

# 1229 Lien Hwa Industrial Holdings Corporation

## 2023Q3 Consolidated Financial Report

Unit: NT\$ thousands

Balance Sheet				
Code	Accounting Title	2023/9/30	2022/12/31	2022/9/30
	Assets			
	Current assets			
1100	Cash and cash equivalents	4,622,419	2,914,046	2,892,410
1110	Current financial assets at fair value through profit or loss	149,761	64,798	206,811
1120	Current financial assets at fair value through other comprehensive income	646,790	459,207	441,835
1140	Current contract assets	4,552,700	5,041,705	5,092,089
1150	Notes receivable, net	265,268	304,762	322,512
1170	Accounts receivable, net	1,532,898	1,681,826	1,464,387
1200	Other receivables	69,244	16,431	30,906
1210	Other receivables due from related parties	3,322	621,511	4,124
1220	Current tax assets	3,551	2,995	4,536
130X	Current inventories	1,665,571	1,737,183	2,055,997
1470	Other current assets	692,970	471,323	406,560
11XX	Total current assets	14,204,494	13,315,787	12,922,167
	Non-current assets			
1510	Non-current financial assets at fair value through profit or loss	27,445	37,550	33,551
1517	Non-current financial assets at fair value through other comprehensive income	34,293,983	30,183,049	27,378,163
1550	Investments accounted for using equity method	21,738,723	18,829,942	18,835,259
1600	Property, plant and equipment	4,610,823	4,524,144	4,511,515
1755	Right-of-use assets	534,015	553,203	571,227
1760	Investment property, net	1,967,983	2,002,370	2,022,750
1780	Intangible assets	135,566	154,266	144,537
1840	Deferred tax assets	104,595	110,553	99,713
1900	Other non-current assets	203,921	198,684	163,637
1920	Guarantee deposits paid	123,993	119,752	121,001
1975	Net defined benefit asset, non-current	37,674	34,893	26,242
1990	Other non-current assets, others	42,254	44,039	16,394

15XX	Total non-current assets	63,617,054	56,593,761	53,760,352
1XXX	Total assets	77,821,548	69,909,548	66,682,519
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	8,344,000	7,208,000	7,658,000
2110	Short-term notes and bills payable	1,267,772	1,058,197	749,610
2130	Current contract liabilities	1,138,619	1,786,995	1,808,658
2150	Notes payable	10,911	7,338	12,312
2170	Accounts payable	1,286,634	1,541,817	1,284,353
2200	Other payables	535,382	580,189	556,780
2230	Current tax liabilities	103,505	87,681	69,774
2280	Current lease liabilities	57,320	56,889	59,256
2300	Other current liabilities	352,075	176,468	225,591
2320	Long-term liabilities, current portion	307,439	136,227	142,698
2399	Other current liabilities, others	44,636	40,241	82,893
21XX	Total current liabilities	13,096,218	12,503,574	12,424,334
	Non-current liabilities			
2530	Bonds payable	2,496,634	2,495,939	2,495,707
2540	Non-current portion of non-current borrowings	681,713	687,989	869,733
2570	Deferred tax liabilities	157,605	158,335	152,947
2580	Non-current lease liabilities	427,787	445,700	458,967
2600	Other non-current liabilities	171,783	185,888	191,538
2640	Net defined benefit liability, non-current	7,039	16,666	21,783
2645	Guarantee deposits received	75,643	77,888	77,553
2670	Other non-current liabilities, others	89,101	91,334	92,202
25XX	Total non-current liabilities	3,935,522	3,973,851	4,168,892
2XXX	Total liabilities	17,031,740	16,477,425	16,593,226
	Equity			
	Equity attributable to owners of parent			
	Share capital			
3110	Ordinary share	15,837,396	14,801,305	14,801,305

3100	Total Share Capital	15,837,396	14,801,305	14,801,305
	Capital surplus			
3200	Total capital surplus	1,152,741	1,101,041	1,126,228
	Retained earnings			
3300	Total retained earnings	14,523,220	14,093,297	13,453,976
	Other equity interest			
3400	Total other equity interest	11,578,887	7,461,772	6,178,710
3500	Treasury shares	(136,868)	(136,868)	(136,868)
31XX	Total equity attributable to owners of parent	42,955,376	37,320,547	35,423,351
36XX	Non-controlling interests	17,834,432	16,111,576	14,665,942
3XXX	Total equity	60,789,808	53,432,123	50,089,293
3X2X	Total liabilities and equity	77,821,548	69,909,548	66,682,519
3997	Number of share capital awaiting retirement	0	0	0
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	6,383,000	5,966,000	5,966,000

