

6166 Adlink Technology Inc.
2019Q3 Consolidated Financial Report

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Unit: NT\$ thousands

Balance Sheet				
Code	Accounting Title	2019/9/30	2018/12/31	2018/9/30
	Assets			
	Current assets			
1100	Cash and cash equivalents	1,870,190	1,419,132	1,243,531
1110	Current financial assets at fair value through profit or loss	100,184	236	0
1136	Current financial assets at amortised cost	1,563	1,536	1,526
1150	Notes receivable, net	106,030	101,146	56,939
1170	Accounts receivable, net	1,633,868	1,911,892	1,451,497
1180	Accounts receivable due from related parties, net	13,009	15,514	16,088
1200	Other receivables	38,338	44,582	51,043
1220	Current tax assets	410	2,533	0
130X	Current inventories	2,405,657	2,596,421	2,969,369
1410	Prepayments	99,458	104,057	132,025
1470	Other current assets	4,718	1,978	2,176
11XX	Total current assets	6,273,425	6,199,027	5,924,194
	Non-current assets			
1550	Investments accounted for using equity method	33,032	40,820	42,424
1600	Property, plant and equipment	720,685	837,172	856,270
1755	Right-of-use assets	190,087	0	0
1780	Intangible assets	764,721	844,064	882,263
1840	Deferred tax assets	228,491	240,668	224,182
1900	Other non-current assets	43,575	117,521	106,364
1920	Guarantee deposits paid	39,997	42,966	42,093
1985	Long-term Lease Prepayments	0	54,958	54,888
1990	Other non-current assets, others	3,578	19,597	9,383
15XX	Total non-current assets	1,980,591	2,080,245	2,111,503
1XXX	Total assets	8,254,016	8,279,272	8,035,697
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	911,730	617,854	483,568
2150	Notes payable	0	595	0
2170	Accounts payable	1,424,063	1,670,717	1,939,850
2180	Accounts payable to related parties	2,420	4,490	6,233
2200	Other payables	801,283	788,557	631,586
2230	Current tax liabilities	96,484	112,157	65,075
2250	Current provisions	55,956	59,756	58,915
2280	Current lease liabilities	71,880	0	0
2300	Other current liabilities	135,464	156,465	122,041
2355	Current lease obligations payable	0	1,749	0
2399	Other current liabilities, others	135,464	154,716	122,041
21XX	Total current liabilities	3,499,280	3,410,591	3,307,268
	Non-current liabilities			
2540	Non-current portion of non-current borrowings	0	200,000	200,000
2550	Non-current provisions	36,632	37,434	35,856
2570	Deferred tax liabilities	0	4,160	2,233
2580	Non-current lease liabilities	63,785	0	0

2600	Other non-current liabilities	49,882	58,601	50,482
2610	Long-term notes and accounts payable	0	8,347	0
2613	Non-current lease obligations payable	0	8,347	0
2640	Net defined benefit liability, non-current	49,882	50,254	50,482
25XX	Total non-current liabilities	150,299	300,195	288,571
2XXX	Total liabilities	3,649,579	3,710,786	3,595,839
	Equity			
	Equity attributable to owners of parent			
	Share capital			
3110	Ordinary share	2,175,205	2,175,232	2,175,232
3100	Total capital stock	2,175,205	2,175,232	2,175,232
	Capital surplus			
3200	Total capital surplus	1,509,970	1,553,448	1,553,289
	Retained earnings			
3310	Legal reserve	585,854	561,410	561,410
3320	Special reserve	135,239	154,353	154,353
3350	Unappropriated retained earnings (accumulated deficit)	325,445	249,454	132,559
3300	Total retained earnings	1,046,538	965,217	848,322
	Other equity interest			
3410	Exchange differences on translation of foreign financial statements	(137,895)	(135,239)	(144,392)
3490	Other equity, others	0	(656)	(1,301)
3400	Total other equity interest	(137,895)	(135,895)	(145,693)
31XX	Total equity attributable to owners of parent	4,593,818	4,558,002	4,431,150
36XX	Non-controlling interests	10,619	10,484	8,708
3XXX	Total equity	4,604,437	4,568,486	4,439,858
3X2X	Total liabilities and equity	8,254,016	8,279,272	8,035,697
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	0	0	0

