

Financial Statement – Balance Sheet

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/6/30	2018/12/31	2018/6/30
Balance Sheet			
Current assets			
Cash and cash equivalents	1,141,901	1,304,451	683,029
Current financial assets at fair value through profit or loss	1,274,053	1,076,723	1,363,734
Notes receivable, net	120,714	93,472	157,624
Accounts receivable, net	2,390,477	2,571,121	2,695,459
Other receivables	16,775	24,932	31,232
Current inventories	1,148,014	1,345,791	1,165,865
Prepayments	314,671	335,795	497,789
Other current assets	5,834	7,793	10,210
Total current assets	6,412,439	6,760,078	6,604,942
Non-current assets			
Non-current financial assets at fair value through other comprehensive income	26,716	26,545	22,417
Property, plant and equipment	3,869,947	3,420,335	3,104,552
Right-of-use assets	220,383	0	0
Investment property, net	27,578	27,769	27,959
Intangible assets	32,419	34,406	35,063
Deferred tax assets	93,337	93,523	80,079
Other non-current assets	209,708	541,942	819,381
Total non-current assets	4,480,088	4,144,520	4,089,451
Total assets	10,892,527	10,904,598	10,694,393
Current liabilities			
Current borrowings	1,892,643	2,848,943	2,473,628
Short-term notes and bills payable	199,818	489,727	499,515
Current financial liabilities at fair value through profit or loss	1,340	0	0
Current contract liabilities	12,195	33,656	22,257
Notes payable	45,677	85,398	57,313
Accounts payable	570,923	550,218	676,330
Other payables	1,049,897	452,109	844,302
Current tax liabilities	52,909	108,911	97,137
Current lease liabilities	1,585	0	0
Other current liabilities	86,745	111,552	44,599
Total current liabilities	3,913,732	4,680,514	4,715,081
Non-current liabilities			
Bonds payable	768,786	0	0
Non-current portion of non-current borrowings	489,859	490,193	561,467
Deferred tax liabilities	56,660	56,858	64,201
Non-current lease liabilities	27,487	0	0
Other non-current liabilities	83,856	83,690	57,134
Total non-current liabilities	1,426,648	630,741	682,802
Total liabilities	5,340,380	5,311,255	5,397,883
Equity attributable to owners of parent			
Share capital			
Ordinary share	1,292,198	1,292,198	1,311,948
Total share capital	1,292,198	1,292,198	1,311,948
Capital surplus			
Total capital surplus	719,263	693,176	683,812
Retained earnings			
Legal reserve	331,275	274,200	274,200

Accounting Title	2019/6/30	2018/12/31	2018/6/30
Special reserve	224,867	118,757	118,757
Unappropriated retained earnings (accumulated deficit)	956,510	1,186,875	918,088
Total retained earnings	1,512,652	1,579,832	1,311,045
Other equity interest			
Exchange differences on translation of foreign financial statements	-165,337	-196,252	-115,955
Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	-28,715	-28,615	-32,147
Total other equity interest	-194,052	-224,867	-148,102
Treasury shares	0	0	-46,759
Total equity attributable to owners of parent	3,330,061	3,340,339	3,111,944
Non-controlling interests	2,222,086	2,253,004	2,184,566
Total equity	5,552,147	5,593,343	5,296,510
Total liabilities and equity	10,892,527	10,904,598	10,694,393
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	1,975,000

Financial Statement — Income Statement

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/2nd	2018/2nd	2019/01/01To 2019/06/30	2018/01/01To 2018/06/30
Income Statement				
Net sales revenue	1,799,231	2,174,734	3,440,403	4,020,851
Total operating revenue	1,799,231	2,174,734	3,440,403	4,020,851
Total cost of sales	1,383,515	1,625,569	2,621,269	3,000,303
Total operating costs	1,383,515	1,625,569	2,621,269	3,000,303
Gross profit (loss) from operations	415,716	549,165	819,134	1,020,548
Gross profit (loss) from operations	415,716	549,165	819,134	1,020,548
Operating expenses				
Selling expenses	71,622	77,431	144,180	146,712
Administrative expenses	111,357	141,595	221,354	248,070
Research and development expenses	38,316	35,483	76,760	72,428
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	-2,094	2,287	-3,002	6,162
Total operating expenses	219,201	256,796	439,292	473,372
Net operating income (loss)	196,515	292,369	379,842	547,176
Non-operating income and expenses				
Total other income	35,388	43,129	51,154	66,009
Other gains and losses, net	-17,959	47,799	15,469	19,399
Finance costs, net	20,066	9,459	39,643	18,134
Total non-operating income and expenses	-2,637	81,469	26,980	67,274
Profit (loss) from continuing operations before tax	193,878	373,838	406,822	614,450
Total tax expense (income)	45,741	94,321	96,082	139,462
Profit (loss) from continuing operations	148,137	279,517	310,740	474,988
Profit (loss)	148,137	279,517	310,740	474,988
Other comprehensive income				
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	0	619	-115	479
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	0	619	-115	1,088
Exchange differences on translation	-74,061	-55,403	53,865	14,811
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-1,744	-1,356	1,314	2,837
Components of other comprehensive income that will be reclassified to profit or loss	-72,317	-54,047	52,551	11,974
Other comprehensive income, net	-72,317	-53,428	52,436	13,062
Total comprehensive income	75,820	226,089	363,176	488,050
Profit (loss), attributable to:				
Profit (loss), attributable to owners of parent	118,954	184,693	230,025	298,293
Profit (loss), attributable to non-controlling interests	29,183	94,824	80,715	176,695
Comprehensive income, attributable to owners of parent	75,733	153,039	260,840	302,288
Comprehensive income, attributable to non-controlling interests	87	73,050	102,336	185,762
Basic earnings per share				
Basic earnings (loss) per share from continuing operations	0.92	1.43	1.78	2.31
Total basic earnings per share	0.92	1.43	1.78	2.31
Diluted earnings per share				
Total diluted earnings per share	0.91	1.43	1.74	2.31

