

PAN JIT INTERNATIONAL INC.

2017 3rd IFRS Consolidated Financial Statements

Unit: NT\$ thousand

Accounting Title	2017/9/30	2016/12/31	2016/9/30
Balance Sheet			
Assets			
Current assets			
Cash and cash equivalents			
Total cash and cash equivalents	909,239	875,026	950,096
Current financial assets at fair value through profit or loss			
Total current financial assets at fair value through profit or loss	1,662	2,552	10,367
Current bond investment without active market			
Total Current investments in debt instrument without active market	91,020	46,170	23,700
Notes receivable, net			
Notes receivable, net	789,497	390,399	647,424
Accounts receivable, net			
Accounts receivable, net	3,580,460	4,006,013	3,668,167
Accounts receivable due from related parties, net			
Accounts receivable due from related parties, net	65,795	0	0
Other receivables			
Other receivables, net	91,373	44,663	74,201
Other receivables due from related parties			
Other receivables due from related parties, net	129,308	131,922	815
Inventories			
Total inventories	2,042,096	1,863,313	2,093,384
Prepayments			
Total prepayments	473,909	477,248	483,506
Other current assets			
Total other current assets	89,363	101,946	139,742
Total current assets	8,263,722	7,939,252	8,091,402
Non-current assets			
Non-current available-for-sale financial assets			
Non-current available-for-sale financial assets, net	1,773,150	1,452,005	1,576,297
Non-current financial assets at cost			
Non-current financial assets at cost, net	522,769	529,613	540,028
Investments accounted for using equity method			
Investments accounted for using equity method, net	461,710	155,375	91,329
Property, plant and equipment			
Total property, plant and equipment	7,117,220	7,443,406	7,703,209
Intangible assets			
Total intangible assets	685,762	640,353	607,743
Deferred tax assets	718,765	771,789	775,630
Other non-current assets			
Prepayments for business facilities	344,867	97,417	119,192
Guarantee deposits paid	392,920	410,293	423,006
Non-current prepayments for investments	30,000	0	0
Long-term prepaid rents	537,687	556,278	568,108
Other non-current assets, others			
Total other non-current assets, others	2,653	1,412	1,580
Total other non-current assets	1,308,127	1,065,400	1,111,886
Total non-current assets	12,587,503	12,057,941	12,406,122
Total assets	20,851,225	19,997,193	20,497,524
Liabilities and equity			
Liabilities			
Current liabilities			
Short-term borrowings			
Total short-term borrowings	1,587,885	839,754	1,104,490

Unit: NT\$ thousand

Accounting Title	2017/9/30	2016/12/31	2016/9/30
Balance Sheet			
Short-term notes and bills payable			
Total short-term notes and bills payable	245,000	0	0
Current financial liabilities at fair value through profit or loss			
Total current financial liabilities at fair value through profit or loss	200	4,465	0
Notes payable			
Total notes payable	497,932	304,606	263,921
Accounts payable			
Total accounts payable	1,467,896	1,464,356	1,349,790
Accounts payable to related parties			
Total accounts payable to related parties	1,273	0	0
Other payables			
Total other payables	1,149,094	1,342,035	1,317,182
Current tax liabilities	80,952	89,222	104,913
Other current liabilities			
Long-term liabilities, current portion			
Long-term borrowings, current portion	99,000	32,140	106,769
Total long-term liabilities, current portion	99,000	32,140	106,769
Current lease obligations payable	12,964	194,602	358,006
Other current liabilities, others	169,503	207,269	138,907
Total other current liabilities	281,467	434,011	603,682
Total current liabilities	5,311,699	4,478,449	4,743,978
Non-current liabilities			
Long-term borrowings			
Total long-term borrowings	6,055,139	6,187,454	6,454,553
Deferred tax liabilities			
Total deferred tax liabilities	114,250	99,472	102,746
Other non-current liabilities			
Long-term notes and accounts payable			
Non-current lease obligations payable	199,131	225,836	208,120
Total long-term notes and accounts payable	199,131	225,836	208,120
Long-term deferred revenue	338,707	352,488	497,499
Net defined benefit liability, non-current	151,488	149,655	160,540
Other non-current liabilities, others	279,882	296,687	148,671
Total other non-current liabilities	969,208	1,024,666	1,014,830
Total non-current liabilities	7,138,597	7,311,592	7,572,129
Total liabilities	12,450,296	11,790,041	12,316,107
Equity			
Equity attributable to owners of parent			
Share capital			
Ordinary share	3,697,944	3,697,944	3,641,485
Certificate of entitlement to new shares from convertible bond	0	0	56,459
Total capital stock	3,697,944	3,697,944	3,697,944
Capital surplus			
Total capital surplus	2,202,168	2,348,607	2,348,607
Retained earnings			
Legal reserve	384,001	342,511	342,511
Special reserve	264,359	209,894	209,894
Unappropriated retained earnings (accumulated deficit)			
Total unappropriated retained earnings (accumulated deficit)	680,673	414,896	279,583
Total retained earnings	1,329,033	967,301	831,988
Other equity interest			
Total other equity interest	(205,876)	(264,359)	(124,941)
Treasury shares	0	0	0
Total equity attributable to owners of parent	7,023,269	6,749,493	6,753,598
Non-controlling interests	1,377,660	1,457,659	1,427,819
Total equity	8,400,929	8,207,152	8,181,417