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

Statement of Comprehensive Income					
Code	Accounting Title	2023/7/1To9/30	2022/7/1To9/30	2023/1/1To9/30	2022/1/1To9/30
	Operating revenue				
4000	Total operating revenue	2,775,712	2,646,138	9,286,745	9,246,716
	Operating costs				
5000	Total operating costs	2,368,418	2,397,051	7,276,295	6,869,961
5900	Gross profit (loss) from operations	407,294	249,087	2,010,450	2,376,755
5950	Gross profit (loss) from operations	407,294	249,087	2,010,450	2,376,755
	Operating expenses				
6100	Selling expenses	197,528	168,867	574,338	455,980
6200	Administrative expenses	133,048	120,274	364,742	350,185
6300	Research and development expenses	12,388	11,510	37,045	36,633
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	(16)	544	(1,924)	546
6000	Total operating expenses	342,948	301,195	974,201	843,344
6900	Net operating income (loss)	64,346	(52,108)	1,036,249	1,533,411
	Non-operating income and expenses				

	Interest income				
7100	Total interest income	32,133	5,252	90,751	13,156
	Other income				
7010	Total other income	33,451	5,259	435,632	556,134
	Other gains and losses				
7020	Other gains and losses, net	(4,144)	4,465	(1,268)	(15,485)
	Finance costs				
7050	Finance costs, net	51,790	40,971	149,520	99,720
	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	1,048,365	728,637	2,708,189	2,304,245
7000	Total non-operating income and expenses	1,058,015	702,642	3,083,784	2,758,330
7900	Profit (loss) from continuing operations before tax	1,122,361	650,534	4,120,033	4,291,741
	Tax expense (income)				
7950	Total tax expense (income)	30,371	3,613	114,487	68,692
8000	Profit (loss) from continuing operations	1,091,990	646,921	4,005,546	4,223,049
8200	Profit (loss)	1,091,990	646,921	4,005,546	4,223,049
	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	3,066,015	(676,887)	4,277,129	(7,433,731)
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	240,533	(244,716)	1,308,228	(909,318)
8310	Components of other comprehensive income that will not be reclassified to profit or loss	3,306,548	(921,603)	5,585,357	(8,343,049)
	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	263,662	78,942	81,788	233,238
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	351,435	133,644	208,963	370,627
8360	Components of other comprehensive income that will be reclassified to profit or loss	615,097	212,586	290,751	603,865
8300	Total other comprehensive income	3,921,645	(709,017)	5,876,108	(7,739,184)
8500	Total comprehensive income	5,013,635	(62,096)	9,881,654	(3,516,135)
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	1,070,961	650,864	3,383,428	3,264,101
8620	Profit (loss), attributable to non-controlling interests	21,029	(3,943)	622,118	958,948
	Comprehensive income attributable to:				

8710	Comprehensive income, attributable to owners of parent	3,648,326	76,242	7,526,968	(1,648,419)
8720	Comprehensive income, attributable to non-controlling interests	1,365,309	(138,338)	2,354,686	(1,867,716)
	Basic earnings per share				
9750	Total basic earnings per share	0.68	0.41	2.14	2.07
	Diluted earnings per share				
9850	Total diluted earnings per share	0.68	0.41	2.14	2.07

Unit: NT\$ thousands

Statements of Cash Flows				
Code	Accounting Title	2023/1/1To9/30	2022/1/1To9/30	
	Cash flows from (used in) operating activities, indirect method			
A00010	Profit (loss) from continuing operations before tax	4,120,033	4,291,741	
A10000	Profit (loss) before tax	4,120,033	4,291,741	
	Adjustments			
	Adjustments to reconcile profit (loss)			
A20100	Depreciation expense	282,351	276,253	
A20200	Amortization expense	25,968	12,997	
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(1,924)	546	
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	1,544	39,330	
A20900	Interest expense	149,520	99,720	
A21200	Interest income	(90,751)	(13,156)	
A21300	Dividend income	(1,559,775)	(2,131,462)	
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	(2,720,776)	(2,321,533)	
A22500	Loss (gain) on disposal of property, plan and equipment	2,553	650	
A22700	Loss (gain) on disposal of investment properties	(2,696)	0	
A23800	Reversal of impairment loss on non-financial assets	4,607	(24)	
A29900	Other adjustments to reconcile profit (loss)	(153)	(36)	
A20010	Total adjustments to reconcile profit (loss)	(3,909,532)	(4,036,715)	
	Changes in operating assets and liabilities			
	Changes in operating assets			
A31125	Decrease (increase) in contract assets	489,005	1,399,357	
A31130	Decrease (increase) in notes receivable	39,494	24,758	
A31150	Decrease (increase) in accounts receivable	150,913	180,649	

