

KMC (KUEI MENG) INTERNATIONAL INC.

Unit: NT\$ thousand

Accounting Title	2016/3/31	2015/12/31	2015/3/31
Balance Sheet			
Assets			
Current assets			
Cash and cash equivalents			
Total cash and cash equivalents	1,762,294	1,560,255	791,702
Notes receivable, net			
Notes receivable, net	23,216	25,262	30,411
Accounts receivable, net			
Accounts receivable, net	502,531	481,971	373,340
Accounts receivable due from related parties, net			
Accounts receivable due from related parties, net	76,634	71,485	48,561
Current tax assets			
Total current tax assets	3,560	3,341	7,774
Inventories			
Total inventories	503,384	548,608	470,624
Other current assets			
Other current financial assets	281,729	298,578	294,559
Other current assets, others	90,553	90,865	49,895
Total other current assets	372,282	389,443	344,454
Total current assets	3,243,901	3,080,365	2,066,866
Non-current assets			
Investments accounted for using equity method			
Investments accounted for using equity method, net	12,021	0	0
Property, plant and equipment			
Total property, plant and equipment	2,447,986	2,476,065	799,073
Investment property, net			
Investment property, net	0	0	38,739
Intangible assets			
Goodwill	312,669	312,824	206,080
Other intangible assets, net			
Other intangible assets, net	101,268	114,809	157,505
Total intangible assets	413,937	427,633	363,585
Deferred tax assets	96,158	93,016	78,711
Other non-current assets			
Other non-current financial assets			
Total other non-current financial assets	9,807	11,863	6,481
Long-term prepaid rents	1,006,605	862,855	265,838
Other non-current assets, others			
Total other non-current assets, others	29,263	17,029	3,578
Total other non-current assets	1,045,675	891,747	275,897
Total non-current assets	4,015,777	3,888,461	1,556,005
Total assets	7,259,678	6,968,826	3,622,871
Liabilities and equity			
Liabilities			
Current liabilities			
Short-term borrowings			
Total short-term borrowings	535,262	498,865	103,795
Notes payable			
Total notes payable	33,627	33,395	38,827
Accounts payable			
Total accounts payable	122,442	131,327	89,514
Accounts payable to related parties			
Total accounts payable to related parties	49,501	44,633	75,991
Other payables			
Total other payables	143,365	141,536	112,083
Other payables to related parties	22	599,542	0
Current tax liabilities	96,944	96,685	73,147
Other current liabilities			
Other current liabilities, others	9,719	12,749	8,569
Total other current liabilities	9,719	12,749	8,569
Total current liabilities	990,882	1,558,732	501,926
Non-current liabilities			
Long-term borrowings			
Total long-term borrowings	1,444,360	750,000	500,000
Deferred tax liabilities			

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Balance Sheet			
Total deferred tax liabilities	611,537	609,376	202,281
Other non-current liabilities			
Net defined benefit liability, non-current	44,194	44,041	24,660
Total other non-current liabilities	44,194	44,041	24,660
Total non-current liabilities	2,100,091	1,403,417	726,941
Total liabilities	3,090,973	2,962,149	1,228,867
Equity			
Equity attributable to owners of parent			
Share capital			
Ordinary share	1,200,000	1,200,000	1,092,102
Total capital stock	1,200,000	1,200,000	1,092,102
Capital surplus			
Total capital surplus	1,541,021	1,541,021	352,800
Retained earnings			
Legal reserve	94,528	94,528	48,324
Unappropriated retained earnings (accumulated deficit)			
Total unappropriated retained earnings (accumulated deficit)	1,385,075	1,195,993	882,820
Total retained earnings	1,479,603	1,290,521	931,144
Other equity interest			
Total other equity interest	-52,094	-25,041	17,761
Total equity attributable to owners of parent	4,168,530	4,006,501	2,393,807
Non-controlling interests	175	176	197
Total equity	4,168,705	4,006,677	2,394,004
Total liabilities and equity	7,259,678	6,968,826	3,622,871
Equivalent issue shares of advance receipts for ordinary share	0	0	0
Number of shares in entity held by entity and by its subsidiaries	0	0	0

KMC (KUEI MENG) INTERNATIONAL INC.

