

# Financial Statement – Balance Sheet

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/9/30	2018/12/31	2018/9/30
<b>Balance Sheet</b>			
<b>Current assets</b>			
Cash and cash equivalents	1,221,333	1,304,451	957,649
Current financial assets at fair value through profit or loss	1,195,303	1,076,723	1,347,849
Notes receivable, net	112,219	93,472	74,550
Accounts receivable, net	2,136,417	2,571,121	2,685,267
Other receivables	17,640	24,932	31,234
Current inventories	1,092,614	1,345,791	1,143,447
Prepayments	397,399	335,795	370,955
Other current assets	4,155	7,793	10,054
<b>Total current assets</b>	<b>6,177,080</b>	<b>6,760,078</b>	<b>6,621,005</b>
<b>Non-current assets</b>			
Non-current financial assets at fair value through other comprehensive income	25,770	26,545	28,895
Property, plant and equipment	3,752,587	3,420,335	3,068,993
Right-of-use assets	210,672	0	0
Investment property, net	27,482	27,769	27,864
Intangible assets	31,824	34,406	34,484
Deferred tax assets	92,825	93,523	82,966
Other non-current assets	189,951	541,942	858,856
<b>Total non-current assets</b>	<b>4,331,111</b>	<b>4,144,520</b>	<b>4,102,058</b>
<b>Total assets</b>	<b>10,508,191</b>	<b>10,904,598</b>	<b>10,723,063</b>
<b>Current liabilities</b>			
Current borrowings	2,226,000	2,848,943	3,035,387
Short-term notes and bills payable	259,809	489,727	469,715
Current financial liabilities at fair value through profit or loss	1,080	0	0
Current contract liabilities	22,011	33,656	12,890
Notes payable	56,056	85,398	51,129
Accounts payable	482,847	550,218	577,244
Other payables	366,726	452,109	351,792
Current tax liabilities	54,072	108,911	104,328
Current lease liabilities	1,397	0	0
Other current liabilities	149,953	111,552	70,620
<b>Total current liabilities</b>	<b>3,619,951</b>	<b>4,680,514</b>	<b>4,673,105</b>
<b>Non-current liabilities</b>			
Bonds payable	771,694	0	0
Non-current portion of non-current borrowings	469,018	490,193	524,567
Deferred tax liabilities	51,553	56,858	57,025
Non-current lease liabilities	26,213	0	0
Other non-current liabilities	81,786	83,690	78,103
<b>Total non-current liabilities</b>	<b>1,400,264</b>	<b>630,741</b>	<b>659,695</b>
<b>Total liabilities</b>	<b>5,020,215</b>	<b>5,311,255</b>	<b>5,332,800</b>
<b>Equity attributable to owners of parent</b>			
<b>Share capital</b>			
Ordinary share	1,292,198	1,292,198	1,292,198
<b>Total share capital</b>	<b>1,292,198</b>	<b>1,292,198</b>	<b>1,292,198</b>
<b>Capital surplus</b>			
Total capital surplus	719,263	693,176	693,604
<b>Retained earnings</b>			
Legal reserve	331,275	274,200	274,200

Accounting Title	2019/9/30	2018/12/31	2018/9/30
Special reserve	224,867	118,757	118,757
Unappropriated retained earnings (accumulated deficit)	1,058,991	1,186,875	1,086,387
Total retained earnings	1,615,133	1,579,832	1,479,344
Other equity interest			
Exchange differences on translation of foreign financial statements	-282,110	-196,252	-219,022
Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	-28,715	-28,615	-26,649
Total other equity interest	-310,825	-224,867	-245,671
Treasury shares	0	0	0
Total equity attributable to owners of parent	3,315,769	3,340,339	3,219,475
Non-controlling interests	2,172,207	2,253,004	2,170,788
Total equity	5,487,976	5,593,343	5,390,263
Total liabilities and equity	10,508,191	10,904,598	10,723,063
Equivalent issue shares of advance receipts for ordinary share	0	0	0
Number of shares in entity held by entity and by its subsidiaries	0	0	0

