

**2020Q1 K Laser Consolidated Financial Statement — Balance Sheet**

Provided by: K LASER TECHNOLOGY INC.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2020/03/31	2019/12/31	2019/03/31
<b>Balance Sheet</b>			
Current assets			
Cash and cash equivalents	1,723,621	1,588,179	1,248,765
Current financial assets at fair value through profit or loss	198,799	201,777	55,493
Notes receivable, net	70,813	105,839	88,708
Accounts receivable, net	867,480	910,058	1,291,321
Accounts receivable due from related parties, net	468,913	473,652	424,034
Other receivables	49,102	36,358	59,656
Current tax assets	18,317	11,512	14,246
Current inventories	926,313	914,826	909,418
Prepayments	0	0	0
Non-current assets or disposal groups classified as held for sale, net	31,714	0	0
Other current assets	187,618	162,723	193,934
Total current assets	4,542,690	4,404,924	4,285,575
Non-current assets			
Non-current financial assets at fair value through other comprehensive income	99,800	102,466	141,150
Investments accounted for using equity method	554,666	600,010	751,811
Property, plant and equipment	1,154,070	1,189,677	1,247,106
Right-of-use assets	238,987	249,659	270,452
Investment property, net	0	0	52,046
Intangible assets	132,930	134,217	5,836
Deferred tax assets	26,460	27,887	28,405
Other non-current assets	69,021	77,624	69,544
Total non-current assets	2,275,934	2,381,540	2,566,350
Total assets	6,818,624	6,786,464	6,851,925
Current liabilities			
Current borrowings	785,257	801,147	804,068
Short-term notes and bills payable	229,943	169,943	219,924
Notes payable	145,930	158,715	218,722
Notes payable to related parties	0	0	0
Accounts payable	513,341	442,698	416,891
Accounts payable to related parties	37,618	48,468	45,596
Other payables	312,402	379,677	317,835
Current tax liabilities	16,607	22,463	29,407
Current lease liabilities	35,465	38,882	41,085
Other current liabilities	141,304	80,297	163,214
Total current liabilities	2,217,867	2,142,290	2,256,742
Non-current liabilities			
Non-current portion of non-current borrowings	1,205,000	1,180,000	917,000
Non-current lease liabilities	188,789	195,155	209,581
Other non-current liabilities	19,065	25,498	22,343
Total non-current liabilities	1,412,854	1,400,653	1,148,924
Total liabilities	3,630,721	3,542,943	3,405,666
Equity attributable to owners of parent			
Share capital			
Ordinary share	1,593,246	1,593,246	1,593,246
Total share capital	1,593,246	1,593,246	1,593,246
Capital surplus			
Total capital surplus	561,839	551,531	530,284
Retained earnings			
Legal reserve	213,042	213,042	206,459
Special reserve	201,086	201,090	162,918
Unappropriated retained earnings (accumulated deficit)	259,549	255,807	495,114
Total retained earnings	673,677	669,939	864,491
Other equity interest			
Exchange differences on translation of foreign financial statements	-327,319	-278,472	-136,229
Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	-39,829	-33,033	-167
Total other equity interest	-367,148	-311,505	-136,396
Treasury shares	-112,636	-102,122	-110,540
Total equity attributable to owners of parent	2,348,978	2,401,089	2,741,085
Non-controlling interests	838,925	842,432	705,174
Total equity	3,187,903	3,243,521	3,446,259
Total liabilities and equity	6,818,624	6,786,464	6,851,925
Equivalent issue shares of advance receipts for ordinary share	0	0	0
Number of shares in entity held by entity and by its subsidiaries	9,760,000	8,750,000	8,000,000