A31180	Decrease (increase) in other receivable	(22,429)	(8,179)
A31190	Decrease (increase) in other receivable due from related parties	(113)	(2,469)
A31200	Adjustments for decrease (increase) in inventories	65,181	(345,574)
A31240	Adjustments for decrease (increase) in other current assets	(229,681)	23,845
A31990	Decrease (increase) in other operating assets	(12,409)	6,483
A31000	Total changes in operating assets	479,961	1,278,870
	Changes in operating liabilities		
A32125	Increase (decrease) in contract liabilities	(648,376)	(1,241,119)
A32130	Increase (decrease) in notes payable	3,573	(32,177)
A32150	Increase (decrease) in accounts payable	(255,048)	(516,180)
A32180	Increase (decrease) in other payable	(7,554)	103,639
A32230	Adjustments for increase (decrease) in other current liabilities	4,119	42,879
A32000	Total changes in operating liabilities	(903,286)	(1,642,958)
A30000	Total changes in operating assets and liabilities	(423,325)	(364,088)
A20000	Total adjustments	(4,332,857)	(4,400,803)
A33000	Cash inflow (outflow) generated from operations	(212,824)	(109,062)
A33100	Interest received	76,566	13,128
A33200	Dividends received	3,363,898	3,584,992
A33300	Interest paid	(156,977)	(85,001)
A33500	Income taxes refund (paid)	(93,980)	(52,986)
AAAA	Net cash flows from (used in) operating activities	2,976,683	3,351,071
	Cash flows from (used in) investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(2,500)	(354,947)
B00020	Proceeds from disposal of financial assets at fair value through other comprehensive income	60,167	205,868
B00030	Proceeds from capital reduction of financial assets at fair value through other comprehensive income	46,113	38,859
B00100	Acquisition of financial assets at fair value through profit or loss	(991,271)	(1,306,973)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	917,440	1,204,770
B02200	Net cash flow from acquisition of subsidiaries	0	(242,587)
B02700	Acquisition of property, plant and equipment	(290,024)	(123,265)
B02800	Proceeds from disposal of property, plant and equipment	2,214	0
B03800	Decrease in refundable deposits	(4,117)	8,197
B04500	Acquisition of intangible assets	(20,711)	(14,300)

B05400	Acquisition of investment properties	(17,949)	(6,145)
B05500	Proceeds from disposal of investment properties	8,722	0
B06700	Increase in other non-current assets	(9,070)	(11,882)
BBBB	Net cash flows from (used in) investing activities	(300,986)	(602,405)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	1,136,000	(152,329)
C00500	Increase in short-term notes and bills payable	209,575	(1,999,039)
C01200	Proceeds from issuing bonds	0	2,500,000
C01600	Proceeds from long-term debt	400,000	1,699,160
C01700	Repayments of long-term debt	(235,136)	(2,000,000)
C03000	Increase in guarantee deposits received	0	4,921
C03100	Decrease in guarantee deposits received	(2,260)	0
C04020	Payments of lease liabilities	(47,637)	(47,057)
C04400	Decrease in other non-current liabilities	(2,571)	(3,350)
C04500	Cash dividends paid	(1,916,414)	(2,527,139)
C05000	Proceeds from sale of treasury shares	0	117,715
C05800	Change in non-controlling interests	(618,362)	(366,980)
C09900	Other financing activities	578	540
CCCC	Net cash flows from (used in) financing activities	(1,076,227)	(2,773,558)
DDDD	Effect of exchange rate changes on cash and cash equivalents	108,903	131,787
EEEE	Net increase (decrease) in cash and cash equivalents	1,708,373	106,895
E00100	Cash and cash equivalents at beginning of period	2,914,046	2,785,515
E00200	Cash and cash equivalents at end of period	4,622,419	2,892,410
E00210	Cash and cash equivalents reported in the statement of financial position	4,622,419	2,892,410

