangible assets	5,076	6,917	6,251
Deferred tax assets	26,988	29,869	36,983
Other non-current assets	72,855	79,909	78,410
Long-term Lease Prepayments	0	19,363	20,098
Other non-current assets, others	72,855	60,546	58,312
Total non-current assets	2,447,391	2,283,908	2,387,724
Total assets	6,605,735	6,610,157	6,644,083
Liabilities and equity			
Liabilities			
Current liabilities			
Current borrowings	727,910	911,153	634,325
Short-term notes and bills payable	159,939	99,960	249,871
Notes payable	139,771	228,762	140,569
Notes payable to related parties	0	0	11,079
Accounts payable	434,385	481,826	418,041
Accounts payable to related parties	28,144	44,743	81,450
Other payables	398,286	338,252	439,676
Current tax liabilities	11,401	20,911	10,816
Current lease liabilities	40,269	0	0
Other current liabilities	151,928	97,968	34,519
Long-term liabilities, current portion	108,000	64,000	5,000
Long-term borrowings, current portion	108,000	64,000	5,000
Other current liabilities, others	43,928	33,968	29,519
Total current liabilities	2,092,033	2,223,575	2,020,346
Non-current liabilities			
Non-current portion of non-current borrowings	932,000	976,000	1,035,000
Non-current lease liabilities	204,823	0	0
Other non-current liabilities	22,322	22,362	20,819
Net defined benefit liability, non-current	22,322	22,362	20,819
Total non-current liabilities	1,159,145	998,362	1,055,819
Total liabilities	3,251,178	3,221,937	3,076,165
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	529,185	529,962	548,598
Retained earnings			
Legal reserve	213,042	206,459	206,459
Special reserve	201,134	162,918	162,918
Unappropriated retained earnings (accumulated deficit)	406,899	488,494	459,390
Total retained earnings	821,075	857,871	828,767
Other equity interest			
Exchange differences on translation of foreign financial statements	-147,491	-195,571	-153,023
Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	-18,004	-5,574	-8,824
Total other equity interest	-165,495	-201,145	-161,847
Treasury shares	110,540	93,118	31,202
Total equity attributable to owners of parent	2,667,471	2,686,816	2,837,562
Non-controlling interests	687,086	701,404	730,356
Total equity	3,354,557	3,388,220	3,567,918
Total liabilities and equity	6,605,735	6,610,157	6,644,083
Equivalent issue shares of advance receipts for ordinary share	0	0	0
Number of shares in entity held by entity and by its subsidiaries	8,000,000	6,714,000	2,000,000

Financial Statement — Income Statement

Provided by: K LASER TECHNOLOGY INC.
Finacial year:2019 Six Months
Unit: NT\$ thousand