Accounting Title	2016/01/01To2016/03/31	2015/01/01To2015/03/31
Statement of comprehensive income		
Operating revenue		
Net sales revenue		
Net sales revenue	954,003	817,956
Total operating revenue	954,003	817,956
Operating costs		
Cost of sales		
Total cost of sales	551,749	489,600
Total operating costs	551,749	489,600
Gross profit (loss) from operations	402,254	328,356
Gross profit (loss) from operations	402,254	328,356
Operating expenses		
Selling expenses		
Total selling expenses	77,595	66,984
Administrative expenses		
Total administrative expenses	82,714	41,529
Research and development expenses		
Total research and development expenses	4,944	3,176
Total operating expenses	165,253	111,689
Net other income (expenses)		
Other income	44	1,417
Net other income (expenses)	44	1,417
Net operating income (loss)	237,045	218,084
Non-operating income and expenses		
Other income		
Total other income	6,682	3,722
Other gains and losses		
Other gains and losses, net	(6,912)	(11,560)
Finance costs		
Interest expense	8,866	2,047
Finance costs, net	8,866	2,047
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	(229)	0
Total non-operating income and expenses	(9,325)	(9,885)
Profit (loss) from continuing operations before tax	227,720	208,199
Tax expense (income)		
Total tax expense (income)	38,639	35,336
Profit (loss) from continuing operations	189,081	172,863
Profit (loss)	189,081	172,863
Other comprehensive income		
Components of other comprehensive income that will be reclassified to profit or loss		
Exchange differences on translation	(28,761)	(52,464)
Income tax related to components of other comprehensive income that will be reclassified to pro	(1,708)	(8,918)
Components of other comprehensive income that will be reclassified to profit or loss	(27,053)	(43,546)
Other comprehensive income, net	(27,053)	(43,546)
Total comprehensive income	162,028	129,317
Profit (loss), attributable to:		
Profit (loss), attributable to owners of parent	189,082	172,862
Profit (loss), attributable to non-controlling interests	(1)	1
Comprehensive income attributable to:		
Comprehensive income, attributable to owners of parent	162,029	129,328
Comprehensive income, attributable to non-controlling interests	(1)	(11)
Basic earnings per share		
Basic earnings (loss) per share from continuing operations	1.58	1.58
Total basic earnings per share	1.58	1.58
Diluted earnings per share		
Diluted earnings (loss) per share from continuing operations	1.57	1.58
Total diluted earnings per share	1.57	1.58

KMC (KUEI MENG) INTERNATIONAL INC.

