

3294 MEGAFORCE COMPANY LIMITED

2021Q1 Consolidated Financial Report

Unit: NT\$ thousands

Balance Sheet

Code	Accounting Title	2021/3/31	2020/12/31	2020/3/31
	Assets			
	Current assets			
1100	Cash and cash equivalents	866,641	1,740,445	963,705
1110	Current financial assets at fair value through profit or loss	764,567	-	-
1136	Current financial assets at amortised cost	-	-	845,480
1170	Accounts receivable, net	1,645,885	2,007,738	896,221
130X	Current inventories	667,355	593,938	438,243
1476	Other current financial assets	15,838	12,405	41,048
1479	Other current assets, others	105,185	62,836	115,541
11XX	Total current assets	4,065,471	4,417,362	3,300,238
	Non-current assets			
1510	Non-current financial assets at fair value through profit or loss	30,000	30,000	30,000
1517	Non-current financial assets at fair value through other comprehensive income	9,569	8,639	12,692
1550	Investments accounted for using equity method	17,925	19,687	21,319
1600	Property, plant and equipment	1,088,584	1,099,054	1,148,262
1755	Right-of-use assets	165,843	181,254	199,718
1780	Intangible assets	41,026	41,693	36,461
1840	Deferred tax assets	175,203	175,782	130,345
1980	Other non-current financial assets	14,377	15,271	13,710
1990	Other non-current assets, others	29,979	24,305	21,973
15XX	Total non-current assets	1,572,506	1,595,685	1,614,480
1XXX	Total assets	5,637,977	6,013,047	4,914,718
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	812,270	957,470	936,000
2130	Current contract liabilities	57,137	30,620	20,370
2170	Accounts payable	584,975	653,106	319,961
2200	Other payables	638,999	808,577	391,003
2220	Other payables to related parties	517	3,224	-
2230	Current tax liabilities	15,062	45,571	3,996
2280	Current lease liabilities	34,724	39,146	41,880
2322	Long-term borrowings, current portion	282,598	254,000	164,000
2360	Net defined benefit liability, current	14,252	14,252	19,248
2399	Other current liabilities, others	24,042	26,300	34,858
21XX	Total current liabilities	2,464,576	2,832,266	1,931,316
	Non-current liabilities			
2500	Non-current financial liabilities at fair value through profit or loss	201	345	-
2530	Bonds payable	28,186	28,083	-

2540	Non-current portion of non-current borrowings	408,402	403,000	541,000
2570	Deferred tax liabilities	121,838	121,899	90,421
2580	Non-current lease liabilities	99,003	107,295	131,430
2640	Net defined benefit liability, non-current	59,898	66,572	92,755
2670	Other non-current liabilities, others	878	880	869
25XX	Total non-current liabilities	718,406	728,074	856,475
2XXX	Total liabilities	3,182,982	3,560,340	2,787,791
	Equity			
	Equity attributable to owners of parent			
3100	Share Capital	1,320,159	1,320,159	1,320,159
3200	Capital surplus	831,284	831,284	830,450
3300	Retained earnings	355,627	333,888	105,507
3400	Other equity interest	(65,170)	(45,952)	(139,936)
31XX	Total equity attributable to owners of parent	2,441,900	2,439,379	2,116,180
36XX	Non-controlling interests	13,095	13,328	10,747
3XXX	Total equity	2,454,995	2,452,707	2,126,927
3X2X	Total liabilities and equity	5,637,977	6,013,047	4,914,718

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Statement of Comprehensive Income

Code	Accounting Title	2021/1/1To3/31	2020/1/1To3/31
4000	Operating revenue	1,307,959	613,866
5000	Operating costs	1,128,628	628,038
	Gross profit (loss) from operations	179,331	(14,172)
	Operating expenses		
6100	Selling expenses	21,027	18,639
6200	Administrative expenses	83,281	96,250
6300	Research and development expenses	33,603	32,462
6450	Impairment gain determined in accordance with IFRS 9	(1,628)	(1,024)
	Total operating expenses	136,283	146,327
	Net operating income (loss)	43,048	(160,499)
	Non-operating income and expenses		
7100	Interest income	3,314	10,128
7020	Other gains and losses, net	753	(4,003)
7060	Share of loss of associates and joint ventures accounted for using equity method, net	(1,351)	(2,121)
7510	Finance costs, net	(5,520)	(6,208)
	Total non-operating income and expenses	(2,804)	(2,204)
7900	Profit (loss) from continuing operations before tax	40,244	(162,703)
7950	Total tax expense (income)	18,654	(6,393)
	Profit (loss) from continuing operations	21,590	(156,310)
8300	Other comprehensive income		
8310	Components of other comprehensive income that will not be reclassified to profit or loss		
8316	Unrealised gains from investments in equity instruments measured at fair value through other comprehensive income	930	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit	-	-
	Components of other comprehensive income that will not be reclassified to profit	930	-
8360	Components of other comprehensive income that will be reclassified to profit or loss		
8361	Exchange differences on translation	(19,822)	(66,328)
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method	(410)	83
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-
	Components of other comprehensive income that will be reclassified to loss	(20,232)	(66,245)
8300	Total other comprehensive income	(19,302)	(66,245)
8500	Total comprehensive income	2,288	(222,555)
	Profit (loss), attributable to:		
8610	Profit (loss), attributable to owners of parent	21,739	(155,434)
8620	Loss, attributable to non-controlling interests	(149)	(876)
	Profit (loss) from continuing operations	21,590	(156,310)
	Comprehensive income attributable to:		
8710	Comprehensive income, attributable to owners of parent	2,521	(221,555)
8720	Comprehensive income, attributable to non-controlling interests	(233)	(1,000)
	Total comprehensive income	2,288	(222,555)
9750	Total basic earnings per share	0.16	(1.18)
9850	Total diluted earnings per share	0.16	(1.18)

