

**TAH HSIN INDUSTRIAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**03/31 , 2020 and 12/31 、 3/31 , 2019**

Unit : NT\$ thousands

Assets		03/31/2020		12/31/2019		03/31/2019	
Code	Account	Amount	%	Amount	%	Amount	%
<b>11XX</b>	<b>Total current Assets</b>	<b>\$6,058,744</b>	<b>66</b>	<b>\$6,762,847</b>	<b>68</b>	<b>\$4,540,286</b>	<b>46</b>
1100	Cash and cash equivalents (Note 1 of [VI])	640,854	7	650,253	7	706,378	7
1110	Financial assets at fair value through profit or loss - current (Note 2 of [VI])	990	—	11	—	108	—
1120	Financial assets at fair value through other comprehensive income - current (Note 3 of [VI])	1,789,380	20	2,373,280	24	2,572,140	26
1150	Notes receivable, net (Note 4 of [VI])	68,150	1	75,653	1	67,157	1
1170	Accounts receivable, net (Note 5 of [VI])	201,183	2	266,439	3	238,121	2
1180	Accounts receivable - related parties, net (Note 5 of [VI])	20,021	—	19,778	—	9,665	—
1200	Other receivables	11,716	—	4,285	—	7,320	—
1210	Other receivables - related parties	119	—	4	—	226	—
1220	Current income tax assets	3,947	—	3,742	—	5,962	—
130X	Inventories (Note 6 of [VI])	628,330	7	628,815	6	694,169	7
1410	Prepayments	59,548	1	54,292	—	60,049	1
1460	Non-current assets held for sale	2,597,758	28	2,597,758	26	98,708	1
1470	Other assets - current	36,748	—	88,537	1	80,283	1
<b>15XX</b>	<b>Total non-current assets</b>	<b>3,143,154</b>	<b>34</b>	<b>3,162,466</b>	<b>32</b>	<b>5,527,139</b>	<b>54</b>
1517	Financial assets at fair value through other comprehensive income - non-current (Note 3 of [VI])	621,012	7	664,682	7	616,568	6
1550	Investments accounted for using the equity method (Note 8 of [VI])	513,668	6	537,581	5	343,753	3
1600	Property, plant and equipment (Note 9 of [VI])	1,487,926	16	1,481,666	15	1,616,125	16
1755	Rights-of-use assets (Note 10 of [VI])	85,911	1	87,287	1	93,485	1
1760	Investment properties, net (Note 11 of [VI])	271,921	3	271,930	3	2,703,415	27
1840	Deferred income tax assets	98,088	1	100,230	1	135,109	1
1920	Refundable deposits	14,155	—	14,014	—	14,293	—
1970	Other long-term investments	810	—	810	—	810	—
1980	Total other non-current financial assets (Note 1 of [VI])	44,678	—	0	0	0	0
1995	Other assets - non-current	4,985	—	4,266	—	3,581	—
<b>1XXX</b>	<b>Total assets</b>	<b>\$9,201,898</b>	<b>100</b>	<b>\$9,925,313</b>	<b>100</b>	<b>\$10,067,425</b>	<b>100</b>

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Liabilities and Equity		03/31/2020		12/31/2019		03/31/2019	
Code	Account	Amount	%	Amount	%	Amount	%
<b>21XX</b>	<b>Total current liabilities</b>	<b>\$1,238,722</b>	<b>14</b>	<b>\$1,272,212</b>	<b>12</b>	<b>\$1,337,285</b>	<b>13</b>
2100	Short-term borrowings (Note 12 of [VI])	260,400	3	304,349	3	504,450	5
2110	Short-term bills payable (Note 13 of [VI])	79,975	1	39,988	—	269,996	3
2150	Notes payable	90,904	1	117,278	1	118,490	1
2170	Accounts payable	82,030	1	43,603	—	71,550	1
2180	Accounts payable - related parties	0	0	3	—	0	0
2200	Other payables	161,310	2	205,760	2	180,138	2
2220	Other payables - related parties	1,052	—	6,207	—	5,692	—
2230	Current tax liabilities	1,695	—	805	—	1,242	—
2250	Provisions - current (Note 14 of [VI])	9,467	—	9,467	—	9,467	—
2260	Liabilities directly related to non-current assets (or disposal groups) held for sale (Note 7 of [VI])	527,820	6	527,820	6	155,828	1
2280	Lease liabilities - current (Note 10 of [VI])	2,975	—	2,927	—	3,079	—
2320	Long-term liabilities due within one year	3,901	—	3,862	—	3,894	—
2399	Other current liabilities - others	17,193	—	10,143	—	13,459	—
<b>25XX</b>	<b>Total non-current liabilities</b>	<b>215,689</b>	<b>2</b>	<b>259,874</b>	<b>3</b>	<b>815,081</b>	<b>9</b>
2540	Long-term borrowings	1,311	—	2,264	—	5,203	—
2570	Deferred income tax liabilities	181,544	2	181,544	2	711,915	7
2580	Lease liabilities - non-current (Note 10 of [VI])	15,541	—	16,338	—	18,939	—
2640	Net defined benefit liabilities - non-current (Note 16 of [VI])	7,752	—	50,245	1	68,835	2
2645	Guarantee deposits received	9,541	—	9,483	—	10,189	—
<b>2XXX</b>	<b>Total liabilities</b>	<b>1,454,411</b>	<b>16</b>	<b>1,532,086</b>	<b>15</b>	<b>2,152,366</b>	<b>22</b>
3100	Share capital (Note 17 of [VI])	1,980,000	21	1,980,000	20	1,980,000	19
3200	Capital reserve (Note 18 of [VI])	105,748	1	105,429	1	96,864	1
3300	Retained earnings (Note 19 of [VI])	4,205,559	46	4,196,822	43	3,767,465	37
3400	Other equity (Note 20 of [VI])	1,553,392	17	2,207,928	22	2,177,672	22
3500	Treasury stock (Note 21 of [VI])	(118,879)	(1)	(118,879)	(1)	(118,879)	(1)
31XX	Equity attributable to owners of the parent company	7,725,820	84	8,371,300	85	7,903,122	78
36XX	Non-controlling interest (Note 1 of [VI])	21,667	—	21,927	—	11,937	—
<b>3XXX</b>	<b>Total equity</b>	<b>7,747,487</b>	<b>84</b>	<b>8,393,227</b>	<b>85</b>	<b>7,915,059</b>	<b>78</b>
	<b>Total liabilities and equity</b>	<b>\$9,201,898</b>	<b>100</b>	<b>\$9,925,313</b>	<b>100</b>	<b>\$10,067,425</b>	<b>100</b>

