

TAH HSIN INDUSTRIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
09/30 , 2020 and 12/31 、 09/30 , 2019

Unit : NT\$ thousands

Assets		09/30/2020		12/31/2019		09/30/2019	
Code	Account	Amount	%	Amount	%	Amount	%
11XX	Total current Assets	\$10,248,200	76	\$6,762,847	68	\$4,206,054	43
1100	Cash and cash equivalents (Note 1 of [VI])	5,256,846	39	650,253	7	706,040	7
1110	Financial assets at fair value through profit or loss - current (Note 2 of [VI])	507	—	11	—	0	—
1120	Financial assets at fair value through other comprehensive income - current (Note 3 of [VI])	2,552,815	19	2,373,280	24	2,272,220	24
1150	Notes receivable, net (Note 4 of [VI])	87,763	1	75,653	1	103,703	1
1170	Accounts receivable, net (Note 5 of [VI])	179,478	1	266,439	3	290,125	3
1180	Accounts receivable - related parties, net (Note 5 of [VI])	9,353	—	19,778	—	13,103	—
1200	Other receivables	23,585	—	4,285	—	6,891	—
1210	Other receivables - related parties	1	—	4	—	63	—
1220	Current income tax assets	4,875	—	3,742	—	3,402	—
130X	Inventories (Note 6 of [VI])	671,366	5	628,815	6	684,186	7
1410	Prepayments	55,725	—	54,292	—	40,419	—
1460	Non-current assets held for sale (Note 7 of [VI])	0	0	2,597,758	26	0	0
1476	Other current financial assets (Note 1 of [VI])	1,402,338	11	85,458	1	83,262	1
1479	Other current assets, others	3,548	—	3,079	—	2,640	—
15XX	Total non-current assets	3,299,650	24	3,162,466	32	5,472,662	57
1517	Financial assets at fair value through other comprehensive income - non-current (Note 3 of [VI])	647,817	5	664,682	7	545,795	6
1550	Investments accounted for using the equity method (Note 8 of [VI])	623,885	4	537,581	5	370,083	4
1600	Property, plant and equipment (Note 9 of [VI])	1,501,246	11	1,481,666	15	1,632,354	17
1755	Rights-of-use assets (Note 10 of [VI])	81,995	1	87,287	—	89,348	1
1760	Investment properties, net (Note 11 of [VI])	271,904	2	271,930	4	2,703,372	28
1840	Deferred income tax assets	105,786	1	100,230	1	110,606	1
1920	Refundable deposits	13,928	—	14,014	—	14,574	—
1970	Other long-term investments	810	—	810	—	810	—
1980	Total other non-current financial assets (Note 1 of [VI])	49,094	—	0	0	0	—
1995	Other assets - non-current	3,185	—	4,266	—	5,720	—
1XXX	Total assets	\$13,547,850	100	\$9,925,313	100	\$9,678,716	100