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Statements of Cash Flows

Accounting Title	2021/1/1To3/31	2020/1/1To3/31
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	40,244	(162,703)
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	60,150	62,485
Amortization expense	2,439	944
Expected credit gain / Provision (reversal of provision) for bad debt expense	(1,628)	(1,024)
Net gain on financial assets or liabilities at fair value through profit or loss	(4,937)	-
Interest expense	5,520	6,208
Interest income	(3,314)	(10,128)
Share of loss of associates and joint ventures accounted for using equity method	1,351	2,121
Gain on disposal of property, plan and equipment	(2,225)	(75)
Property, plan and equipment transferred to expenses	24	1,001
Gain on disposal of other assets	-	(1,056)
Total adjustments to reconcile profit (loss)	57,380	60,476
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease in accounts receivable	354,621	623,165
Decrease in accounts receivable due from related parties	-	211
Adjustments for increase in inventories	(77,294)	(26,190)
Decrease (increase) in other financial assets-current	(3,802)	3,741
Increase in other financial assets-non current	(4)	-
Adjustments for decrease in other current assets	1,296	25
Total changes in operating assets	274,817	600,952
Changes in operating liabilities		
Increase in contract liabilities	26,898	3,582
Decrease in accounts payable	(64,050)	(138,606)
Decrease in other payable	(174,140)	(167,661)
Decrease in other payable to related parties	(2,707)	-
Adjustments for decrease (increase) in other current liabilities	(2,088)	9,905
Decrease in net defined benefit liability	(6,674)	(11,443)
Total changes in operating liabilities	(222,761)	(304,223)
Total changes in operating assets and liabilities	52,056	296,729
Total adjustments	109,436	357,205
Cash inflow generated from operations	149,680	194,502
Income taxes paid	(94,011)	(48,714)
Net cash flows from operating activities	55,669	145,788
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through profit or loss	(768,373)	-

Acquisition of financial assets at amortised cost	-	(926,712)
Proceeds from repayments of financial assets at amortised cost	-	55,803
Acquisition of property, plant and equipment	(42,351)	(271,143)
Proceeds from disposal of property, plant and equipment	2,233	2,352
Acquisition of intangible assets	(1,808)	-
Increase in other financial assets-current	-	(2,080)
Decrease in other financial assets-non current	616	-
Interest received	3,479	3,393
Net cash flows used in investing activities	(806,204)	(1,138,387)
Cash flows from (used in) financing activities		
Increase in short-term loans	1,054,270	1,225,397
Decrease in short-term loans	(1,199,470)	(1,244,018)
Proceeds from long-term debt	140,000	507,000
Repayments of long-term debt	(106,000)	(215,000)
Payments of lease liabilities	(12,151)	(8,926)
Increase in other non-current liabilities	-	400
Interest paid	(4,725)	(5,022)
Net cash flows from (used in) financing activities	(128,076)	259,831
Effect of exchange rate changes on cash and cash equivalents	4,807	17,839
Net decrease in cash and cash equivalents	(873,804)	(714,929)
Cash and cash equivalents at beginning of period	1,740,445	1,678,634
Cash and cash equivalents at end of period	866,641	963,705

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Last year's Statements of Change in Equity

	Equity attributable to owners of parent										
			Retained earnings				Other equity interest				
	Ordinary share	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 equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	1,320,159	830,450	41,313	-	219,628	260,941	(73,815)	-	2,337,735	11,747	2,349,482
Loss	-	-	-	-	(115,434)	(155,434)	-	-	(155,434)	(876)	(156,310)
Other comprehensive income	-	-	-	-	-	-	(66,121)	-	(66,121)	(124)	(66,245)
Total comprehensive income	-	-	-	-	(155,434)	(155,434)	(66,121)	-	(221,555)	(1,000)	(222,555)
Equity at end of period	1,320,159	830,450	41,313	-	64,194	105,507	(139,936)	-	2,116,180	10,747	2,126,927

Statements of Change in Equity

Equity at beginning of period	1,320,159	831,284	44,366	73,815	215,707	333,888	(36,419)	(9,533)	2,439,379	13,328	2,452,707
Profit (loss)	-	-	-	-	21,739	21,739	-	-	21,739	(149)	21,590
Other comprehensive income	-	-	-	-	-	-	(20,148)	930	(19,218)	(84)	(19,302)
Total comprehensive income	-	-	-	-	21,739	21,739	(20,148)	930	2,521	(233)	2,288
Equity at end of period	1,320,159	831,284	44,366	73,815	237,446	355,627	(56,567)	(8,603)	2,441,900	13,095	2,454,995