

1229 Lien Hwa Industrial Holdings Corporation
2020Q1 Consolidated Financial Report

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Unit: NT\$ thousands

Balance Sheet				
Code	Accounting Title	2020/3/31	2019/12/31	2019/3/31
	Assets			
	Current assets			
1100	Cash and cash equivalents	1,303,954	1,758,023	1,305,084
1110	Current financial assets at fair value through profit or loss	182,204	285,264	151,895
1120	Current financial assets at fair value through other comprehensive income	388,186	440,588	464,459
1140	Current contract assets	2,035,281	1,781,951	1,814,799
1150	Notes receivable, net	152,386	174,615	242,923
1170	Accounts receivable, net	995,359	1,241,682	1,028,517
1200	Other receivables	200,277	29,153	53,577
1220	Current tax assets	48,297	48,460	48,491
130X	Current inventories	1,168,417	1,155,720	1,143,904
1470	Other current assets	344,774	313,896	267,851
11XX	Total current assets	6,819,135	7,229,352	6,521,500
	Non-current assets			
1517	Non-current financial assets at fair value through other comprehensive income	19,574,655	19,376,709	18,362,922
1550	Investments accounted for using equity method	12,851,773	13,020,127	13,690,117
1600	Property, plant and equipment	4,400,623	4,440,149	4,447,967
1755	Right-of-use assets	165,753	158,649	174,324
1760	Investment property, net	1,875,454	1,894,733	2,050,891
1780	Intangible assets	103,396	98,650	107,556
1840	Deferred tax assets	123,661	124,301	156,083
1900	Other non-current assets	136,050	202,273	179,924
1920	Guarantee deposits paid	90,732	152,995	124,985
1975	Net defined benefit asset, non-current	20,612	20,830	0
1990	Other non-current assets, others	24,706	28,448	54,939
1995	Other non-current assets, others	24,706	28,448	54,939
15XX	Total non-current assets	39,231,365	39,315,591	39,169,784
1XXX	Total assets	46,050,500	46,544,943	45,691,284
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	5,000,000	5,050,000	4,200,000
2110	Short-term notes and bills payable	1,029,440	1,039,800	1,582,432
2130	Current contract liabilities	251,800	101,787	212,035
2150	Notes payable	8,975	22,648	4,917
2170	Accounts payable	858,904	810,459	686,398

2200	Other payables	345,474	445,511	307,684
2230	Current tax liabilities	139,033	107,671	13,640
2280	Current lease liabilities	36,013	34,030	33,761
2300	Other current liabilities	21,139	20,426	30,549
2399	Other current liabilities, others	21,139	20,426	30,549
21XX	Total current liabilities	7,690,778	7,632,332	7,071,416
	Non-current liabilities			
2540	Non-current portion of non-current borrowings	1,100,000	900,000	900,000
2570	Deferred tax liabilities	148,481	148,013	158,108
2573	Deferred tax liabilities, others	148,481	148,013	158,108
2580	Non-current lease liabilities	65,280	58,969	69,384
2600	Other non-current liabilities	170,443	175,438	211,484
2640	Net defined benefit liability, non-current	13,110	13,293	46,398
2645	Guarantee deposits received	61,861	63,956	56,830
2670	Other non-current liabilities, others	95,472	98,189	108,256
25XX	Total non-current liabilities	1,484,204	1,282,420	1,338,976
2XXX	Total liabilities	9,174,982	8,914,752	8,410,392
	Equity			
	Equity attributable to owners of parent			
	Share capital			
3110	Ordinary share	11,047,399	11,047,399	10,521,332
3100	Total capital stock	11,047,399	11,047,399	10,521,332
	Capital surplus			
3200	Total capital surplus	767,928	765,121	744,071
	Retained earnings			
3310	Legal reserve	3,059,406	3,059,406	2,811,777
3320	Special reserve	141,843	141,843	141,843
3350	Unappropriated retained earnings (accumulated deficit)	9,896,072	9,674,705	10,407,822
3300	Total retained earnings	13,097,321	12,875,954	13,361,442
	Other equity interest			
3400	Total other equity interest	1,704,944	2,494,677	2,550,310
3500	Treasury shares	(184,763)	(184,763)	(184,763)
31XX	Total equity attributable to owners of parent	26,432,829	26,998,388	26,992,392
36XX	Non-controlling interests	10,442,689	10,631,803	10,288,500
3XXX	Total equity	36,875,518	37,630,191	37,280,892
3X2X	Total liabilities and equity	46,050,500	46,544,943	45,691,284
3998	Equivalent issue shares of advance receipts for ordinary share	0	0	0
3999	Number of shares in entity held by entity and by its subsidiaries	5,947,000	5,947,000	5,664,000

Unit: NT\$ thousands EPS Unit: NT\$

Statement of Comprehensive Income				
Code	Accounting Title	2020/1/1To3/31	2019/1/1To3/31	