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Liabilities and Equity		09/30/2020		12/31/2019		09/30/2019	
Code	Account	Amount	%	Amount	%	Amount	%
21XX	Total current liabilities	\$1,228,415	10	\$1,272,212	12	\$787,539	8
2100	Short-term borrowings (Note 12 of [VI])	220,962	2	304,349	3	275,717	3
2110	Short-term bills payable (Note 13 of [VI])	0	0	39,988	—	39,992	0
2150	Notes payable	92,734	1	117,278	1	123,711	1
2170	Accounts payable	80,177	1	43,603	—	87,288	1
2180	Accounts payable - related parties	0	0	3	—	664	—
2200	Other payables	798,828	6	205,760	2	214,394	3
2220	Other payables - related parties	1,747	—	6,207	—	9,808	—
2230	Current tax liabilities	2,673	—	805	—	2,792	—
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])	0	0	527,820	6	0	0
2280	Lease liabilities - current (Note 10 of [VI])	3,144	—	2,927	—	3,070	—
2320	Long-term liabilities due within one year (Note 15 of [VI])	3,225	—	3,862	—	4,027	—
2399	Other current liabilities - others	15,458	—	10,143	—	16,609	—
25XX	Total non-current liabilities	208,294	1	259,874	3	809,933	8
2540	Long-term borrowings (Note 15 of [VI])	0	—	2,264	—	3,367	—
2570	Deferred income tax liabilities	181,717	1	181,544	2	711,257	7
2580	Lease liabilities - non-current (Note 10 of [VI])	14,037	—	16,338	—	17,763	—
2640	Net defined benefit liabilities - non-current (Note 16 of [VI])	5,191	—	50,245	1	67,495	1
2645	Guarantee deposits received	7,349	—	9,483	—	10,051	—
2XXX	Total liabilities	1,436,709	11	1,532,086	15	1,597,472	16
3100	Share capital (Note 17 of [VI])	1,386,000	10	1,980,000	20	1,980,000	21
3200	Capital reserve (Note 18 of [VI])	131,798	1	105,429	1	105,428	1
3300	Retained earnings (Note 19 of [VI])	8,859,379	66	4,196,822	43	4,276,919	44
3400	Other equity (Note 20 of [VI])	1,808,670	13	2,207,928	22	1,824,978	19
3500	Treasury stock (Note 21 of [VI])	(97,468)	(1)	(118,879)	(1)	(118,879)	(1)
31XX	Equity attributable to owners of the parent company	12,088,379	89	8,371,300	85	8,068,446	84
36XX	Non-controlling interest (Note 22 of [VI])	22,762	—	21,927	—	12,798	—
3XXX	Total equity	12,111,141	89	8,393,227	85	8,081,244	84
	Total liabilities and equity	\$13,547,850	100	\$9,925,313	100	\$9,678,716	100

(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 - Sep , 2020 、 2019

Unit : NT\$ thousands

Code	Items	Jul- Sep , 2020		Jul- Sep , 2019		Jan- Sep , 2020		Jan- Sep , 2019	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (Note 23 of [VI])	\$627,742	100	\$760,249	100	\$1,630,595	100	\$1,877,949	100
5000	Operating costs (Notes 6 and 27 of [VI])	(507,375)	(81)	(625,255)	(82)	(1,346,277)	(83)	(1,548,390)	(82)
5900	Gross profit	120,367	19	134,994	18	284,318	17	329,559	18
6000	Operation expenses (Note 27 of [VI])	(88,216)	(14)	(91,671)	(12)	(261,552)	(16)	(286,964)	(15)
6100	Marketing expenses	(31,295)	(5)	(33,236)	(4)	(86,906)	(5)	(96,898)	(5)
6200	Administrative expenses	(59,154)	(9)	(61,740)	(8)	(178,173)	(11)	(194,986)	(10)
6450	Expected credit impairment (loss) gain	2,233	—	3,305	—	3,527	—	4,920	—
6900	Operating profit (loss)	32,151	5	43,323	6	22,766	1	42,595	3
7000	Total non-operating income and expenses	116,208	19	250,559	33	5,864,140	360	739,268	39
7100	Total interest income(Note 24 of [VI])	7,054	1	2,727	—	12,521	1	9,202	—
7010	Other income Other income(Note 25 of [VI])	131,430	21	237,387	31	153,293	9	259,161	14
7020	Other income (Note 26 of [VI])	(19,426)	(3)	(2,041)	—	5,667,446	348	465,785	25
7050	Financial costs (Note 28 of [VI])	(795)	—	(1,691)	—	(2,871)	—	(6,381)	—
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method(Note 8 of [VI])	(2,055)	—	14,177	2	33,751	2	11,501	—
7900	Net income before tax	148,359	24	293,882	39	5,886,906	361	781,863	42
7950	Income tax (expenses) benefits (Note 29 of [VI])	2,464	—	(26,005)	(3)	(500,443)	(31)	(28,501)	(2)
8200	Net income	\$150,823	24	\$267,877	36	\$5,386,463	330	\$753,362	40
	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	(237,678)	(38)	(364,563)	(48)	(453,010)	(28)	(224,898)	(12)
8326	Unrealized valuation gains and loss from investment in equity instruments measured at fair value through other comprehensive income of associates and joint ventures	14,756	2	2,234	—	64,510	4	58,879	3
		(222,922)	(36)	(362,329)	(48)	(388,500)	(24)	(166,019)	(9)
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translation of foreign financial statements	(3,998)	—	(7,788)	(1)	(13,819)	—	(877)	—
8399	Income tax related to the items that may be subsequently reclassified into profit or loss	820	—	1,458	—	2,690	—	100	—
		(\$3,178)	—	(\$6,330)	(1)	(\$11,129)	—	(\$777)	—
8300	Other comprehensive income, net after tax (Note 30 of [VI])	(\$226,100)	(36)	(\$368,659)	(49)	(\$399,629)	(24)	(\$166,796)	(9)
8500	Total comprehensive income	(\$75,277)	(12)	(\$100,782)	(13)	\$4,986,834	306	\$586,566	31
8600	Net profit attributable to:								
8610	Owners of the parent company (profit/loss)	\$150,380	24	\$267,251	36	\$5,385,257	330	\$751,720	40
8620	Non-controlling interest (profit/loss)	\$443	—	\$626	—	\$1,206	—	\$1,642	—
8700	Total comprehensive income attributable to:								
8710	Owners of the parent company (comprehensive profit or loss)	(\$75,819)	(12)	(\$100,914)	(13)	\$4,985,999	306	\$585,300	31
8720	Non-controlling interest (comprehensive profit or loss)	\$542	—	\$132	—	\$835	—	\$1,266	—
	Earnings per share (NT\$) (Note 31 of [VI])								
9750	Basic earnings per share	0.91		1.40		29.58		3.94	
9850	Diluted earnings per share	0.91		1.40		29.49		3.94	