Accounting Title	2016/01/01To2016/03/31	2015/01/01To2015/03/31
Statement of cash flows		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	227,720	208,199
Profit (loss) before tax	227,720	208,199
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	33,909	20,398
Amortization expense	20,238	15,772
Provision (reversal of provision) for bad debt expense	1,278	(2,583)
Interest expense	8,866	2,047
Interest income	(3,965)	(2,239)
Share of loss (profit) of associates and joint ventures accounted for using equity method	229	0
Loss (gain) on disposal of property, plan and equipment	(44)	(1,417)
Impairment loss on non-financial assets	4,048	2,410
Unrealized foreign exchange loss (gain)	27,441	3,058
Other adjustments to reconcile profit (loss)	0	1
Total adjustments to reconcile profit (loss)	92,000	37,447
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	2,046	4,480
Decrease (increase) in accounts receivable	(35,289)	(5,370)
Decrease (increase) in accounts receivable due from related parties	(5,149)	(7,150)
Decrease (increase) in inventories	42,462	53,021
Decrease (increase) in other current assets	547	(11,983)
Total changes in operating assets	4,617	32,998
Changes in operating liabilities		
Increase (decrease) in notes payable	232	4,674
Increase (decrease) in accounts payable	(16,774)	(23,940)
Increase (decrease) in accounts payable to related parties	4,868	(23,995)
Increase (decrease) in other payable	(1,482)	(144)
Increase (decrease) in other payable to related parties	(22)	0
Increase (decrease) in other current liabilities	(3,030)	903
Increase (decrease) in net defined benefit liability	153	90
Total changes in operating liabilities	(16,055)	(42,412)
Total changes in operating assets and liabilities	(11,438)	(9,414)
Total adjustments	80,562	28,033
Cash inflow (outflow) generated from operations	308,282	236,232
Income taxes refund (paid)	(36,094)	(18,901)
Net cash flows from (used in) operating activities	272,188	217,331
Cash flows from (used in) investing activities		
Acquisition of investments accounted for using equity method	(12,250)	0
Net cash flow from acquisition of subsidiaries	(599,498)	0
Acquisition of property, plant and equipment	(16,889)	(14,722)
Proceeds from disposal of property, plant and equipment	619	8,852
Acquisition of intangible assets	(596)	(518)
Increase in other financial assets	0	(58,289)
Decrease in other financial assets	18,865	0
Decrease in other non-current assets	(12,382)	(247)
Increase in other prepayments	(158,854)	0
Interest received	4,163	575
Net cash flows from (used in) investing activities	(776,822)	(64,349)
Cash flows from (used in) financing activities		
Increase in short-term loans	826,060	228,977
Decrease in short-term loans	(788,172)	(207,801)
Proceeds from long-term debt	706,360	0
Repayments of long-term debt	(12,000)	0
Interest paid	(4,702)	(2,005)
Net cash flows from (used in) financing activities	727,546	19,171
Effect of exchange rate changes on cash and cash equivalents	(20,873)	(44,650)
Net increase (decrease) in cash and cash equivalents	202,039	127,503
Cash and cash equivalents at beginning of period	1,560,255	664,199
Cash and cash equivalents at end of period	1,762,294	791,702
Cash and cash equivalents reported in the statement of financial position	1,762,294	791,702

KMC (KUEI MENG) INTERNATIONAL INC.

2016/03/31 Statement of Stockholders' Equity

Unit: NT\$ thousand

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity	1,200,000	1,200,000	1,541,021	94,528	1,195,993	1,290,521	(25,041)	(25,041)	4,006,501	176	4,006,677
Effects of retrospective application and retrospective restatement									0		0
Retrospective adjustment of equity attributable to former owner due to reorganization of entities under common control									0		0
Equity at beginning of period after adjustments	1,200,000	1,200,000	1,541,021	94,528	1,195,993	1,290,521	(25,041)	(25,041)	4,006,501	176	4,006,677
Profit (loss)					189,082	189,082			189,082	(1)	189,081
Other comprehensive income							(27,053)	(27,053)	(27,053)		(27,053)
Total comprehensive income					189,082	189,082	(27,053)	(27,053)	162,029	(1)	162,028
Others									0		0
Total increase (decrease) in equity					189,082	189,082	(27,053)	(27,053)	162,029	(1)	162,028
Equity	1,200,000	1,200,000	1,541,021	94,528	1,385,075	1,479,603	(52,094)	(52,094)	4,168,530	175	4,168,705

2015/03/31 Statement of Stockholders' Equity

Unit: NT\$ thousand

	Ordinary share	Total share capital	Capital surplus	Legal reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity	1,092,102	1,092,102	352,800	48,324	709,958	758,282	61,295	61,295	2,264,479	208	2,264,687
Effects of retrospective application and retrospective restatement									0		0
Retrospective adjustment of equity attributable to former owner due to reorganization of entities under common control									0		0
Equity at beginning of period after adjustments	1,092,102	1,092,102	352,800	48,324	709,958	758,282	61,295	61,295	2,264,479	208	2,264,687
Profit (loss)					172,862	172,862			172,862	1	172,863
Other comprehensive income							(43,534)	(43,534)	(43,534)	(12)	(43,546)
Total comprehensive income					172,862	172,862	(43,534)	(43,534)	129,328	(11)	129,317
Others									0		0
Total increase (decrease) in equity					172,862	172,862	(43,534)	(43,534)	129,328	(11)	129,317
Equity	1,092,102	1,092,102	352,800	48,324	882,820	931,144	17,761	17,761	2,393,807	197	2,394,004