	Operating revenue		
	Net sales revenue		
4100	Net sales revenue	2,047,538	1,228,699
4000	Total operating revenue	2,047,538	1,228,699
	Operating costs		
	Cost of sales		
5110	Total cost of sales	1,689,378	1,027,385
5000	Total operating costs	1,689,378	1,027,385
5900	Gross profit (loss) from operations	358,160	201,314
5950	Gross profit (loss) from operations	358,160	201,314
	Operating expenses		
6100	Selling expenses	124,957	71,736
6200	Administrative expenses	110,183	51,778
6300	Research and development expenses	8,683	10,921
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	245	(1,323)
6000	Total operating expenses	244,068	133,112
6900	Net operating income (loss)	114,092	68,202
	Non-operating income and expenses		
	Other income		
7010	Total other income	26,475	3,952
	Other gains and losses		
7020	Other gains and losses, net	(3,059)	566,597
	Finance costs		
7050	Finance costs, net	15,975	12,043
	Share of profit (loss) of associates and joint ventures accounted for using equity method		
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	132,319	436,943
7000	Total non-operating income and expenses	139,760	995,449
7900	Profit (loss) from continuing operations before tax	253,852	1,063,651
	Tax expense (income)		
7951	Current tax expense (income)	33,546	13,496
7950	Total tax expense (income)	33,546	13,496
8000	Profit (loss) from continuing operations	220,306	1,050,155
8200	Profit (loss)	220,306	1,050,155
	Other comprehensive income		
	Components of other comprehensive income that will not be reclassified to profit or loss		
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(770,985)	672,086
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(121,779)	645,670
8310	Components of other comprehensive income that will not be reclassified to profit or loss	(892,764)	1,317,756
	Components of other comprehensive income that will be reclassified to profit or loss		
8361	Exchange differences on translation	(44,988)	111,487
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(42,334)	153,749
8360	Components of other comprehensive income that will be reclassified to profit or loss	(87,322)	265,236

8300	Other comprehensive income, net	(980,086)	1,582,992
8500	Total comprehensive income	(759,780)	2,633,147
	Profit (loss), attributable to:		
8610	Profit (loss), attributable to owners of parent	219,172	1,050,100
8620	Profit (loss), attributable to non-controlling interests	1,134	55
	Comprehensive income attributable to:		
8710	Comprehensive income, attributable to owners of parent	(570,561)	2,631,376
8720	Comprehensive income, attributable to non-controlling interests	(189,219)	1,771
	Basic earnings per share		
9710	Basic earnings (loss) per share from continuing operations	0.20	0.96
9750	Total basic earnings per share	0.20	0.96
	Diluted earnings per share		
9810	Diluted earnings (loss) per share from continuing operations	0.20	0.95
9850	Total diluted earnings per share	0.20	0.95

Unit: NT\$ thousands

Statements of Cash Flows			
Code	Accounting Title	2020/1/1To3/31	2019/1/1To3/31
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	253,852	1,063,651
A10000	Profit (loss) before tax	253,852	1,063,651
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	77,495	66,908
A20200	Amortization expense	3,841	1,650
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	245	(1,323)
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(234)	0
A20900	Interest expense	15,975	12,043
A21200	Interest income	(5,845)	(3,511)
A21300	Dividend income	(35,255)	0
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	(132,319)	(436,943)
A22500	Loss (gain) on disposal of property, plan and equipment	711	22
A23100	Loss (gain) on disposal of investments	0	(551,654)
A29900	Other adjustments to reconcile profit (loss)	(12)	0
A20010	Total adjustments to reconcile profit (loss)	(75,398)	(912,808)
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31125	Decrease (increase) in contract assets	(253,330)	0
A31130	Decrease (increase) in notes receivable	22,229	15,687
A31150	Decrease (increase) in accounts receivable	245,826	79,608
A31180	Decrease (increase) in other receivable	(50,363)	62,503
A31200	Decrease (increase) in inventories	(22,984)	(38,203)