(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- Sep , 2020 、 2019

Unit : NT\$ thousands

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	Gains (losses) from investments in equity instruments measured at fair value through other comprehensive income				
	代碼	3110	3200	3310	3320	3350	3410	3420	3500	31XX	36XX	3XXX
Balance as of January 1, 2019	A1	\$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
Legal reserve appropriated	B1			\$22,947		(\$22,947)				\$0		\$0
Cash dividends of ordinary share	B5					(\$237,600)				(\$237,600)		(\$237,600)
Reversal of special reserve	B17				(\$66,543)	\$66,543				\$0		\$0
Due to donated assets received (overdue repayment of unclaimed dividends)	C3		\$702							\$702		\$702
Profit (loss)	D1					751,720				751,720	1,642	753,362
Other comprehensive income	D3						(\$401)	(\$166,019)		(\$166,420)	(\$376)	(\$166,796)
Adjustments of capital surplus for company's cash dividends received by subsidiaries	M1		\$8,564							\$8,564		\$8,564
Balance as of Sep 30, 2019	Z1	\$1,980,000	\$105,428	\$759,713	\$2,515,291	\$1,001,915	(\$56,962)	\$1,881,940	(\$118,879)	\$8,068,446	\$12,798	\$8,081,244
Balance as of January 1, 2020	A1	\$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
Legal reserve appropriated	B1			\$73,817		(\$73,817)				\$0		\$0
Cash dividends of ordinary share	B5					(\$722,700)				(\$722,700)		(\$722,700)
Reversal of special reserve	B17				(\$1,941,491)	\$1,941,491				\$0		\$0
Other changes in capital surplus	C17		\$319							\$319		\$319
Other comprehensive income	D1					5,385,257				5,385,257	1,206	5,386,463
Other comprehensive income	D3						(10,758)	(388,500)		(399,258)	(371)	(399,629)
Capital reduction	E3	(594,000)								(594,000)		(594,000)
Retirement of treasury share	L3								21,411	21,411		21,411
Adjustments of capital surplus for company's cash dividends received by subsidiaries	M1		26,050							26,050		26,050
Balance as of Sep 30, 2020	Z1	\$1,386,000	\$131,798	\$833,530	\$573,800	\$7,452,049	(\$81,040)	\$1,889,710	(\$97,468)	\$12,088,379	\$22,762	\$12,111,141

(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 CASH FLOWS
Jan - Sep , 2020 、 2019

