

Financial Statement – Independent Auditors' Report

This information is provided by (Listed Company)LPI company  
『 The company does not need to issue individual financial reports 』

Date (Year/Season)	2019 /3		
Firm Name		Visa Accountant	
Check Date	108/11/07	Check Type	Qualified Opinion or Conclusion-Financial statements of non-major subsidiary or investment accounted for using equity method have not been audited or reviewed

## Financial Statement – Balance Sheet

Provided by: LINGSEN PRECISION INDUSTRIES, LTD.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/09/30	2018/12/31	2018/09/30
<b>Balance Sheet</b>			
<b>Current assets</b>			
Cash and cash equivalents	1,288,268	1,219,444	1,440,269
Current contract assets	86,014	88,130	94,365
Notes receivable, net	5,624	10,898	25,921
Accounts receivable, net	1,181,381	1,092,065	1,213,432
Other receivables	373,027	512,500	530,622
Current tax assets	15,966	15,751	15,682
Current inventories	318,352	348,240	376,732
Other current assets	189,990	196,781	263,750
<b>Total current assets</b>	<b>3,458,622</b>	<b>3,483,807</b>	<b>3,960,773</b>
<b>Non-current assets</b>			
Non-current financial assets at fair value through other comprehensive income	31,025	46,651	45,059
Investments accounted for using equity method	0	0	0
Property, plant and equipment	4,234,545	4,445,686	4,611,197
Right-of-use assets	182,474	0	0
Deferred tax assets	109,275	108,717	108,214
Other non-current assets	53,755	64,675	54,449
<b>Total non-current assets</b>	<b>4,611,074</b>	<b>4,665,729</b>	<b>4,818,919</b>
<b>Total assets</b>	<b>8,069,696</b>	<b>8,149,536</b>	<b>8,779,692</b>
<b>Current liabilities</b>			
Current borrowings	291,393	148,244	506,393
Accounts payable	251,226	205,387	262,890
Other payables	539,063	512,443	507,542
Current tax liabilities	2,027	8,322	6,482
Current provisions	8,887	12,086	24,910
Current lease liabilities	5,864	0	0
Other current liabilities	540,559	419,321	424,017
<b>Total current liabilities</b>	<b>1,639,019</b>	<b>1,305,803</b>	<b>1,732,234</b>
<b>Non-current liabilities</b>			
Non-current portion of non-current borrowings	734,403	766,550	864,961
Deferred tax liabilities	771	898	881
Non-current lease liabilities	168,376	0	0
Other non-current liabilities	107,079	136,582	176,277
<b>Total non-current liabilities</b>	<b>1,010,629</b>	<b>904,030</b>	<b>1,042,119</b>
<b>Total liabilities</b>	<b>2,649,648</b>	<b>2,209,833</b>	<b>2,774,353</b>
<b>Equity attributable to owners of parent</b>			
Share capital			
Ordinary share	3,801,023	3,801,023	3,801,023
Total share capital	3,801,023	3,801,023	3,801,023
Capital surplus			
Total capital surplus	1,451,696	1,526,473	1,526,473
Retained earnings			
Legal reserve	359,085	359,085	359,085
Special reserve	226,856	127,687	127,687
Unappropriated retained earnings (accumulated deficit)	-361,610	218,641	291,081
Total retained earnings	224,331	705,413	777,853
Other equity interest			
Total other equity interest	-69,126	-101,428	-105,709
Treasury shares	-176,415	-176,415	-176,415
<b>Total equity attributable to owners of parent</b>	<b>5,231,509</b>	<b>5,755,066</b>	<b>5,823,225</b>
Non-controlling interests	188,539	184,637	182,114
<b>Total equity</b>	<b>5,420,048</b>	<b>5,939,703</b>	<b>6,005,339</b>
<b>Total liabilities and equity</b>	<b>8,069,696</b>	<b>8,149,536</b>	<b>8,779,692</b>
Number of share capital awaiting retirement	0	0	0
Equivalent issue shares of advance receipts for ordinary share	0	0	0
Number of shares in entity held by entity and by its subsidiaries	5,658,911	5,658,911	5,658,911

