

3294 MEGAFORCE COMPANY LIMITED

2018Q3 Consolidated Financial Report

Unit: NT\$ thousands

Balance Sheet				
Code	Accounting Title	2018/9/30	2017/12/31	2017/9/30
	Assets			
	Current assets			
1100	Cash and cash equivalents	1,006,067	989,371	1,003,526
1136	Current financial assets at amortised cost	321,980	0	0
1170	Accounts receivable, net	1,563,753	1,834,894	1,741,537
130X	Current inventories	644,611	643,736	664,963
1470	Other current assets	87,006	136,069	149,114
1476	Other current financial assets	13,877	71,134	72,023
1479	Other current assets, others	73,129	64,935	77,091
11XX	Total current assets	3,623,417	3,604,070	3,559,140
	Non-current assets			
1517	Non-current financial assets at fair value through other comprehensive income	500	0	0
1523	Non-current available-for-sale financial assets	0	500	500
1550	Investments accounted for using equity method	18,493	0	0
1600	Property, plant and equipment	945,375	997,932	1,002,114
1780	Intangible assets	37,756	45,175	40,836
1840	Deferred tax assets	80,196	82,812	73,542
1900	Other non-current assets	99,698	68,566	82,854
1980	Other non-current financial assets	12,851	11,574	11,570
1990	Other non-current assets, others	86,847	56,992	71,284
15XX	Total non-current assets	1,182,018	1,194,985	1,199,846
1XXX	Total assets	4,805,435	4,799,055	4,758,986
	Liabilities and equity			
	Current liabilities			
2100	Current borrowings	647,553	412,223	514,104
2130	Current contract liabilities	60,425	0	0
2170	Accounts payable	591,806	617,823	684,754
2200	Other payables	562,356	734,152	588,295
2230	Current tax liabilities	33,499	57,314	28,516
2300	Other current liabilities	187,015	199,763	192,896
2320	Long-term liabilities, current portion	60,000	24,000	24,000
2322	Long-term borrowings, current portion	60,000	24,000	24,000
2360	Net defined benefit liability, current	102,688	118,124	103,858
2399	Other current liabilities, others	24,327	57,639	65,038
21XX	Total current liabilities	2,082,654	2,021,275	2,008,565
	Non-current liabilities			
2540	Non-current portion of non-current borrowings	284,000	138,000	144,000
2600	Other non-current liabilities	42,953	40,512	67,325
2640	Net defined benefit liability, non-current	42,191	39,428	57,209
2670	Other non-current liabilities, others	762	1,084	10,116
25XX	Total non-current liabilities	326,953	178,512	211,325
2XXX	Total liabilities	2,409,607	2,199,787	2,219,890
	Equity attributable to owners of parent			
3110	Ordinary share	1,320,159	1,315,129	1,313,389
3100	Total capital stock	1,320,159	1,315,129	1,313,389
3200	Total capital surplus	831,886	829,909	829,164
3300	Total retained earnings	211,665	319,464	275,225
3400	Total other equity interest	13,784	118,595	104,419
31XX	Total equity attributable to owners of parent	2,377,494	2,583,097	2,522,197
36XX	Non-controlling interests	18,334	16,171	16,899
3XXX	Total equity	2,395,828	2,599,268	2,539,096
3X2X	Total liabilities and equity	4,805,435	4,799,055	4,758,986

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Statement of Comprehensive Income