Unit : NT\$ thousands

代碼	Description	Jan - Sep , 2020	Jan - Sep , 2019
AAAA	Cash flows for operating activities, indirect method		
A10000	Net profit (loss) before tax	\$5,886,906	\$781,863
A20000	Adjustments:		
A20010	Income and expenses that do not affect cash flow		
A20100	Depreciation expense	41,869	38,798
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt exp	(3,527)	(4,920)
A20400	Net loss (gain) of financial assets and liabilities measured at fair value through profit or loss	(500)	(803)
A20900	Interest expense	2,871	6,381
A21200	Interest income	(12,521)	(9,202)
A21300	Dividend income	(107,352)	(228,000)
A22300	Share of the loss (profit) of associates and joint ventures recognized by the equity method	(33,751)	(11,501)
A22500	Loss (gain) on disposal of property, plan and equipment	(1,729)	(445,794)
A22700	Loss (gain) on disposal of investment properties	0	(14,315)
A23000	Loss (gain) on disposal of non-current assets classified as held for sale	(5,754,207)	0
A23800	Reversal of impairment loss on non-financial assets	0	(18,334)
A24100	Unrealized foreign exchange losses (gains)	784	120
A29900	Others	319	702
A30000	Changes in current assets and liabilities related to operating activities		
A31130	(Increase) decrease in notes receivables	(12,387)	18,357
A31150	(Increase) decrease in accounts receivable	89,769	79,345
A31160	(Increase) decrease in accounts receivable - related parties	10,649	2,600
A31180	(Increase) decrease in other receivables	(19,300)	2,626
A31190	(Increase) decrease in other receivables - related parties	3	(23)
A31200	(Increase) decrease in inventories	(42,551)	(44,672)
A31230	(Increase) decrease in prepayments	(1,433)	(12,672)
A31240	(Increase) decrease in other current assets	(469)	(1,010)
A31250	(Increase) decrease in other financial assets	58,120	(5,758)
A32130	Increase (decrease) in notes payable	(24,544)	(18,649)
A32150	Increase (decrease) in accounts payable	36,574	19,622
A32160	Increase (decrease) in accounts payable - related parties	(3)	391
A32180	Increase (decrease) in other payables	24,549	13,176
A32190	Increase (decrease) in other payables - related parties	(4,460)	2,371
A32230	Increase (decrease) in other current liabilities	5,315	7,148
A32240	Increase (decrease) in net defined benefit liabilities	(45,054)	(39,912)
A33100	Interest received	12,521	9,202
A33200	Dividends received	119,005	235,917
A33300	Interest paid	(2,902)	(6,474)
A33500	Income tax refund (paid)	(1,721)	(4,624)
	Net cash flows to (from) operating activities	220,843	351,956

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BBBB	Cash flows from investing activities:		
B00010	Acquisition of financial assets at fair value through other comprehensive	(615,680)	0
B02600	Proceeds from disposal of non-current assets classified as held for sale	8,351,965	0
B02700	Acquisition of property, plant and equipment	(68,669)	(60,412)
B02800	Disposal of property, plant and equipment	2,129	526,168
B03700	Increase in refundable deposits	0	(473)
B03800	Decrease in refundable deposits	86	0
B05500	Proceeds from disposal of investment properties	0	16,887
B06500	Increase in other financial assets	(1,424,094)	0
B06700	Increase in other non-current assets	0	(2,816)
B06800	Decrease in other non-current assets	1,081	0
B07700	Income taxes refund (paid)	(1,029,158)	0
	Net cash flows to (from) investing activities:	5,217,660	479,354
CCCC	Cash flows form financing activities:		
C00200	Decrease in short-term loans	(83,097)	(297,923)
C00600	Decrease in short-term notes and bills payable	(40,000)	(230,000)
C01700	Repayment of long-term borrowings	(2,911)	(2,991)
C03000	Increase in guarantee deposit received	84	2,200
C03100	Decrease in guarantee deposit received	(2,200)	(3,000)
C04020	Payments of lease liabilities	(2,168)	(2,300)
C04500	Cash dividends paid	(696,650)	(229,036)
	Net cash flows to (from) investing activities:	(826,942)	(763,050)
DDDD	Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(4,968)	967
EEEE	Increase (decrease) in cash and cash equivalents of the period	4,606,593	69,227
E00100	Cash and cash equivalents at the beginning of the period	650,253	636,813
E00200	Cash and cash equivalents at the end of the period	5,256,846	706,040
E00210	Cash and cash equivalents recorded on the consolidated balance sheets	5,256,846	706,040

Chairman: Wu, Zi-Cong

President: Huang, Chun-Jia

Chief Accountant: Lai, Ken-Min