# Financial Statement — Income Statement

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/3rd	2018/3rd	2019/01/01To 2019/09/30	2018/01/01To 2018/09/30
<b>Income Statement</b>				
Net sales revenue	1,746,262	2,148,808	5,186,665	6,191,249
Total operating revenue	1,746,262	2,148,808	5,186,665	6,191,249
Total cost of sales	1,293,151	1,554,704	3,914,420	4,555,007
Total operating costs	1,293,151	1,554,704	3,914,420	4,555,007
Gross profit (loss) from operations	453,111	594,104	1,272,245	1,636,242
Gross profit (loss) from operations	453,111	594,104	1,272,245	1,636,242
Operating expenses				
Selling expenses	70,956	72,140	215,136	218,852
Administrative expenses	122,854	112,882	344,208	360,952
Research and development expenses	38,108	37,798	114,868	110,226
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	-4,518	13,327	-7,520	19,489
Total operating expenses	227,400	236,147	666,692	709,519
Net operating income (loss)	225,711	357,957	605,553	926,723
Non-operating income and expenses				
Total other income	23,320	30,228	74,474	74,647
Other gains and losses, net	-43,461	-39,225	-27,992	-19,826
Finance costs, net	20,437	9,053	60,080	27,187
Total non-operating income and expenses	-40,578	-18,050	-13,598	27,634
Profit (loss) from continuing operations before tax	185,133	339,907	591,955	954,357
Total tax expense (income)	55,372	82,236	151,454	221,698
Profit (loss) from continuing operations	129,761	257,671	440,501	732,659
Profit (loss)	129,761	257,671	440,501	732,659
Other comprehensive income				
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	1	7,503	-114	7,982
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	0	0	0	-609
Components of other comprehensive income that will not be reclassified to profit or loss	1	7,503	-114	8,591
Exchange differences on translation	-198,526	-175,697	-144,661	-160,886
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-4,593	-4,276	-3,279	-1,439
Components of other comprehensive income that will be reclassified to profit or loss	-193,933	-171,421	-141,382	-159,447
Other comprehensive income, net	-193,932	-163,918	-141,496	-150,856
Total comprehensive income	-64,171	93,753	299,005	581,803
Profit (loss), attributable to:				
Profit (loss), attributable to owners of parent	102,481	168,298	332,506	466,591
Profit (loss), attributable to non-controlling interests	27,280	89,373	107,995	266,068
Comprehensive income, attributable to owners of parent	-14,292	70,730	246,548	373,018
Comprehensive income, attributable to non-controlling interests	-49,879	23,023	52,457	208,785
Basic earnings per share				
Basic earnings (loss) per share from continuing operations	0.79	1.3	2.57	3.61
Total basic earnings per share	0.79	1.3	2.57	3.61
Diluted earnings per share				
Total diluted earnings per share	0.79	1.3	2.46	3.60

# Financial Statement — Statements of Cash Flows

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/01/01To 2019/09/30	2018/01/01To 2018/09/30
<b>Statements of Cash Flows</b>		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	591,955	954,357
Profit (loss) before tax	591,955	954,357
Depreciation expense	244,882	196,830
Amortization expense	4,957	6,796
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	-7,520	19,489
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	-5,031	4,519
Interest expense	60,080	27,187
Interest income	-42,430	-40,400
Dividend income	-802	-470
Loss (gain) on disposal of property, plan and equipment	-1,430	-10,602
Property, plan and equipment transferred to expenses	2,884	0
Loss (gain) on disposal of non-current assets classified as held for sale	0	0
Loss (gain) on disposal of investments	-3,393	-3,751
Total adjustments to reconcile profit (loss)	252,197	199,598
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	-146,245	-170,548
Decrease (increase) in notes receivable	-18,747	4,546
Decrease (increase) in accounts receivable	439,535	-147,232
Decrease (increase) in other receivable	7,292	83,360
Decrease (increase) in inventories	253,177	-136,249
Decrease (increase) in prepayments	-65,341	-37,533
Decrease (increase) in other current assets	3,638	-265
Decrease (increase) in other operating assets	3,123	-3,340
Total changes in operating assets	476,432	-407,261
Increase (decrease) in contract liabilities	-11,645	3,219
Increase (decrease) in notes payable	-29,342	15,560
Increase (decrease) in accounts payable	-67,371	-10,391
Increase (decrease) in other payable	-82,675	-42,516
Increase (decrease) in other current liabilities	53,426	7,247
Increase (decrease) in net defined benefit liability	-412	-5,325
Total changes in operating liabilities	-138,019	-32,206
Total changes in operating assets and liabilities	338,413	-439,467
Total adjustments	590,610	-239,869
Cash inflow (outflow) generated from operations	1,182,565	714,488
Interest received	42,430	40,400
Dividends received	802	470
Interest paid	-56,016	-26,270
Income taxes refund (paid)	-207,621	-212,761
Net cash flows from (used in) operating activities	962,160	516,327
Cash flows from (used in) investing activities		
Acquisition of property, plant and equipment	-497,916	-548,576
Proceeds from disposal of property, plant and equipment	12,315	17,507
Acquisition of intangible assets	-870	-2,477
Acquisition of investment properties	0	-543
Increase in prepayments for business facilities	-16,556	-456,687
Net cash flows from (used in) investing activities	-503,027	-990,776
Cash flows from (used in) financing activities		