Financial Statement — Statements of Cash Flows

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/01/01To 2019/06/30	2018/01/01To 2018/06/30
Statements of Cash Flows		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	406,822	614,450
Profit (loss) before tax	406,822	614,450
Depreciation expense	160,975	129,719
Amortization expense	3,305	4,558
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	-3,002	6,162
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	-4,085	3,290
Interest expense	39,643	18,134
Interest income	-28,447	-27,132
Loss (gain) on disposal of property, plan and equipment	-429	-10,690
Property, plan and equipment transferred to expenses	1,824	0
Loss (gain) on disposal of investments	-208	-3,756
Total adjustments to reconcile profit (loss)	169,576	120,285
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	-186,859	-139,884
Decrease (increase) in notes receivable	-27,242	-78,528
Decrease (increase) in accounts receivable	180,954	-149,612
Decrease (increase) in other receivable	8,157	83,362
Decrease (increase) in inventories	197,777	-158,667
Decrease (increase) in prepayments	17,911	-163,852
Decrease (increase) in other current assets	1,959	-421
Decrease (increase) in other operating assets	-3,743	17,440
Total changes in operating assets	188,914	-590,162
Increase (decrease) in contract liabilities	-21,461	12,586
Increase (decrease) in notes payable	-39,721	21,744
Increase (decrease) in accounts payable	20,705	88,695
Increase (decrease) in other payable	-61,684	-19,553
Increase (decrease) in other current liabilities	-9,941	-2,774
Increase (decrease) in net defined benefit liability	-274	-5,230
Total changes in operating liabilities	-112,376	95,468
Total changes in operating assets and liabilities	76,538	-494,694
Total adjustments	246,114	-374,409
Cash inflow (outflow) generated from operations	652,936	240,041
Interest received	28,447	27,132
Interest paid	-38,363	-17,193
Income taxes refund (paid)	-153,410	-131,931
Net cash flows from (used in) operating activities	489,610	118,049
Cash flows from (used in) investing activities		
Acquisition of property, plant and equipment	-242,888	-430,043
Proceeds from disposal of property, plant and equipment	9,972	17,596
Acquisition of intangible assets	-165	-1,696
Acquisition of investment properties	0	-542
Increase in prepayments for business facilities	29,821	-422,464
Net cash flows from (used in) investing activities	-203,260	-837,149
Cash flows from (used in) financing activities		
Increase in short-term loans	5,274,668	4,805,055
Decrease in short-term loans	-6,230,968	-4,565,430
Increase in short-term notes and bills payable	660,182	1,249,035

Accounting Title	2019/01/01To 2019/06/30	2018/01/01To 2018/06/30
Decrease in short-term notes and bills payable	-950,091	-1,269,095
Proceeds from issuing bonds	797,930	0
Proceeds from long-term debt	70,000	459,800
Repayments of long-term debt	-90,000	-163,836
Increase in guarantee deposits received	440	32,187
Payments of lease liabilities	-928	0
Treasury shares sold to employees	0	17,718
Net cash flows from (used in) financing activities	-468,767	565,434
Effect of exchange rate changes on cash and cash equivalents	19,867	3,382
Net increase (decrease) in cash and cash equivalents	-162,550	-150,284
Cash and cash equivalents at beginning of period	1,304,451	833,313
Cash and cash equivalents at end of period	1,141,901	683,029
Cash and cash equivalents reported in the statement of financial position	1,141,901	683,029

Financial Statement — Statements of Changes in Stockholder

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

2019/06/30 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	230,025	230,025	0	0	0		230,025	80,715	310,740
Other comprehensive income	0	0	0	0	0	0	0	30,915	-100	30,815		30,815	21,621	52,436
Total comprehensive income	0	0	0	0	0	230,025	230,025	30,915	-100	30,815		260,840	102,336	363,176
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	-230,365	-67,180	30,915	-100	30,815		-10,278	-30,918	-41,196
Equity at end of period	1,292,198	1,292,198	719,263	331,275	224,867	956,510	1,512,652	-165,337	-28,715	-194,052		3,330,061	2,222,086	5,552,147

2018/06/30 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	49,213	0	0	0	0	0	0	0	0	49,213	0	49,213
Profit (loss)	0	0	0	0	0	298,293	298,293	0	0	0	0	298,293	176,695	474,988
Other comprehensive income	0	0	0	0	0	721	721	2,802	472	3,274	0	3,995	9,067	13,062
Total comprehensive income	0	0	0	0	0	299,014	299,014	2,802	472	3,274	0	302,288	185,762	488,050
Changes in non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	0	-31,829	-31,829
Others	0	0	0	0	0	0	0	0	0	0	0	0	-185,263	-185,263
Total increase (decrease) in equity	0	0	49,213	46,110	14,804	-46,184	14,730	2,802	472	3,274	0	67,217	-31,330	35,887
Equity at end of period	1,311,948	1,311,948	683,812	274,200	118,757	918,088	1,311,045	-115,955	-32,147	-148,102	-46,759	3,111,944	2,184,566	5,296,510