Unit: NT\$ thousand

Accounting Title	2017/9/30	2016/12/31	2016/9/30
Balance Sheet			
Total liabilities and equity	20,851,225	19,997,193	20,497,524
Equivalent issue shares of advance receipts for ordinary share	0	0	5,645,845
Number of shares in entity held by entity and by its subsidiaries	0	0	0

PAN JIT INTERNATIONAL INC.
2017 3rd IFRS Consolidated Financial Statements

Unit: NT\$ thousand

Accounting Title	2017/3rd	2016/3rd	2017/01/01 To 2017/09/30	2016/01/01 To 2016/09/30
Statement of comprehensive income				
Operating revenue				
Total operating revenue	3,069,835	3,082,079	8,807,274	9,633,568
Operating costs				
Total operating costs	2,324,951	2,452,921	6,811,629	7,653,657
Gross profit (loss) from operations	744,884	629,158	1,995,645	1,979,911
Gross profit (loss) from operations	744,884	629,158	1,995,645	1,979,911
Operating expenses				
Selling expenses				
Total selling expenses	148,978	143,120	443,862	473,561
Administrative expenses				
Total administrative expenses	192,725	170,778	563,250	574,522
Research and development expenses				
Total research and development expenses	95,064	105,100	275,694	319,802
Total operating expenses	436,767	418,998	1,282,806	1,367,885
Net operating income (loss)	308,117	210,160	712,839	612,026
Non-operating income and expenses				
Other income				
Total other income	153,732	101,549	466,889	371,488
Other gains and losses				
Other gains and losses, net	13,029	(20,903)	(41,067)	(53,313)
Finance costs				
Finance costs, net	34,881	51,652	108,416	167,392
Share of profit (loss) of associates and joint ventures accounted for using equity method				
Share of profit (loss) of associates and joint ventures accounted for using equity method, net	(10,485)	(3,764)	(20,808)	(7,760)
Total non-operating income and expenses	121,395	25,230	296,598	143,023
Profit (loss) from continuing operations before tax	429,512	235,390	1,009,437	755,049
Tax expense (income)				
Total tax expense (income)	78,794	48,205	184,300	180,941
Profit (loss) from continuing operations	350,718	187,185	825,137	574,108
Profit (loss)	350,718	187,185	825,137	574,108
Other comprehensive income				
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translation	85,022	(199,384)	(114,112)	(376,044)
Unrealised gains (losses) on valuation of available-for-sale financial assets	44,828	(352,967)	17,956	241,682
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(8,828)	(32,870)	(34,134)	(64,020)
Components of other comprehensive income that will be reclassified to profit or loss	138,678	(519,481)	(62,022)	(70,342)
Other comprehensive income, net	138,678	(519,481)	(62,022)	(70,342)
Total comprehensive income	489,396	(332,296)	763,115	503,766
Profit (loss), attributable to:				
Profit (loss), attributable to owners of parent	273,268	143,797	603,284	457,192
Profit (loss), attributable to non-controlling interests	77,450	43,388	221,853	116,916
Comprehensive income attributable to:				
Comprehensive income, attributable to owners of parent	415,559	(155,683)	659,487	249,895
Comprehensive income, attributable to non-controlling interests	73,837	(176,613)	103,628	253,871
Basic earnings per share				
Total basic earnings per share	0.74	0.40	1.63	1.26
Diluted earnings per share				
Total diluted earnings per share	0.73	0.39	1.62	1.24