Code	Accounting Title	2018/7/1 To9/30	2017/7/1 To9/30	2018/1/1 To9/30	2017/1/1 To9/30
4000	Total operating revenue	1,386,805	1,547,190	3,513,618	3,897,853
5000	Total operating costs	(1,174,690)	(1,256,168)	(3,127,661)	(3,289,874)
5900	Gross profit (loss) from operations	212,115	291,022	385,957	607,979
5950	Gross profit (loss) from operations	212,115	291,022	385,957	607,979
	Operating expenses				
6100	Selling expenses	(25,113)	(27,389)	(73,154)	(77,677)
6200	Administrative expenses	(104,373)	(124,142)	(285,176)	(315,231)
6300	Research and development expenses	(29,875)	(28,032)	(85,341)	(86,205)
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	34	(0)	2,150	(0)
6000	Total operating expenses	(159,327)	(179,563)	(441,521)	(479,113)
6900	Net operating income (loss)	52,788	111,459	(55,564)	128,866
	Non-operating income and expenses				
7100	Interest income	6,708	3,369	14,920	6,905
7010	Total other income	6,708	3,369	14,920	6,905
7020	Other gains and losses, net	15,326	52,785	30,377	42,500
7510	Interest expense	(3,659)	(3,291)	(9,604)	(9,620)
7050	Finance costs, net	(3,659)	(3,291)	(9,604)	(9,620)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	(419)	0	(1,507)	0
7000	Total non-operating income and expenses	17,956	52,863	34,186	39,785
7900	Profit (loss) from continuing operations before tax	70,744	164,322	(21,378)	168,651
7950	Total tax expense (income)	(25,106)	(14,970)	(28,164)	(5,008)
8000	Profit (loss) from continuing operations	45,638	149,352	(49,542)	163,643
8200	Profit (loss)	45,638	149,352	(49,542)	163,643
	Other comprehensive income				
8361	Exchange differences on translation	(120,253)	41,763	(105,315)	(44,903)
8362	Unrealised gains (losses) on valuation of available-for-sale financial assets	0	0	0	4,830
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(0)	(0)	(0)	(0)
8360	Components of other comprehensive income that will be reclassified to profit or loss	(120,253)	41,763	(105,315)	(40,073)
8300	Other comprehensive income, net	(120,253)	41,763	(105,315)	(40,073)
8500	Total comprehensive income	(74,615)	191,115	(154,857)	123,570
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	46,247	151,303	(47,215)	175,315
8620	Profit (loss), attributable to non-controlling interests	(609)	(1,951)	(2,327)	(11,672)
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	(73,431)	192,856	(152,026)	135,568
8720	Comprehensive income, attributable to non-controlling interests	(1,184)	(1,741)	(2,831)	(11,998)
	Basic earnings per share				
9750	Total basic earnings per share	0.35	1.16	(0.36)	1.35
9850	Total diluted earnings per share	0.35	1.15	(0.36)	1.34

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Statements of Cash Flows			
Code	Accounting Title	2018/1/1 To9/30	2017/1/1 To9/30
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	(21,378)	168,651
A10000	Profit (loss) before tax	(21,378)	168,651
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	166,825	180,564
A20200	Amortization expense	11,371	6,871
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(2,150)	0
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(337)	0
A20900	Interest expense	9,604	9,620
A21200	Interest income	(14,920)	(6,905)
A21900	Share-based payments	198	360
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	1,507	0
A22500	Loss (gain) on disposal of property, plan and equipment	(633)	(2,640)
A22600	Property, plan and equipment transferred to expenses	26	177
A23100	Loss (gain) on disposal of investments	(14,379)	(55,035)
A23500	Impairment loss on financial assets	0	10,532
A20010	Total adjustments to reconcile profit (loss)	157,112	143,544
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31150	Decrease (increase) in accounts receivable	240,605	(163,385)
A31200	Decrease (increase) in inventories	(17,508)	(84,523)
A31240	Decrease (increase) in other current assets	(7,353)	(36,736)
A31250	Decrease (increase) in other financial assets	1,581	(5,369)
A31000	Total changes in operating assets	217,325	(290,013)
	Changes in operating liabilities		
A32150	Increase (decrease) in accounts payable	(14,442)	158,409
A32180	Increase (decrease) in other payable	(143,820)	55,559
A32230	Increase (decrease) in other current liabilities	29,709	(11,787)
A32240	Increase (decrease) in net defined benefit liability	(12,673)	(11,396)
A32000	Total changes in operating liabilities	(141,226)	190,785
A30000	Total changes in operating assets and liabilities	76,099	(99,228)
A20000	Total adjustments	233,211	44,316
A33000	Cash inflow (outflow) generated from operations	211,833	212,967
A33500	Income taxes refund (paid)	(52,078)	(17,178)
AAAA	Net cash flows from (used in) operating activities	159,755	195,789
	Cash flows from (used in) investing activities		
B00040	Acquisition of financial assets at amortised cost	(720,802)	0
B00050	Proceeds from disposal of financial assets at amortised cost	389,468	0
B00100	Acquisition of financial assets designated at fair value through profit or loss	(46,022)	0
B00200	Proceeds from disposal of financial assets designated at fair value through profit or loss	46,647	0
B00300	Acquisition of available-for-sale financial assets	0	(500)
B01800	Acquisition of investments accounted for using equity method	(20,000)	0