(Please refer to the Notes to the Consolidated Financial Statements)

Chairman: Wu, Zi-Cong

President: Huang, Chun-Jia

Chief Accountant: Lai, Ken-Min

**TAH HSIN INDUSTRIAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**Jan - Mar , 2020 、 2019**

Unit : NT\$ thousands

Code	Items	Jan- Mar , 2020		Jan- Mar , 2019	
		Amount	%	Amount	%
4000	Operating revenue (Note 23 of [VI])	\$521,644	100	\$510,519	100
5000	Operating costs (Notes 6 and 26 of [VI])	(433,435)	(83)	(428,578)	(84)
5900	Gross profit	88,209	17	81,941	16
6000	Operation expenses (Note 26 of [VI])	(86,897)	(17)	(87,348)	(17)
6100	Marketing expenses	(29,011)	(6)	(31,950)	(6)
6200	Administrative expenses	(61,512)	(12)	(59,877)	(12)
6450	Expected credit impairment (loss) gain	3,626	1	4,479	1
6900	Operating profit (loss)	1,312	0	(5,407)	(1)
7000	Non-operating income and expenses	10,542	2	6,150	1
7010	Other income (Note 24 of [VI])	12,813	2	13,748	2
7020	Other gains and losses (Note 25 of [VI])	701	—	(3,543)	(1)
7050	Financial costs (Note 27 of [VI])	(1,100)	—	(2,385)	—
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	(1,872)	—	(1,670)	—
7900	Net income before tax	11,854	2	743	—
7950	Income tax (expenses) benefits (Note 28 of [VI])	(3,201)	—	4,049	1
8200	Net income	\$8,653	2	\$4,792	1
	Other comprehensive income, net after tax				
8310	Items that will not be reclassified subsequently to profit or loss:				
8316	Unrealized valuation gains and losses from equity investment instruments measured at fair value through other comprehensive income	(633,416)	(122)	145,795	29
8326	Unrealized valuation gains and loss from investment in equity instruments measured at fair value through other comprehensive income of associates and joint ventures	(21,932)	(4)	37,947	7
		(655,348)	(126)	183,742	36
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign financial statements	839	—	3,444	—
8399	Income tax related to the items that may be subsequently reclassified into profit or loss	(203)	—	(633)	—
		\$636	—	\$2,811	—
8300	Other comprehensive income, net after tax (Note 29 of [VI])	(\$654,712)	(126)	\$186,553	36
8500	Total comprehensive income	(\$646,059)	(124)	\$191,345	37
8600	Net profit attributable to:				
8610	Owners of the parent company (profit/loss)	\$8,737	2	\$4,666	1
8620	Non-controlling interest (profit/loss)	(\$84)	—	\$126	—
8700	Total comprehensive income attributable to:				
8710	Owners of the parent company (comprehensive profit or loss)	(\$645,799)	(124)	\$190,940	37
8720	Non-controlling interest (comprehensive profit or loss)	(\$260)	—	\$405	—
	Earnings per share (NT\$) (Note 30 of [VI])				
9750	Basic earnings per share	0.05		0.02	
9850	Diluted earnings per share	0.05		0.02	

(Please refer to the Notes to the Consolidated Financial Statements)