PAN JIT INTERNATIONAL INC.
2017 3rd IFRS Consolidated Financial Statements

Unit: NT\$ thousand

Accounting Title	2017/01/01 To 2017/09/30	2016/01/01 To 2016/09/30
Statement of cash flows		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	1,009,437	755,049
Profit (loss) before tax	1,009,437	755,049
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	703,146	862,016
Amortization expense	38,047	45,388
Provision (reversal of provision) for bad debt expense	(28,180)	12,872
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(3,479)	(3,944)
Interest expense	108,416	167,392
Interest income	(6,198)	(7,450)
Dividend income	(16,332)	(8,458)
Share of loss (profit) of associates and joint ventures accounted for using equity method	20,808	7,760
Loss (gain) on disposal of property, plan and equipment	21,193	7,852
Loss (gain) on disposal of investments	(6,557)	80
Impairment loss on financial assets	13,500	9,752
Impairment loss on non-financial assets	2,210	0
Reversal of impairment loss on non-financial assets	(18,589)	(12,850)
Other adjustments to reconcile profit (loss)	(323,209)	(311,879)
Total adjustments to reconcile profit (loss)	504,776	768,531
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in financial assets held for trading	2,310	(21,566)
Decrease (increase) in notes receivable	(400,662)	(150,131)
Decrease (increase) in accounts receivable	(73,549)	384,606
Decrease (increase) in accounts receivable due from related parties	(78,438)	0
Decrease (increase) in other receivable	(41,116)	124,924
Decrease (increase) in other receivable due from related parties	2,614	0
Decrease (increase) in inventories	(333,761)	104,236
Decrease (increase) in prepayments	(35,547)	(59,939)
Decrease (increase) in other current assets	10,973	3,249
Total changes in operating assets	(947,176)	385,379
Changes in operating liabilities		
Increase (decrease) in financial liabilities held for trading	(4,465)	(6,085)
Increase (decrease) in notes payable	193,326	59,853
Increase (decrease) in accounts payable	387,276	122,865
Increase (decrease) in accounts payable to related parties	1,273	0
Increase (decrease) in other payable	195,297	(98,215)
Increase (decrease) in other current liabilities	(37,675)	(293)
Increase (decrease) in net defined benefit liability	1,833	(5,281)
Increase (decrease) in other operating liabilities	0	(6,297)
Total changes in operating liabilities	736,865	66,547
Total changes in operating assets and liabilities	(210,311)	451,926
Total adjustments	294,465	1,220,457
Cash inflow (outflow) generated from operations	1,303,902	1,975,506
Interest received	6,198	7,450
Income taxes refund (paid)	(155,402)	(229,468)
Net cash flows from (used in) operating activities	1,154,698	1,753,488
Cash flows from (used in) investing activities		
Acquisition of investments in debt instrument without active market	(44,850)	0
Proceeds from disposal of investments in debt instrument without active market	0	9,505
Acquisition of financial assets at cost	(29,479)	(27,511)
Acquisition of investments accounted for using equity method	(45,510)	(87,395)
Increase in prepayments for investments	(30,000)	0
Acquisition of property, plant and equipment	(559,251)	(643,421)

Accounting Title	2017/01/01 To 2017/09/30	2016/01/01 To 2016/09/30
Statement of cash flows		
Proceeds from disposal of property, plant and equipment	5,960	63,838
Decrease in refundable deposits	11,598	124,743
Acquisition of intangible assets	(58,615)	(14,393)
Proceeds from disposal of intangible assets	56	197
Increase in other non-current assets	(1,241)	0
Decrease in other non-current assets	0	80,600
Increase in prepayments for business facilities	(692,573)	(234,872)
Dividends received	16,332	8,458
Net cash flows from (used in) investing activities	(1,427,573)	(720,251)
Cash flows from (used in) financing activities		
Increase in short-term loans	748,131	0
Decrease in short-term loans	0	(18,591)
Increase in short-term notes and bills payable	245,000	0
Proceeds from long-term debt	26,567	540,945
Decrease in lease payable	(179,886)	(720,692)
Increase in other non-current liabilities	6,950	0
Cash dividends paid	(235,831)	(341,193)
Payments to acquire treasury shares	0	(46,454)
Interest paid	(110,111)	(172,231)
Change in non-controlling interests	166,545	0
Other financing activities	(164,628)	0
Net cash flows from (used in) financing activities	502,737	(758,216)
Effect of exchange rate changes on cash and cash equivalents	(195,649)	(281,598)
Net increase (decrease) in cash and cash equivalents	34,213	(6,577)
Cash and cash equivalents at beginning of period	875,026	956,673
Cash and cash equivalents at end of period	909,239	950,096
Cash and cash equivalents reported in the statement of financial position	909,239	950,096