## 2020Q1 K Laser Consolidated Financial Statement — Income Statement

Provided by: K LASER TECHNOLOGY INC.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2020/01/01To2020/03/31	2019/01/01To2019/03/31
<b>Income Statement</b>		
Net sales revenue	1,160,377	1,218,207
Total operating revenue	1,160,377	1,218,207
Total cost of sales	921,003	948,696
Total operating costs	921,003	948,696
Gross profit (loss) from operations	239,374	269,511
Gross profit (loss) from operations	239,374	269,511
Operating expenses		
Selling expenses	78,644	77,383
Administrative expenses	88,320	88,827
Research and development expenses	59,002	58,470
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	6,905	1,378
Total operating expenses	232,871	226,058
Net operating income (loss)	6,503	43,453
Non-operating income and expenses		
Total other income	3,864	6,367
Other gains and losses, net	-1,497	-6,083
Finance costs, net	9,522	10,046
Share of profit (loss) of associates and joint ventures accounted for using equity method, net	4,347	-23,912
Total non-operating income and expenses	-2,808	-33,674
Profit (loss) from continuing operations before tax	3,695	9,779
Total tax expense (income)	9,198	14,172
Profit (loss) from continuing operations	-5,503	-4,393
Profit (loss)	-5,503	-4,393
Other comprehensive income		
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	-5,547	14,513
Components of other comprehensive income that will not be reclassified to profit or loss	-5,547	14,513
Exchange differences on translation	-56,189	65,245
Components of other comprehensive income that will be reclassified to profit or loss	-56,189	65,245
Other comprehensive income, net	-61,736	79,758
Total comprehensive income	-67,239	75,365
Profit (loss), attributable to:		
Profit (loss), attributable to owners of parent	3,759	6,620
Profit (loss), attributable to non-controlling interests	-9,262	-11,013
Comprehensive income, attributable to owners of parent	-51,914	71,369
Comprehensive income, attributable to non-controlling interests	-15,325	3,996
Basic earnings per share		
Basic earnings (loss) per share from continuing operations	0.02	0.04
Total basic earnings per share	0.02	0.04
Diluted earnings per share		
Diluted earnings (loss) per share from continuing operations	0.02	0.04
Total diluted earnings per share	0.02	0.04

2020Q1 K Laser Consolidated Financial Statement — Statements of Changes in Stockholders' Equity

Provided by: K LASER TECHNOLOGY INC.

Finacial year: Yearly

Unit: NT\$ thousand

2020/03/31 Statement of Stockholders' Equity

Accounting Title	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-controlli ng interests	Total equity
Equity at beginning of period	1,593,246	1,593,246	551,531	213,042	201,090	255,807	669,939	-278,472	-33,033	-311,505	-102,122	2,401,089	842,432	3,243,521
Profit (loss)	0	0	0	0	0	3,759	3,759	0	0	0	0	3,759	-9,262	-5,503
Other comprehensive income	0	0	0	0	0	0	0	-48,856	-6,817	-55,673	0	-55,673	-6,063	-61,736
Total comprehensive income	0	0	0	0	0	3,759	3,759	-48,856	-6,817	-55,673	0	-51,914	-15,325	-67,239
Purchase of treasury shares	0	0	0	0	0	0	0	0	0	0	-50,998	-50,998	0	-50,998
Disposal of company's share by subsidiaries recognized as treasury share transactions	0	0	-76	0	0	0	0	0	0	0	2,071	1,995	2,608	4,603
Difference between consideration and carrying amount of subsidiaries acquired or disposed	0	0	-539	0	-4	-17	-21	9	21	30	0	-530	0	-530
Changes in ownership interests in subsidiaries	0	0	99	0	0	0	0	0	0	0	0	99	0	99
Share-based payments	0	0	10,824	0	0	0	0	0	0	0	38,413	49,237	0	49,237
Changes in non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	0	9,210	9,210
Total increase (decrease) in equity	0	0	10,308	0	-4	3,742	3,738	-48,847	-6,796	-55,643	-10,514	-52,111	-3,507	-55,618
Equity at end of period	1,593,246	1,593,246	561,839	213,042	201,086	259,549	673,677	-327,319	-39,829	-367,148	-112,636	2,348,978	838,925	3,187,903

2019/03/31 Statement of Stockholders' Equity

Unit: NT\$ thousand

Accounting Title	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
Equity at beginning of period after adjustments	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
Profit (loss)	0	0	0	0	0	6,620	6,620	0	0	0	0	6,620	-11,013	-4,393
Other comprehensive income	0	0	0	0	0	0	0	59,342	5,407	64,749	0	64,749	15,009	79,758
Total comprehensive income	0	0	0	0	0	6,620	6,620	59,342	5,407	64,749	0	71,369	3,996	75,365
Purchase of treasury shares	0	0	0	0	0	0	0	0	0	0	-17,422	-17,422	0	-17,422
Changes in ownership interests in subsidiaries	0	0	322	0	0	0	0	0	0	0	0	322	0	322
Changes in non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	0	-226	-226
Total increase (decrease) in equity	0	0	322	0	0	6,620	6,620	59,342	5,407	64,749	-17,422	54,269	3,770	58,039
Equity at end of period	1,593,246	1,593,246	530,284	206,459	162,918	495,114	864,491	-136,229	-167	-136,396	-110,540	2,741,085	705,174	3,446,259