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

Statement of Comprehensive Income					
Code	Accounting Title	2019/7/1To9/30	2018/7/1To9/30	2019/1/1To9/30	2018/1/1To9/30
	Operating revenue				
4000	Total operating revenue	2,400,181	2,506,021	7,621,234	7,448,826
	Operating costs				
5000	Total operating costs	1,422,842	1,601,669	4,531,593	4,805,025
5900	Gross profit (loss) from operations	977,339	904,352	3,089,641	2,643,801
5910	Unrealized profit (loss) from sales	4	(396)	171	(363)
5950	Gross profit (loss) from operations	977,335	904,748	3,089,470	2,644,164
	Operating expenses				
6100	Selling expenses	260,284	266,059	802,103	786,245
6200	Administrative expenses	230,297	185,024	742,947	578,167
6300	Research and development expenses	354,767	368,801	1,085,036	1,120,239
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	1,308	3,290	1,017	2,924
6000	Total operating expenses	846,656	823,174	2,631,103	2,487,575
6900	Net operating income (loss)	130,679	81,574	458,367	156,589
	Non-operating income and expenses				
	Other income				
7010	Total other income	52,981	24,786	78,998	42,837
	Other gains and losses				
7020	Other gains and losses, net	(49,560)	(23,869)	(76,711)	(25,327)
	Finance costs				

7050	Finance costs, net	8,459	3,601	23,760	12,335
	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	(10,123)	(3,126)	(16,322)	(9,493)
7000	Total non-operating income and expenses	(15,161)	(5,810)	(37,795)	(4,318)
7900	Profit (loss) from continuing operations before tax	115,518	75,764	420,572	152,271
	Tax expense (income)				
7950	Total tax expense (income)	18,042	18,034	100,200	25,940
8000	Profit (loss) from continuing operations	97,476	57,730	320,372	126,331
8200	Profit (loss)	97,476	57,730	320,372	126,331
	Other comprehensive income				
	Components of other comprehensive income that will not be reclassified to profit or loss				
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	0	0	0	(822)
8310	Components of other comprehensive income that will not be reclassified to profit or loss	0	0	0	822
	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	(27,979)	(29,352)	(2,960)	5,676
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(5,589)	(5,832)	(663)	(4,487)
8360	Components of other comprehensive income that will be reclassified to profit or loss	(22,390)	(23,520)	(2,297)	10,163
8300	Other comprehensive income, net	(22,390)	(23,520)	(2,297)	10,985
8500	Total comprehensive income	75,086	34,210	318,075	137,316
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	97,585	57,704	320,596	127,621
8620	Profit (loss), attributable to non-controlling interests	(109)	26	(224)	(1,290)
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	75,225	34,378	317,940	138,404
8720	Comprehensive income, attributable to non-controlling interests	(139)	(168)	135	(1,088)
	Basic earnings per share				
9750	Total basic earnings per share	0.45	0.27	1.47	0.59
	Diluted earnings per share				
9850	Total diluted earnings per share	0.44	0.26	1.46	0.58

Unit: NT\$ thousands

Statements of Cash Flows			
Code	Accounting Title	2019/1/1To9/30	2018/1/1To9/30
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	420,572	152,271
A10000	Profit (loss) before tax	420,572	152,271
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	186,541	133,854
A20200	Amortization expense	71,802	75,711
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	1,017	2,924
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	52	372
A20900	Interest expense	23,760	12,335
A21200	Interest income	(4,146)	(2,913)
A21300	Dividend income	(465)	(469)
A21900	Share-based payments	656	2,847
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	16,322	9,493
A22500	Loss (gain) on disposal of property, plan and equipment	(106)	(45)