## Financial Statement – Income Statement

Provided by: LINGSEN PRECISION INDUSTRIES, LTD.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/3rd	2018/3rd	2019/01/01To2019/09/30	2018/01/01To2018/09/30
<b>Income Statement</b>				
Total operating revenue	1,300,167	1,344,596	3,462,817	4,036,738
Total operating costs	1,266,269	1,279,172	3,532,012	3,620,387
Gross profit (loss) from operations	33,898	65,424	-69,195	216,351
Gross profit (loss) from operations	33,898	65,424	-69,195	216,351
Operating expenses				
Selling expenses	14,351	14,712	41,892	45,205
Administrative expenses	64,160	70,782	199,706	213,334
Research and development expenses	49,414	42,048	138,570	128,377
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	6,199	125	12,479	325
Total operating expenses	134,124	127,667	392,647	387,241
Net operating income (loss)	-100,226	-62,243	-461,842	-170,890
Non-operating income and expenses				
Total other income	21,131	10,033	41,452	40,501
Other gains and losses, net	655	875	4,134	10,093
Finance costs, net	5,876	5,128	14,647	15,045
Total non-operating income and expenses	15,910	5,780	30,939	35,549
Profit (loss) from continuing operations before tax	-84,316	-56,463	-430,903	-135,341
Total tax expense (income)	2,850	-27,424	8,028	-31,291
Profit (loss) from continuing operations	-87,166	-29,039	-438,931	-104,050
Profit (loss)	-87,166	-29,039	-438,931	-104,050
Other comprehensive income				
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	272	-4,259	-3,875	-2,630
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	0	0	0	-3,672
Components of other comprehensive income that will not be reclassified to profit or loss	272	-4,259	-3,875	1,042
Exchange differences on translation	-5,393	-10,013	-2,072	-5,393
Components of other comprehensive income that will be reclassified to profit or loss	-5,393	-10,013	-2,072	-5,393
Other comprehensive income, net	-5,121	-14,272	-5,947	-4,351
Total comprehensive income	-92,287	-43,311	-444,878	-108,401
Profit (loss), attributable to:				
Profit (loss), attributable to owners of parent	-88,807	-34,316	-442,833	-114,166
Profit (loss), attributable to non-controlling interests	1,641	5,277	3,902	10,116
Comprehensive income, attributable to owners of parent	-93,928	-48,588	-448,780	-118,606
Comprehensive income, attributable to non-controlling interests	1,641	5,277	3,902	10,205
Basic earnings per share				
Basic earnings (loss) per share from continuing operations	-0.23	-0.09	-1.18	-0.30
Total basic earnings per share	-0.23	-0.09	-1.18	-0.30
Diluted earnings per share				
Diluted earnings (loss) per share from continuing operations	-0.23	-0.09	-1.18	-0.30
Total diluted earnings per share	-0.23	-0.09	-1.18	-0.30

## Financial Statement – Statements of Cash Flows

Provided by: LINGSEN PRECISION INDUSTRIES, LTD.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2019/01/01To2019/09/30	2018/01/01To2018/09/30
<b>Statements of Cash Flows</b>		
Cash flows from (used in) operating activities, Indirect method		
Profit (loss) from continuing operations before tax	-430,903	-135,341
Profit (loss) before tax	-430,903	-135,341
Depreciation expense	681,087	726,426
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	12,479	325
Interest expense	14,647	15,045
Interest income	-7,560	-8,420
Dividend income	-4,731	-3,587
Loss (gain) on disposal of property, plan and equipment	47	0
Reversal of impairment loss on non-financial assets	2,832	-6,738
Unrealized foreign exchange loss (gain)	4,214	3,745
Other adjustments to reconcile profit (loss)	3,351	4,509
Total adjustments to reconcile profit (loss)	706,366	731,305
Decrease (increase) in contract assets	1,924	48,021
Decrease (increase) in notes receivable	5,272	-12,065
Decrease (increase) in accounts receivable	-104,543	78,644
Decrease (increase) in other receivable	139,492	-16,211
Decrease (increase) in inventories	26,657	-12,746
Decrease (increase) in other current assets	6,279	5,223
Total changes in operating assets	75,081	90,866
Increase (decrease) in accounts payable	47,512	-11,599
Increase (decrease) in other payable	-16,542	-98,556
Increase (decrease) in provisions	-3,199	1,874
Increase (decrease) in other current liabilities	92,542	-4,094
Increase (decrease) in net defined benefit liability	-29,507	-14,889
Total changes in operating liabilities	90,806	-127,264
Total changes in operating assets and liabilities	165,887	-36,398
Total adjustments	872,253	694,907
Cash inflow (outflow) generated from operations	441,350	559,566
Interest received	7,999	8,914
Interest paid	-13,608	-14,979
Income taxes refund (paid)	-15,217	-30,796
Net cash flows from (used in) operating activities	420,524	522,705
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	0	-8,684
Proceeds from disposal of financial assets at fair value through other comprehensive income	11,751	0
Acquisition of property, plant and equipment	-399,666	-494,423
Proceeds from disposal of property, plant and equipment	10	0
Decrease in refundable deposits	1,100	0
Increase in other non-current assets	-3,112	-3,393
Increase in prepayments for business facilities	-23,402	-34,480
Dividends received	4,731	3,587
Net cash flows from (used in) investing activities	-408,588	-537,393
Cash flows from (used in) financing activities		
Increase in short-term loans	840,911	1,449,929
Decrease in short-term loans	-698,658	-1,283,431
Proceeds from long-term debt	298,000	120,000
Repayments of long-term debt	-301,451	-432,945
Increase in guarantee deposits received	4	0
Payments of lease liabilities	-6,242	0
Cash dividends paid	-74,869	-187,222
Other financing activities	92	136
Net cash flows from (used in) financing activities	57,787	-333,533
Effect of exchange rate changes on cash and cash equivalents	-899	-2,012
Net increase (decrease) in cash and cash equivalents	68,824	-350,233
Cash and cash equivalents at beginning of period	1,219,444	1,790,502
Cash and cash equivalents at end of period	1,288,268	1,440,269
Cash and cash equivalents reported in the statement of financial position	1,288,268	1,440,269