## 2020Q1 K Laser Consolidated Financial Statement — Statements of Cash Flows

Provided by: K LASER TECHNOLOGY INC.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2020/01/01To2020/03/31	2019/01/01To2019/03/31
<b>Statements of Cash Flows</b>		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	3,695	9,779
Profit (loss) before tax	3,695	9,779
Depreciation expense	57,483	56,748
Amortization expense	1,287	1,081
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	6,905	1,378
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	696	-289
Interest expense	9,522	10,046
Interest income	-2,225	-3,738
Dividend income	0	0
Share-based payments	369	685
Share of loss (profit) of associates and joint ventures accounted for using equity method	-4,347	23,912
Loss (gain) on disposal of property, plant and equipment	1,528	-194
Loss (gain) on disposal of investments	-4,274	-893
Other adjustments to reconcile profit (loss)	3,178	-3,736
Total adjustments to reconcile profit (loss)	70,122	85,000
Decrease (increase) in notes receivable	35,026	-48,373
Decrease (increase) in accounts receivable	36,026	-114,359
Decrease (increase) in accounts receivable due from related parties	-5,872	100,500
Decrease (increase) in other receivable	-1,917	7,321
Decrease (increase) in inventories	-14,665	73,855
Decrease (increase) in other current assets	-27,907	9,189
Decrease (increase) in other operating assets	1,330	-3,062
Total changes in operating assets	22,021	25,071
Increase (decrease) in notes payable	-12,785	-10,040
Increase (decrease) in notes payable to related parties	0	0
Increase (decrease) in accounts payable	70,643	-64,935
Increase (decrease) in accounts payable to related parties	-10,850	853
Increase (decrease) in other payable	-67,784	-21,334
Increase (decrease) in other current liabilities	5,243	6,246
Increase (decrease) in net defined benefit liability	-6,433	-19
Total changes in operating liabilities	-21,966	-89,229
Total changes in operating assets and liabilities	55	-64,158
Total adjustments	70,177	20,842
Cash inflow (outflow) generated from operations	73,872	30,621
Interest received	2,225	3,738
Interest paid	-9,517	-10,207
Income taxes refund (paid)	-20,431	-11,113
Net cash flows from (used in) operating activities	46,149	13,039
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	-3,000	0
Acquisition of financial assets at fair value through profit or loss	-265,047	-13,696
Proceeds from disposal of financial assets at fair value through profit or loss	267,108	46,546
Acquisition of investments accounted for using equity method	0	0
Proceeds from disposal of investments accounted for using equity method	2,862	0
Increase in prepayments for investments	0	-23,115
Acquisition of property, plant and equipment	-21,838	-30,904
Proceeds from disposal of property, plant and equipment	267	1,367
Increase in refundable deposits	7,273	-5,937
Acquisition of intangible assets	0	0
Decrease in other financial assets	3,012	3,254
Dividends received	0	0
Net cash flows from (used in) investing activities	-9,363	-22,485
Cash flows from (used in) financing activities		
Decrease in short-term loans	-15,890	-107,085
Increase in short-term notes and bills payable	60,000	120,000
Proceeds from long-term debt	180,000	150,000
Repayments of long-term debt	-50,000	-150,000
Payments of lease liabilities	-10,791	-10,135
Payments to acquire treasury shares	-50,998	-17,422
Proceeds from sale of treasury shares	4,603	0
Acquisition of ownership interests in subsidiaries	-1,200	0
Disposal of ownership interests in subsidiaries (without losing control)	758	0
Change in non-controlling interests	8,853	-589
Net cash flows from (used in) financing activities	125,335	-15,231
Effect of exchange rate changes on cash and cash equivalents	-26,679	35,717
Net increase (decrease) in cash and cash equivalents	135,442	11,040
Cash and cash equivalents at beginning of period	1,588,179	1,237,725
Cash and cash equivalents at end of period	1,723,621	1,248,765
Cash and cash equivalents reported in the statement of financial position	1,723,621	1,248,765