Accounting Title	2019/01/01To 2019/09/30	2018/01/01To 2018/09/30
Increase in short-term loans	8,394,537	8,036,339
Decrease in short-term loans	-9,017,480	-7,234,955
Increase in short-term notes and bills payable	950,174	1,798,722
Decrease in short-term notes and bills payable	-1,180,092	-1,848,582
Proceeds from issuing bonds	797,930	0
Proceeds from long-term debt	70,000	459,550
Repayments of long-term debt	-95,000	-184,486
Increase in guarantee deposits received	-1,492	53,251
Decrease in lease payable	-1,392	0
Cash dividends paid	-436,152	-469,547
Treasury shares sold to employees	0	17,718
Net cash flows from (used in) financing activities	-518,967	628,010
Effect of exchange rate changes on cash and cash equivalents	-23,284	-29,225
Net increase (decrease) in cash and cash equivalents	-83,118	124,336
Cash and cash equivalents at beginning of period	1,304,451	833,313
Cash and cash equivalents at end of period	1,221,333	957,649
Cash and cash equivalents reported in the statement of financial position	1,221,333	957,649

**Financial Statement – Statements of Changes in Stockholder**

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

**2019/09/30 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	1,292,198	1,292,198	693,176	274,200	118,757	1,186,875	1,579,832	-196,252	-28,615	-224,867		3,340,339	2,253,004	5,593,343
Legal reserve appropriated	0	0	0	57,075	0	-57,075	0	0	0	0		0	0	0
Special reserve appropriated	0	0	0	0	106,110	-106,110	0	0	0	0		0	0	0
Cash dividends of ordinary share	0	0	0	0	0	-297,205	-297,205	0	0	0		-297,205	0	-297,205
Other changes in capital surplus	0	0	26,087	0	0	0	0	0	0	0		26,087	0	26,087
Profit (loss)	0	0	0	0	0	332,506	332,506	0	0	0		332,506	107,995	440,501
Other comprehensive income	0	0	0	0	0	0	0	-85,858	-100	-85,958		-85,958	-55,538	-141,496
Total comprehensive income	0	0	0	0	0	332,506	332,506	-85,858	-100	-85,958		246,548	52,457	299,005
Changes in non-controlling interests	0	0	0	0	0	0	0	0	0	0		0	5,693	5,693
Others	0	0	0	0	0	0	0	0	0	0		0	-138,947	-138,947
Total increase (decrease) in equity	0	0	26,087	57,075	106,110	-127,884	35,301	-85,858	-100	-85,958		-24,570	-80,797	-105,367
Equity at end of period	1,292,198	1,292,198	719,263	331,275	224,867	1,058,991	1,615,133	-282,110	-28,715	-310,825		3,315,769	2,172,207	5,487,976

**2018/09/30 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	1,311,948	1,311,948	634,599	228,090	103,953	936,514	1,268,557	-118,757	0	-118,757	-46,759	3,049,588	2,218,402	5,267,990
Effects of retrospective application and retrospective restatement	0	0	0	0	0	27,758	27,758	0	-32,619	-32,619	0	-4,861	-2,506	-7,367
Equity at beginning of period after adjustments	1,311,948	1,311,948	634,599	228,090	103,953	964,272	1,296,315	-118,757	-32,619	-151,376	-46,759	3,044,727	2,215,896	5,260,623
Legal reserve appropriated	0	0	0	46,110	0	-46,110	0	0	0	0	0	0	0	0
Special reserve appropriated	0	0	0	0	14,804	-14,804	0	0	0	0	0	0	0	0
Cash dividends of ordinary share	0	0	0	0	0	-284,284	-284,284	0	0	0	0	-284,284	0	-284,284
Other changes in capital surplus	0	0	86,014	0	0	0	0	0	0	0	0	86,014	0	86,014
Profit (loss)	0	0	0	0	0	466,591	466,591	0	0	0	0	466,591	266,068	732,659
Other comprehensive income	0	0	0	0	0	722	722	-100,265	5,970	-94,295	0	-93,573	-57,283	-150,856
Total comprehensive income	0	0	0	0	0	467,313	467,313	-100,265	5,970	-94,295	0	373,018	208,785	581,803
Retirement of treasury share	-19,750	-19,750	-27,009	0	0	0	0	0	0	0	46,759	0	0	0
Changes in non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	0	-68,630	-68,630
Others	0	0	0	0	0	0	0	0	0	0	0	0	-185,263	-185,263
Total increase (decrease) in equity	-19,750	-19,750	59,005	46,110	14,804	122,115	183,029	-100,265	5,970	-94,295	46,759	174,748	-45,108	129,640
Equity at end of period	1,292,198	1,292,198	693,604	274,200	118,757	1,086,387	1,479,344	-219,022	-26,649	-245,671	0	3,219,475	2,170,788	5,390,263