

## 3294 MEGAFORCE COMPANY LIMITED

## 2022Q3 Consolidated Financial Report

Unit: NT\$ thousands

Balance Sheet				
Code	Accounting Title	2022/9/30	2021/12/31	2021/9/30
	Assets			
	Current assets			
1100	Cash and cash equivalents	1,312,424	1,841,857	802,849
1110	Current financial assets at fair value through profit or loss	324,824	-	920,255
1170	Accounts receivable, net	1,711,191	1,643,066	1,555,205
130X	Current inventories	585,876	660,040	750,272
1476	Other current financial assets	4,092	4,362	4,491
1479	Other current assets, others	133,331	66,951	109,388
	Total current assets	4,071,738	4,216,276	4,142,460
	Non-current assets			
1510	Non-current financial assets at fair value through profit or loss	-	44,262	39,210
1517	Non-current financial assets at fair value through other comprehensive income	5,980	7,119	8,744
1550	Investments accounted for using equity method	-	-	15,110
1600	Property, plant and equipment	1,035,072	1,084,470	1,105,294
1755	Right-of-use assets	207,254	188,051	192,692
1780	Intangible assets	63,314	63,482	37,475
1840	Deferred tax assets	199,476	196,721	174,245
1980	Other non-current financial assets	17,188	14,280	14,100
1990	Other non-current assets, others	10,775	8,229	4,312
	Total non-current assets	1,539,059	1,606,614	1,591,182
	Total assets	5,610,797	5,822,890	5,733,642
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	1,140,000	1,120,000	1,060,000
2110	Short-term notes and bills payable	100,000	-	-
2120	Current financial liabilities at fair value through profit or loss	408	-	-
2130	Current contract liabilities	52,478	62,912	87,792
2170	Accounts payable	517,815	539,299	580,078
2200	Other payables	596,759	653,027	618,580
2230	Current tax liabilities	18,217	37,599	22,813
2280	Current lease liabilities	53,617	40,433	37,540
2321	Bonds payable, current portion	28,804	-	-
2322	Long-term borrowings, current portion	107,118	81,857	97,043
2360	Net defined benefit liability, current	12,252	12,252	14,252
2399	Other current liabilities, others	37,528	31,855	25,981
	Total current liabilities	2,664,996	2,579,234	2,544,079
	Non-current liabilities			
2500	Non-current financial liabilities at fair value through profit or loss	-	240	378

Code	Accounting Title	2022/9/30	2021/12/31	2021/9/30
2530	Bonds payable	-	28,495	28,392
2540	Non-current portion of non-current borrowings	359,632	537,714	514,243
2570	Deferred tax liabilities	103,535	103,361	121,736
2580	Non-current lease liabilities	118,048	116,360	123,999
2640	Net defined benefit liability, non-current	55,774	64,034	56,550
2670	Other non-current liabilities, others	408	391	386
	Total non-current liabilities	637,397	850,595	845,684
	Total liabilities	3,302,393	3,429,829	3,389,763
	Equity			
	Equity attributable to owners of parent			
3100	Share Capital	1,320,159	1,320,159	1,320,159
3200	Capital surplus	830,582	830,637	830,637
3300	Retained earnings	123,536	284,718	272,661
3400	Other equity interest	61,565	(63,673)	(93,902)
3500	Treasury shares	(44,905)	-	-
	Total equity attributable to owners of parent	2,290,937	2,371,841	2,329,555
36XX	Non-controlling interests	17,467	21,220	14,324
	Total equity	2,308,404	2,393,061	2,343,879
	Total liabilities and equity	5,610,797	5,822,890	5,733,642

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Statement of Comprehensive Income					
Code	Accounting Title	2022/7/1To9/30	2021/7/1To9/30	2022/1/1To9/30	2021/1/1To9/30
4000	Operating revenue	1,545,657	1,334,825	3,625,381	3,869,472
5000	Operating costs	1,317,731	1,202,830	3,335,040	3,409,055
	Gross profit from operations	227,926	131,995	290,341	460,417
	Operating expenses				
6100	Selling expenses	25,067	22,777	71,870	64,191
6200	Administrative expenses	91,045	91,488	256,166	268,106
6300	Research and development expenses	35,382	37,784	102,502	105,533
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	(596)	2,361	(48)	529
	Total operating expenses	150,898	154,410	430,490	438,359
	Net operating income (loss)	77,028	(22,415)	(140,149)	22,058
	Non-operating income and expenses				
7100	Interest income	5,426	3,307	12,530	9,327
7020	Other gains and losses, net	27,859	(2,508)	63,536	28,605
7060	Share of loss of associates and joint ventures accounted for using equity method, net	-	(1,599)	-	(4,052)
7510	Finance costs, net	(7,565)	(5,551)	(20,169)	(16,405)
	Total non-operating income and expenses	25,720	(6,351)	55,897	17,475
7900	Profit (loss) from continuing operations before tax	102,748	(28,766)	(84,252)	39,533
7950	Total tax expense	49,168	5,945	47,705	34,170
	Profit (loss) from continuing operations	53,580	(34,711)	(131,957)	5,363
8300	Other comprehensive income				
8310	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	-	(742)	(1,139)	105
	Components of other comprehensive income that will not be reclassified to profit or loss	-	(742)	(1,139)	105
	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	40,000	(8,847)	126,348	(47,764)
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method	-	(19)	-	(524)
	Components of other comprehensive income that will be reclassified to profit or loss	40,000	(8,866)	126,348	(48,288)
8300	Total other comprehensive income	40,000	(9,608)	125,209	(48,183)
8500	Total comprehensive income	93,580	(44,319)	(6,748)	(42,820)
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	54,500	(34,989)	(128,178)	4,781
8620	Profit (loss), attributable to non-controlling interests	(920)	278	(3,779)	582
	Profit (loss) from continuing operations	53,580	(34,711)	(131,957)	5,363
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	94,331	(44,539)	(2,940)	(43,169)
8720	Comprehensive income, attributable to non-controlling interests	(751)	220	(3,808)	349
	Total comprehensive income	93,580	(44,319)	(6,748)	(42,820)
9750	Total basic earnings per share	0.42	(0.27)	(0.98)	0.04
9850	Total diluted earnings per share	0.41	(0.27)	(0.98)	0.04