Accounting Title	2019/2nd	2018/2nd	2019/01/01To2019/06/30	2018/01/01To2018/06/30
Statement of comprehensive income				
Operating revenue				
Net sales revenue				
Sales revenue	1,202,688	1,211,616	2,420,895	2,466,995
Net sales revenue	1,202,688	1,211,616	2,420,895	2,466,995
Total operating revenue	1,202,688	1,211,616	2,420,895	2,466,995
Operating costs				
Cost of sales				
Total cost of sales	906,445	979,146	1,867,668	1,966,744
Total operating costs	906,445	979,146	1,867,668	1,966,744
Gross profit (loss) from operations	296,243	232,470	553,227	500,251
Realized profit (loss) on from sales	0	0	12,527	8,095
Gross profit (loss) from operations	296,243	232,470	565,754	508,346
Operating expenses				
Selling expenses	80,412	91,054	159,173	165,524
Administrative expenses	91,982	94,368	180,809	176,885
Research and development expenses	60,000	60,972	118,470	124,244
Total operating expenses	232,394	246,394	458,452	466,653
Net operating income (loss)	63,849	-13,924	107,302	41,693
Non-operating income and expenses				
Other income				
Interest income	4,684	4,863	8,422	7,173
Dividend income	0	0	0	2,485
Other income, others	2,323	3,662	4,952	7,447
Total other income	7,007	8,525	13,374	17,105
Other gains and losses				
Gains on disposals of investments	136	18,853	1,029	20,129
Foreign exchange gains	5,470	44,222	9,391	30,753
Gains on financial assets (liabilities) at fair value through profit or loss	92	0	381	0
Miscellaneous disbursements	10,646	11,794	22,026	27,632
Losses on disposals of property, plant and equipment	1,697	800	1,503	1,209
Losses on financial assets (liabilities) at fair value through profit or loss	0	178	0	332
Other gains and losses, net	-6,645	50,303	-12,728	21,709
Finance costs				
Interest expense	10,202	8,237	20,248	16,709
Finance costs, net	10,202	8,237	20,248	16,709
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	-34,633	-34,978	-58,545	-43,764
Total non-operating income and expenses	-44,473	15,613	-78,147	-21,659
Profit (loss) from continuing operations before tax	19,376	1,689	29,155	20,034
Tax expense (income)				
Total tax expense (income)	6,061	10,324	20,233	22,912
Profit (loss) from continuing operations	13,315	-8,635	8,922	-2,878
Profit (loss)	13,315	-8,635	8,922	-2,878
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	-24,287	-46,297	-9,774	-61,500
Components of other comprehensive income that will not be reclassified to profit or loss	-24,287	-46,297	-9,774	-61,500
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translation	-9,882	-16,694	55,363	28,394
Components of other comprehensive income that will be reclassified to profit or loss	-9,882	-16,694	55,363	28,394
Other comprehensive income, net	-34,169	-62,991	45,589	-33,106
Total comprehensive income	-20,854	-71,626	54,511	-35,984
Profit (loss), attributable to:				
Profit (loss), attributable to owners of parent	18,657	12,821	25,277	26,080
Profit (loss), attributable to non-controlling interests	-5,342	-21,456	-16,355	-28,958
Comprehensive income attributable to:				
Comprehensive income, attributable to owners of parent	-10,484	-25,833	60,885	23,711
Comprehensive income, attributable to non-controlling interests	-10,370	-45,793	-6,374	-59,695
Basic earnings per share				
Basic earnings (loss) per share from continuing operations	0.13	0.08	0.17	0.16
Total basic earnings per share	0.13	0.08	0.17	0.16
Diluted earnings per share				
Diluted earnings (loss) per share from continuing operations	0.13	0.08	0.17	0.16
Total diluted earnings per share	0.13	0.08	0.17	0.16

Financial Statement — Statements of Cash Flows

Provided by: K LASER TECHNOLOGY INC.