PAN JIT INTERNATIONAL INC.
2017/09/30 Statement of Stockholders' Equity

Unit: NT\$ thousand

	Ordinary share	Certificate of entitlement to new shares from convertible bond	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	Unrealized gains (losses) on available-for-sale financial assets	Others	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity	3,697,944	0	3,697,944	2,348,607	342,511	209,894	414,896	967,301	(388,534)	132,056	(7,881)	(264,359)	0	6,749,493	1,457,659	8,207,152
Legal reserve appropriated					41,490		(41,490)	0						0		0
Special reserve appropriated						54,465	(54,465)	0						0		0
Cash dividends of ordinary share							(221,877)	(221,877)						(221,877)		(221,877)
Cash dividends from capital surplus				(147,918)										(147,918)		(147,918)
Profit (loss)							603,284	603,284						603,284	221,853	825,137
Other comprehensive income									(57,312)	113,515	0	56,203		56,203	(118,225)	(62,022)
Total comprehensive income							603,284	603,284	(57,312)	113,515	0	56,203		659,487	103,628	763,115
Changes in ownership interests in subsidiaries							(19,675)	(19,675)						(19,675)	(212,350)	(232,025)
Changes in non-controlling interests														0	23,804	23,804
Others				1,479							2,280	2,280	0	3,759	4,919	8,678
Total increase (decrease) in equity	0	0	0	(146,439)	41,490	54,465	265,777	361,732	(57,312)	113,515	2,280	58,483	0	273,776	(79,999)	193,777
Equity	3,697,944	0	3,697,944	2,202,168	384,001	264,359	680,673	1,329,033	(445,846)	245,571	(5,601)	(205,876)	0	7,023,269	1,377,660	8,400,929

PAN JIT INTERNATIONAL INC.
2016/09/30 Statement of Stockholders' Equity

Unit: NT\$ thousand

	Ordinary share	Certificate of entitlement to new shares from convertible bond	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	Unrealized gains (losses) on available-for-sale financial assets	Others	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity	3,889,913	14,569	3,904,482	2,443,008	302,317	209,894	401,943	914,154	(3,844)	95,922	0	92,078	(463,609)	6,890,113	957,389	7,847,502
Legal reserve appropriated					40,194		(40,194)	0						0		0
Cash dividends of ordinary share							(326,286)	(326,286)						(326,286)		(326,286)
Profit (loss)							457,192	457,192						457,192	116,916	574,108
Other comprehensive income									(308,877)	101,580	0	(207,297)		(207,297)	136,955	(70,342)
Total comprehensive income							457,192	457,192	(308,877)	101,580	0	(207,297)		249,895	253,871	503,766
Conversion of convertible bonds	131,572	41,890	173,462	31,064										204,526		204,526
Purchase of treasury share													(46,454)	(46,454)		(46,454)
Retirement of treasury share	(380,000)		(380,000)	(130,063)									510,063	0		0
Changes in ownership interests in subsidiaries				(124)			(213,063)	(213,063)						(213,187)	213,187	0
Changes in non-controlling interests														0	10,093	10,093
Others				4,722			(9)	(9)			(9,722)	(9,722)	0	(5,009)	(6,721)	(11,730)
Total increase (decrease) in equity	(248,428)	41,890	(206,538)	(94,401)	40,194	0	(122,360)	(82,166)	(308,877)	101,580	(9,722)	(217,019)	463,609	(136,515)	470,430	333,915
Equity	3,641,485	56,459	3,697,944	2,348,607	342,511	209,894	279,583	831,988	(312,721)	197,502	(9,722)	(124,941)	0	6,753,598	1,427,819	8,181,417