A31240	Decrease (increase) in other current assets	(18,546)	(14,487)
A31990	Decrease (increase) in other operating assets	219	0
A31000	Total changes in operating assets	(76,949)	105,108
	Changes in operating liabilities		
A32125	Increase (decrease) in contract liabilities	150,013	0
A32130	Increase (decrease) in notes payable	(13,673)	0
A32150	Increase (decrease) in accounts payable	48,857	(10,115)
A32180	Increase (decrease) in other payable	(98,665)	(30,188)
A32200	Increase (decrease) in provisions	(638)	324
A32230	Increase (decrease) in other current liabilities	(993)	(7,376)
A32240	Increase (decrease) in net defined benefit liability	(183)	(9,945)
A32000	Total changes in operating liabilities	84,718	(57,300)
A30000	Total changes in operating assets and liabilities	7,769	47,808
A20000	Total adjustments	(67,629)	(865,000)
A33000	Cash inflow (outflow) generated from operations	186,223	198,651
A33100	Interest received	5,839	3,503
A33300	Interest paid	(17,028)	(13,142)
A33500	Income taxes refund (paid)	(207)	14,698
AAAA	Net cash flows from (used in) operating activities	174,827	203,710
	Cash flows from (used in) investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(905,719)	(420)
B00030	Proceeds from capital reduction of financial assets at fair value through other comprehensive income	4,516	19,191
B00100	Acquisition of financial assets at fair value through profit or loss	(8,917)	0
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	124,000	0
B02700	Acquisition of property, plant and equipment	(20,263)	(24,163)
B02800	Proceeds from disposal of property, plant and equipment	1,225	9
B03800	Decrease in refundable deposits	64,020	276
B04500	Acquisition of intangible assets	(7,444)	0
B05000	Net cash inflows from business combination	0	216,494
B05400	Acquisition of investment properties	(1,023)	(82)
B06700	Increase in other non-current assets	(2,072)	0
B06800	Decrease in other non-current assets	0	388
BBBB	Net cash flows from (used in) investing activities	(751,677)	211,693
	Cash flows from (used in) financing activities		
C00200	Decrease in short-term loans	(50,000)	(200,000)
C00500	Increase in short-term notes and bills payable	0	400,000
C00600	Decrease in short-term notes and bills payable	(10,360)	0
C01600	Proceeds from long-term debt	300,000	300,000
C01700	Repayments of long-term debt	(100,000)	(300,000)
C03100	Decrease in guarantee deposits received	(3,760)	(331)
C04020	Payments of lease liabilities	(9,141)	(10,228)

CCCC	Net cash flows from (used in) financing activities	126,739	189,441
DDDD	Effect of exchange rate changes on cash and cash equivalents	(3,958)	(6,858)
EEEE	Net increase (decrease) in cash and cash equivalents	(454,069)	597,986
E00100	Cash and cash equivalents at beginning of period	1,758,023	707,098
E00200	Cash and cash equivalents at end of period	1,303,954	1,305,084
E00210	Cash and cash equivalents reported in the statement of financial position	1,303,954	1,305,084

Unit: NT\$ thousands

Statements of Change in Equity															
		3110	3100	3200	3310	3320	3350	3300	3410	3420	3400	3500	31XX	36XX	3XXX
		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
A1	Equity at beginning of period	11,047,399	11,047,399	765,121	3,059,406	141,843	9,674,705	12,875,954	(384,933)	2,879,610	2,494,677	(184,763)	26,998,388	10,631,803	37,630,191
C7	Changes in equity of associates and joint ventures accounted for using equity method			2,807			2,195	2,195					5,002		5,002
D1	Profit (loss)						219,172	219,172					219,172	1,134	220,306
D3	Other comprehensive income								(86,232)	(703,501)	(789,733)		(789,733)	(190,353)	(980,086)
D5	Total comprehensive income						219,172	219,172	(86,232)	(703,501)	(789,733)		(570,561)	(189,219)	(759,780)
O1	Changes in non-controlling interests													105	105
Y1	Total increase (decrease) in equity			2,807			221,367	221,367	(86,232)	(703,501)	(789,733)		(565,559)	(189,114)	(754,673)
Z1	Equity at end of period	11,047,399	11,047,399	767,928	3,059,406	141,843	9,896,072	13,097,321	(471,165)	2,176,109	1,704,944	(184,763)	26,432,829	10,442,689	36,875,518

Unit: NT\$ thousands

Last year's Statements of Change in Equity															
		3110	3100	3200	3310	3320	3350	3300	3410	3420	3400	3500	31XX	36XX	3XXX
		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
A1	Equity at beginning of period	10,521,332	10,521,332	766,253	2,811,777	141,843	8,015,257	10,968,877	(195,325)	2,491,349	2,296,024	(2,393)	24,550,093	70,509	24,620,602
C7	Changes in equity of associates and joint ventures accounted for using equity method			(22,182)			(1,375)	(1,375)					(23,557)		(23,557)
D1	Profit (loss)						1,050,100	1,050,100					1,050,100	55	1,050,155
D3	Other comprehensive income								263,520	1,317,756	1,581,276		1,581,276	1,716	1,582,992
D5	Total comprehensive income						1,050,100	1,050,100	263,520	1,317,756	1,581,276		2,631,376	1,771	2,633,147
L5	Acquisition of company's share by subsidiaries recognized as treasury share											(182,370)	(182,370)		(182,370)
M3	Disposal of subsidiaries or investments accounted for using equity method						1,278,836	1,278,836	16,850	(1,278,836)	(1,261,986)		16,850		16,850

O1	Changes in non-controlling interests													10,216,220	10,216,220
Q1	Disposal of investments in equity instruments designated at fair value through other comprehensive income						65,004	65,004		(65,004)	(65,004)		0	0	0
Y1	Total increase (decrease) in equity			(22,182)			2,392,565	2,392,565	280,370	(26,084)	254,286	(182,370)	2,442,299	10,217,991	12,660,290
Z1	Equity at end of period	10,521,332	10,521,332	744,071	2,811,777	141,843	10,407,822	13,361,442	85,045	2,465,265	2,550,310	(184,763)	26,992,392	10,288,500	37,280,892