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Statements of Cash Flows		
Accounting Title	2022/1/1To9/30	2021/1/1To9/30
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	(84,252)	39,533
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	185,183	176,441
Amortization expense	2,884	7,159
Expected credit loss (gain)	(48)	529
Net gain on financial assets or liabilities at fair value through profit or loss	(5,335)	(27,476)
Interest expense	20,169	16,405
Interest income	(12,530)	(9,327)
Share of profit of associates and joint ventures accounted for using equity method	-	4,052
Gain on disposal of property, plan and equipment	(421)	(2,379)
Property, plan and equipment transferred to expenses	-	32
Total adjustments to reconcile profit (loss)	189,902	165,436
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in accounts receivable	(29,998)	430,463
Adjustments for decrease (increase) in inventories	90,796	(166,346)
Adjustments for decrease (increase) in other current assets	5,841	(5,660)
Decrease (increase) in other financial assets	(326)	7,787
Increase in other operating assets	(407)	-
Total changes in operating assets	65,906	266,244
Changes in operating liabilities		
Increase (decrease) in contract liabilities	(13,678)	58,244
Decrease in accounts payable	(35,520)	(62,804)
Decrease in other payable	(61,590)	(202,453)
Adjustments for increase in other current liabilities	4,715	91
Decrease in net defined benefit liability	(8,260)	(10,022)
Total changes in operating liabilities	(114,333)	(216,944)
Total changes in operating assets and liabilities	(48,427)	49,300
Total adjustments	141,475	214,736
Cash inflow generated from operations	57,223	254,269
Income taxes paid	(134,868)	(99,279)
Net cash flows from (used in) operating activities	(77,645)	154,990
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through profit or loss	(1,808,410)	(1,840,442)
Proceeds from disposal of financial assets at fair value through profit or loss	1,553,542	920,984
Acquisition of property, plant and equipment	(63,198)	(121,588)

Accounting Title	2022/1/1To9/30	2021/1/1To9/30
Proceeds from disposal of property, plant and equipment	603	2,572
Acquisition of intangible assets	(2,671)	(3,004)
Decrease (increase) in other financial assets	(2,091)	694
Interest received	13,160	9,179
Net cash flows used in investing activities	(309,065)	(1,031,605)
Cash flows from (used in) financing activities		
Increase in short-term loans	5,340,000	3,878,992
Decrease in short-term loans	(5,320,000)	(3,776,462)
Increase in short-term notes and bills payable	420,000	-
Decrease in short-term notes and bills payable	(320,000)	-
Proceeds from long-term debt	-	440,000
Repayments of long-term debt	(152,821)	(485,714)
Payments of lease liabilities	(61,642)	(38,133)
Increase (decrease) in other non-current liabilities	6	(486)
Cash dividends paid	(33,004)	(66,008)
Payments to acquire treasury shares	(44,905)	-
Interest paid	(17,114)	(13,595)
Net cash flows used in financing activities	(189,480)	(61,406)
Effect of exchange rate changes on cash and cash equivalents	46,757	425
Net decrease in cash and cash equivalents	(529,433)	(937,596)
Cash and cash equivalents at beginning of period	1,841,857	1,740,445
Cash and cash equivalents at end of period	1,312,424	802,849

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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	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	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total 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
Legal reserve appropriated	-	-	11,256	-	(11,256)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(27,863)	27,863	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(66,008)	(66,008)	-	-	-	(66,008)	-	(66,008)
Profit	-	-	-	-	4,781	4,781	-	-	-	4,781	582	5,363
Other comprehensive income	-	-	-	-	-	-	(48,055)	105	-	(47,950)	(233)	(48,183)
Total comprehensive income	-	-	-	-	4,781	4,781	(48,055)	105	-	(43,169)	349	(42,820)
Changes in ownership interests in subsidiaries	-	(647)	-	-	-	-	-	-	-	(647)	647	-
Equity at end of period	1,320,159	830,637	55,622	45,952	171,087	272,661	(84,474)	(9,428)	-	2,329,555	14,324	2,343,879

### Statements of Change in Equity

Equity at beginning of period	1,320,159	830,637	55,622	45,952	183,144	284,718	(52,620)	(11,053)	-	2,371,841	21,220	2,393,061
Legal reserve appropriated	-	-	1,684	-	(1,684)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	17,721	(17,721)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(33,004)	(33,004)	-	-	-	(33,004)	-	(33,004)
Loss	-	-	-	-	(128,178)	(128,178)	-	-	-	(128,178)	(3,779)	(131,957)
Other comprehensive income	-	-	-	-	-	-	126,377	(1,139)	-	125,238	(29)	125,209
Total comprehensive income	-	-	-	-	(128,178)	(128,178)	126,377	(1,139)	-	(2,940)	(3,808)	(6,748)
Purchase of treasury shares	-	-	-	-	-	-	-	-	(44,905)	(44,905)	-	(44,905)
Changes in ownership interests in subsidiaries	-	(55)	-	-	-	-	-	-	-	(55)	55	-
Equity at end of period	1,320,159	830,582	57,306	63,673	2,557	123,536	73,757	(12,192)	(44,905)	2,290,937	17,467	2,308,404