B02300	Proceeds from disposal of subsidiaries	0	49,148
B02700	Acquisition of property, plant and equipment	(183,370)	(77,439)
B02800	Proceeds from disposal of property, plant and equipment	1,053	12,387
B04500	Acquisition of intangible assets	(3,622)	(3,665)
B06500	Increase in other financial assets	0	(16,490)
B06600	Decrease in other financial assets	56,157	0
B06700	Increase in other non-current assets	0	(8,983)
B07500	Interest received	9,489	6,895
BBBB	Net cash flows from (used in) investing activities	(471,002)	(38,647)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	3,207,300	2,569,223
C00200	Decrease in short-term loans	(2,973,498)	(2,609,442)
C01600	Proceeds from long-term debt	200,000	180,000
C01700	Repayments of long-term debt	(18,000)	(49,500)
C04400	Decrease in other non-current liabilities	(288)	0
C04500	Cash dividends paid	(60,580)	(41,675)
C04600	Proceeds from issuing shares	3,852	9,050
C04800	Exercise of employee share options	7,947	17,456
C05600	Interest paid	(9,246)	(10,116)
CCCC	Net cash flows from (used in) financing activities	357,487	64,996
DDDD	Effect of exchange rate changes on cash and cash equivalents	(29,544)	(2,611)
EEEE	Net increase (decrease) in cash and cash equivalents	16,696	219,527
E00100	Cash and cash equivalents at beginning of period	989,371	783,999
E00200	Cash and cash equivalents at end of period	1,006,067	1,003,526
E00210	Cash and cash equivalents reported in the statement of financial position	1,006,067	1,003,526

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Statements of Change in Equity

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on available-for-sale financial assets	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	1,315,129	1,315,129	829,909	19,579	299,885	319,464	118,595	0	118,595	2,583,097	16,171	2,599,268
Legal reserve appropriated				21,655	(21,655)	0				0		0
Cash dividends of ordinary share			4		(60,584)	(60,584)				(60,580)		(60,580)
Profit (loss)					(47,215)	(47,215)				(47,215)	(2,327)	(49,542)
Other comprehensive income							(104,811)		(104,811)	(104,811)	(504)	(105,315)
Total comprehensive income					(47,215)	(47,215)	(104,811)		(104,811)	(152,026)	(2,831)	(154,857)
Changes in ownership interests in subsidiaries			(944)							(944)	1,142	198
Share-based payments	5,030	5,030	2,917							7,947		7,947
Changes in non-controlling interests											3,852	3,852
Total increase (decrease) in equity	5,030	5,030	1,977	21,655	(129,454)	(107,799)	(104,811)	0	(104,811)	(205,603)	2,163	(203,440)
Equity at end of period	1,320,159	1,320,159	831,886	41,234	170,431	211,665	13,784	0	13,784	2,377,494	18,334	2,395,828

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Last year's Statements of Change in Equity

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on available-for-sale financial assets	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	1,302,344	1,302,344	819,095	7,835	133,750	141,585	148,996	(4,830)	144,166	2,407,190	35,199	2,442,389
Legal reserve appropriated				11,744	(11,744)	0				0		0
Cash dividends of ordinary share					(41,675)	(41,675)				(41,675)		(41,675)
Profit (loss)					175,315	175,315				175,315	(11,672)	163,643
Other comprehensive income							(44,577)	4,830	(39,747)	(39,747)	(326)	(40,073)
Total comprehensive income					175,315	175,315	(44,577)	4,830	(39,747)	135,568	(11,998)	123,570
Changes in ownership interests in subsidiaries			3,321							3,321	(3,321)	0
Share-based payments	11,045	11,045	6,411							17,456		17,456
Changes in non-controlling interests											(3,004)	(3,004)
Others			337							337	23	360
Total increase (decrease) in equity	11,045	11,045	10,069	11,744	121,896	133,640	(44,577)	4,830	(39,747)	115,007	(18,300)	96,707
Equity at end of period	1,313,389	1,313,389	829,164	19,579	255,646	275,225	104,419	0	104,419	2,522,197	16,899	2,539,096