Chairman: Wu, Zi-Cong

President: Huang, Chun-Jia

Chief Accountant: Lai, Ken-Min

**TAH HSIN INDUSTRIAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**Jan - Mar , 2020 、 2019**

Unit : NT\$ thousands

Description	Equity attributable to owners of the parent company									Non-controlling interest	Total equity
	Share capital	Capital surplus	Retained earnings			Other equity		Treasury shares	Total equity attributable to owners of the parent company		
	Common stock		Legal reserve	Special reserve	Undistributed earnings	Conversion difference of financial statements of foreign operating institutions	Unrealized gains (losses) from available-for-sale financial assets				
Balance as of January 1, 2019	\$1,980,000	\$96,162	\$736,766	\$2,581,834	\$444,199	(\$56,561)	\$2,047,959	(\$118,879)	\$7,711,480	\$11,532	\$7,723,012
Due to donated assets received ( overdue repayment of unclaimed dividends)		\$702							\$702		\$702
Profit (loss)					\$4,666				\$4,666	\$126	\$4,792
Other comprehensive income						2,532	183,742		186,274	279	186,553
Balance as of March 31, 2019	\$1,980,000	\$96,864	\$736,766	\$2,581,834	\$448,865	(\$54,029)	\$2,231,701	(\$118,879)	\$7,903,122	\$11,937	\$7,915,059
Balance as of January 1, 2020	\$1,980,000	\$105,429	\$759,713	\$2,515,291	\$921,818	(\$70,282)	\$2,278,210	(\$118,879)	\$8,371,300	\$21,927	\$8,393,227
Other changes in capital surplus ( overdue repayment of unclaimed dividends)		\$319							\$319		\$319
Profit (loss)					8,737				8,737	(84)	8,653
Other comprehensive income						812	(655,348)		(654,536)	(176)	(654,712)
Balance as of March 31, 2020	\$1,980,000	\$105,748	\$759,713	\$2,515,291	\$930,555	(\$69,470)	\$1,622,862	(\$118,879)	\$7,725,820	\$21,667	\$7,747,487

(Please refer to the Notes to the Consolidated Financial Statements)

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**TAH HSIN INDUSTRIAL CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**Jan - Mar , 2020 、 2019**

Unit : NT\$ thousands

Description	Jan - Mar , 2020	Jan - Mar , 2019
<b>Cash flows for operating activities, indirect method</b>		
Net profit (loss) before tax	\$11,854	\$743
Adjustments:		
Income and expenses that do not affect cash flow		
Depreciation expense	13,283	13,741
Expected credit impairment losses (or gains)	(3,626)	(4,479)
Net loss (gain) of financial assets and liabilities measured at fair value through profit or loss	(972)	(897)
Interest expense	1,100	2,385
Interest revenue	(2,078)	(3,455)
Share of the loss (profit) of associates and joint ventures recognized by the equity method	1,872	1,670
Loss (gain) on disposal of property, plant and equipment	(195)	31
Gain on reversal of impairment loss on non-financial assets	0	(2,346)
Unrealized foreign exchange losses (gains)	(443)	(599)
Others	319	702
Changes in current assets and liabilities related to operating activities		
(Increase) decrease in notes receivables	7,480	55,096
(Increase) decrease in accounts receivable	69,311	131,313
(Increase) decrease in accounts receivable - related parties	(216)	6,214
(Increase) decrease in other receivables	(7,431)	2,197
(Increase) decrease in other receivables - related parties	(115)	(186)
(Increase) decrease in inventories	485	(54,655)
(Increase) decrease in prepayments	(5,256)	(32,302)
(Increase) decrease in other current assets	2,033	(370)
(Increase) decrease in other financial assets	5,078	(779)
Increase (decrease) in notes payable	(26,374)	(23,870)
Increase (decrease) in accounts payable	38,427	3,884
Increase (decrease) in accounts payable - related parties	(3)	(273)
Increase (decrease) in other payables	(39,366)	(20,093)
Increase (decrease) in other payables - related parties	(5,155)	(1,745)
Increase (decrease) in other current liabilities	7,050	3,998
Increase (decrease) in net defined benefit liabilities	(42,494)	(38,572)
Interest received	2,078	3,455
Interest paid	(1,120)	(2,318)
Income tax refund (paid)	(315)	(1,559)
Net cash flows to (from) operating activities	25,211	36,931

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<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive	(5,846)	0
Acquisition of property, plant and equipment	(20,779)	(32,730)
Disposal of property, plant and equipment	493	646
Disposal of property, plant and equipment	0	124,398
Increase in receipts in advance due to disposal of assets	(141)	(192)
Increase in refundable deposits	(719)	(677)
Increase in other non-current assets	(26,992)	91,445
Net cash flows to (from) investing activities:		
<b>Cash flows form financing activities:</b>		
Increase in short-term borrowings	(46,141)	(61,403)
Increase in short-term bills payable	40,000	0
Repayment of long-term borrowings	(968)	(980)
Increase in guarantee deposit received	84	2,220
Decrease in guarantee deposit received	0	(3,000)
Repayments of principal portion of the lease	(907)	(754)
Net cash flows to (from) financial activities	(7,932)	(63,917)
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	314	5,106
Increase (decrease) in cash and cash equivalents of the period	(9,399)	69,565
Cash and cash equivalents at the beginning of the period	650,253	636,813
Cash and cash equivalents at the end of the period	640,854	706,378
Cash and cash equivalents recorded on the consolidated balance sheets	\$640,854	\$706,378

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Chairman: Wu, Zi-Cong

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