Finacial year: 2019 Six Months

Unit: NT\$ thousand

Accounting Title	2019/01/01To2019/06/30	2018/01/01To2018/06/30
Statement of cash flows		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	29,155	20,034
Profit (loss) before tax	29,155	20,034
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	115,028	96,447
Amortization expense	2,062	2,263
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	8,750	7,463
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	-381	332
Interest expense	20,248	16,709
Interest income	-8,422	-7,173
Dividend income	0	-2,485
Share-based payments	1,394	485
Share of loss (profit) of associates and joint ventures accounted for using equity method	58,545	43,764
Loss (gain) on disposal of property, plan and equipment	1,503	1,209
Loss (gain) on disposal of investments	-1,029	-20,129
Other adjustments to reconcile profit (loss)	0	213
Total adjustments to reconcile profit (loss)	197,698	139,098
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	-74,648	9,061
Decrease (increase) in accounts receivable	128,113	121,550
Decrease (increase) in accounts receivable due from related parties	100,296	94,125
Decrease (increase) in other receivable	7,038	8,713
Decrease (increase) in inventories	16,584	-15,584
Decrease (increase) in other current assets	41,418	7,465
Decrease (increase) in other operating assets	-3,198	-3,460
Total changes in operating assets	215,603	221,870
Changes in operating liabilities		
Increase (decrease) in notes payable	-88,991	-11,080
Increase (decrease) in notes payable to related parties	0	-4,622
Increase (decrease) in accounts payable	-47,441	31,892
Increase (decrease) in accounts payable to related parties	-16,599	-42,623
Increase (decrease) in other payable	5,297	41,696
Increase (decrease) in other current liabilities	9,960	8,999
Increase (decrease) in net defined benefit liability	-40	-63
Total changes in operating liabilities	-137,814	24,199
Total changes in operating assets and liabilities	77,789	246,069
Total adjustments	275,487	385,167
Cash inflow (outflow) generated from operations	304,642	405,201
Interest received	8,422	7,173
Interest paid	-20,637	-16,879
Income taxes refund (paid)	-31,332	-33,785
Net cash flows from (used in) operating activities	261,095	361,710
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through profit or loss	-27,859	0
Proceeds from disposal of financial assets at fair value through profit or loss	60,306	49,595
Acquisition of investments accounted for using equity method	0	-119,647
Proceeds from disposal of investments accounted for using equity method	0	28,909
Increase in prepayments for investments	-23,306	0
Acquisition of property, plant and equipment	-56,017	-88,681
Proceeds from disposal of property, plant and equipment	14,954	1,698
Increase in refundable deposits	-9,113	-5,306
Decrease in other receivables	2,683	0
Acquisition of intangible assets	-220	-1,432
Decrease in other financial assets	3,666	-29
Dividends received	4,204	5,678
Net cash flows from (used in) investing activities	-30,702	-129,215
Cash flows from (used in) financing activities		
Decrease in short-term loans	-183,243	-139,579
Increase in short-term notes and bills payable	60,000	50,000
Proceeds from long-term debt	50,000	60,000
Repayments of long-term debt	-50,000	-102,893
Payments of lease liabilities	-19,443	0
Payments to acquire treasury shares	-17,422	0
Acquisition of ownership interests in subsidiaries	-8,416	0
Disposal of ownership interests in subsidiaries (without losing control)	1,951	0
Change in non-controlling interests	-3,638	-36,266
Net cash flows from (used in) financing activities	-170,211	-168,738
Effect of exchange rate changes on cash and cash equivalents	31,248	17,747
Net increase (decrease) in cash and cash equivalents	91,430	81,504
Cash and cash equivalents at beginning of period	1,237,725	1,472,382
Cash and cash equivalents at end of period	1,329,155	1,553,886
Cash and cash equivalents reported in the statement of financial position	1,329,155	1,553,886

Provided by: K LASER TECHNOLOGY INC.
Finacial year: 2019 Six Months
Unit: NT\$ thousand

2019/06/30 Statement of Stockholders' Equity

Unit: NT\$ thousand

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	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)						25,277	25,277					25,277	-16,355	8,922
Other comprehensive income						0	0	48,068	-12,460	35,608		35,608	9,981	45,589
Total comprehensive income						25,277	25,277	48,068	-12,460	35,608		60,885	-6,374	54,511
Purchase of treasury shares											-17,422	-17,422		-17,422
Difference between consideration and carrying amount of subsidiaries acquired or disposed			-1,430		-10	-20	-30	12	30	42		-1,418	0	-1,418
Changes in ownership interests in subsidiaries			653									653	0	653
Changes in non-controlling interests													-7,944	-7,944
Increase (decrease) in equity	0	0	-777	6,583	38,216	-81,595	-36,796	48,080	-12,430	35,650	-17,422	-19,345	-14,318	-33,663
Equity at end of period	1,593,246	1,593,246	529,185	213,042	201,134	406,899	821,075	-147,491	-18,004	-165,495	-110,540	2,667,471	687,086	3,354,557

2018/06/30 Statement of Stockholders' Equity

Unit: NT\$ thousand

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	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	39,600
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)						26,080	26,080					26,080	-28,958	-2,878
Other comprehensive income						0	0	24,562	-26,931	-2,369		-2,369	-30,737	-33,106
Total comprehensive income						26,080	26,080	24,562	-26,931	-2,369		23,711	-59,695	-35,984
Changes in ownership interests in subsidiaries			228									228		228
Changes in non-controlling interests													-36,009	-36,009
Increase (decrease) in equity	0	0	228	15,502	0	-101,930	-86,428	24,562	-26,931	-2,369	0	-88,569	-95,704	-184,273
Equity at end of period	1,653,246	1,653,246	548,598	206,459	162,918	459,390	828,767	-153,023	-8,824	-161,847	-31,202	2,837,562	730,356	3,567,918