A23700	Impairment loss on non-financial assets	21,335	53,141
A23900	Unrealized profit (loss) from sales	171	(363)
A24100	Unrealized foreign exchange loss (gain)	(8,471)	(4,518)
A29900	Other adjustments to reconcile profit (loss)	0	1,233
A20010	Total adjustments to reconcile profit (loss)	308,468	283,602
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31130	Decrease (increase) in notes receivable	(4,884)	34,176
A31150	Decrease (increase) in accounts receivable	265,375	235,906
A31160	Decrease (increase) in accounts receivable due from related parties	2,505	(2,285)
A31180	Decrease (increase) in other receivable	6,244	(9,159)
A31200	Decrease (increase) in inventories	238,296	(732,936)
A31230	Decrease (increase) in prepayments	12,250	(23,846)
A31240	Decrease (increase) in other current assets	(2,740)	7,865
A31000	Total changes in operating assets	517,046	(490,279)
	Changes in operating liabilities		
A32130	Increase (decrease) in notes payable	(595)	(2,227)
A32150	Increase (decrease) in accounts payable	(247,986)	491,069
A32160	Increase (decrease) in accounts payable to related parties	(2,070)	1,338
A32180	Increase (decrease) in other payable	6,183	(173,386)
A32200	Increase (decrease) in provisions	(4,602)	718
A32230	Increase (decrease) in other current liabilities	(19,252)	(9,304)
A32240	Increase (decrease) in net defined benefit liability	(372)	(529)
A32000	Total changes in operating liabilities	(268,694)	307,679
A30000	Total changes in operating assets and liabilities	248,352	(182,600)
A20000	Total adjustments	556,820	101,002
A33000	Cash inflow (outflow) generated from operations	977,392	253,273
A33100	Interest received	4,146	2,913
A33300	Interest paid	(22,274)	(13,451)
A33500	Income taxes refund (paid)	(105,070)	(130,642)
AAAA	Net cash flows from (used in) operating activities	854,194	112,093
	Cash flows from (used in) investing activities		
B00040	Acquisition of financial assets at amortised cost	(1,564)	0
B00050	Proceeds from disposal of financial assets at amortised cost	1,553	0
B00100	Acquisition of financial assets at fair value through profit or loss	(100,000)	0
B02700	Acquisition of property, plant and equipment	(23,098)	(65,783)
B02800	Proceeds from disposal of property, plant and equipment	226	190
B03800	Decrease in refundable deposits	2,969	(1,740)
B04500	Acquisition of intangible assets	(59,453)	(52,355)
B07100	Increase in prepayments for business facilities	(2,299)	(221)
B07600	Dividends received	465	469
BBBB	Net cash flows from (used in) investing activities	(181,201)	(119,440)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	915,273	616,420
C00200	Decrease in short-term loans	(596,926)	(659,459)
C01600	Proceeds from long-term debt	100,000	200,000
C01700	Repayments of long-term debt	(300,000)	0
C04020	Payments of lease liabilities	(63,237)	0
C04500	Cash dividends paid	(282,780)	(326,284)
CCCC	Net cash flows from (used in) financing activities	(227,670)	(169,323)
DDDD	Effect of exchange rate changes on cash and cash equivalents	5,735	17,627

EEEE	Net increase (decrease) in cash and cash equivalents	451,058	(159,043)
E00100	Cash and cash equivalents at beginning of period	1,419,132	1,402,574
E00200	Cash and cash equivalents at end of period	1,870,190	1,243,531
E00210	Cash and cash equivalents reported in the statement of financial position	1,870,190	1,243,531

Financial Statement — Statements of Changes in Stockholders' Equity

Provided by: ADLINK TECHNOLOGY INC.
 Financial year: Yearly
 Unit: NTS thousand

2019/09/30 Statement of Stockholders' Equity

Unit: NTS thousand

	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	Others	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	2,175,232	2,175,232	1,553,448	561,410	154,353	249,454	965,217	-135,238	658	-135,895	4,558,002	10,484	4,568,486
Legal reserve appropriated				24,444		-24,444	0				0		0
Special reserve appropriated					-19,114	19,114	0				0		0
Cash dividends of ordinary share						-239,275	-239,275				-239,275		-239,275
Cash dividends from capital surplus			-43,505								-43,505		-43,505
Profit (loss)						320,596	320,596				320,596	-224	320,372
Other comprehensive income								-2,656		-2,656	-2,656	359	-2,297
Total comprehensive income						320,596	320,596	-2,656		-2,656	317,940	135	318,075
Share-based payments	27	-27	27					656		656	656		656
Increase (decrease) in equity	-27	-27	-43,478	34,444	-19,114	75,991	81,321	-2,656	656	-2,000	35,816	135	35,951
Equity at end of period	2,175,205	2,175,205	1,509,970	585,854	135,239	325,445	1,046,538	-137,894	0	-137,895	4,593,818	10,619	4,604,437

2018/09/30 Statement of Stockholders' Equity

Unit: NTS thousand

	Ordinary share	Advance receipts for share capital	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	Others	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	2,174,827	405	2,175,232	1,575,041	522,524	74,738	427,151	1,024,411	-154,353	-4,148	-158,501	4,616,183	9,796	4,625,979
Legal reserve appropriated					38,886		-38,886	0				0		0
Special reserve appropriated						79,617	-79,617	0				0		0
Cash dividends of ordinary share							-304,532	-304,532				-304,532		-304,532
Cash dividends from capital surplus				-21,752								-21,752		-21,752
Profit (loss)							127,621	127,621				127,621	-1,290	126,331
Other comprehensive income							622	622		9,961	9,961	10,783	202	10,985
Total comprehensive income							128,443	128,443		9,961	9,961	138,404	-1,088	137,316
Share-based payments	405	-405	0							2,847	2,847	2,847		2,847
Increase (decrease) in equity	405	-405	0	-21,752	38,886	79,617	-294,592	-176,089		9,961	2,847	-165,033	-1,088	-186,121
Equity at end of period	2,175,232	0	2,175,232	1,553,289	561,410	154,353	132,559	848,322	-144,362	-1,301	-145,693	4,431,150	8,708	4,439,858