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	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity

										comprehensive income					
A1	Equity at beginning of period	14,801,305	14,801,305	1,101,041	4,219,316	141,843	9,732,138	14,093,297	26,492	7,435,280	7,461,772	(136,868)	37,320,547	16,111,576	53,432,123
B1	Legal reserve appropriated	0	0	0	397,220	0	(397,220)	0	0	0	0	0	0	0	0
B5	Cash dividends of ordinary share	0	0	0	0	0	(1,924,170)	(1,924,170)	0	0	0	0	(1,924,170)	0	(1,924,170)
B9	Stock dividends of ordinary share	1,036,091	1,036,091	0	0	0	(1,036,091)	(1,036,091)	0	0	0	0	0	0	0
C7	Changes in equity of associates and joint ventures accounted for using equity method	0	0	10,228	0	0	750	750	0	(750)	(750)	0	10,228	0	10,228
C17	Other changes in capital surplus	0	0	380	0	0	0	0	0	0	0	0	380	0	380
D1	Profit (loss)	0	0	0	0	0	3,383,428	3,383,428	0	0	0	0	3,383,428	622,118	4,005,546
D3	Other comprehensive income	0	0	0	0	0	0	0	281,798	3,861,742	4,143,540	0	4,143,540	1,732,568	5,876,108
D5	Total comprehensive income	0	0	0	0	0	3,383,428	3,383,428	281,798	3,861,742	4,143,540	0	7,526,968	2,354,686	9,881,654
M1	Adjustments of capital surplus for company's cash dividends received by subsidiaries	0	0	7,756	0	0	0	0	0	0	0	0	7,756	0	7,756
M7	Changes in ownership interests in subsidiaries	0	0	33,336	0	0	(19,669)	(19,669)	0	0	0	0	13,667	0	13,667
O1	Changes in non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	0	(631,830)	(631,830)
Q1	Disposal of investments in	0	0	0	0	0	25,675	25,675	0	(25,675)	(25,675)	0	0	0	0



	equity instruments designated at fair value through other comprehensive income														
Y1	Total increase (decrease) in equity	1,036,091	1,036,091	51,700	397,220	0	32,703	429,923	281,798	3,835,317	4,117,115	0	5,634,829	1,722,856	7,357,685
Z1	Equity at end of period	15,837,396	15,837,396	1,152,741	4,616,536	141,843	9,764,841	14,523,220	308,290	11,270,597	11,578,887	(136,868)	42,955,376	17,834,432	60,789,808

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	14,096,481	14,096,481	1,084,644	3,792,668	141,843	9,428,777	13,363,288	(335,374)	11,495,381	11,160,007	(184,763)	39,519,657	16,903,399	56,423,056
B1	Legal reserve appropriated	0	0	0	426,648	0	(426,648)	0	0	0	0	0	0	0	0
B5	Cash dividends of ordinary share	0	0	0	0	0	(2,537,366)	(2,537,366)	0	0	0	0	(2,537,366)	0	(2,537,366)
B9	Stock dividends of ordinary share	704,824	704,824	0	0	0	(704,824)	(704,824)	0	0	0	0	0	0	0
C7	Changes in equity of associates and joint ventures accounted for using equity method	0	0	(823)	0	0	23,431	23,431	0	(23,431)	(23,431)	0	(823)	0	(823)
C17	Other changes in	0	0	451	0	0	0	0	0	0	0	0	451	0	451

	capital surplus														
D1	Profit (loss)	0	0	0	0	0	3,264,101	3,264,101	0	0	0	0	3,264,101	958,948	4,223,049
D3	Other comprehensive income	0	0	0	0	0	0	0	599,733	(5,512,253)	(4,912,520)	0	(4,912,520)	(2,826,664)	(7,739,184)
D5	Total comprehensive income	0	0	0	0	0	3,264,101	3,264,101	599,733	(5,512,253)	(4,912,520)	0	(1,648,419)	(1,867,716)	(3,516,135)
L7	Disposal of company's share by subsidiaries recognized as treasury share transactions	0	0	31,639	0	0	0	0	0	0	0	47,895	79,534	0	79,534
M1	Adjustments of capital surplus for company's cash dividends received by subsidiaries	0	0	10,227	0	0	0	0	0	0	0	0	10,227	0	10,227
M7	Changes in ownership interests in subsidiaries	0	0	90	0	0	0	0	0	0	0	0	90	0	90
O1	Changes in non-controlling interests	0	0	0	0	0	0	0	0	0	0	0	0	(369,741)	(369,741)
Q1	Disposal of investments in equity instruments designated at fair value through other comprehensive income	0	0	0	0	0	45,346	45,346	0	(45,346)	(45,346)	0	0	0	0
Y1	Total increase (decrease) in equity	704,824	704,824	41,584	426,648	0	(335,960)	90,688	599,733	(5,581,030)	(4,981,297)	47,895	(4,096,306)	(2,237,457)	(6,333,763)
Z1	Equity at end of period	14,801,305	14,801,305	1,126,228	4,219,316	141,843	9,092,817	13,453,976	264,359	5,914,351	6,178,710	(136,868)	35,423,351	14,665,942	50,089,293