

Tahsin Industrial Corporation

Parent Company Only Balance Sheets

December 31, 2020 and 2019

Unit: Thousand NTD

Code	Assets	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
	Current Assets				
1100	Cash and cash equivalents (Notes 4 and 6 (1))	\$ 3,770,037	30	\$ 505,757	5
1120	Financial assets at fair value through other comprehensive income - current (Notes 6 (2))	3,034,533	24	2,373,280	25
1150	Notes receivable, net (Note 6 (3))	34,070	-	32,079	-
1160	Accounts receivable – related parties (Note 6 (3))	1,118	-	1,208	-
1170	Accounts receivable - net (Note 6 (4))	261,088	2	214,427	2
1180	Accounts receivable – related parties (Note 6 (4))	56,532	-	82,203	1
1200	Other receivables	5,519	-	2,750	-
1210	Other receivables - related parties	1,566	-	576	-
1220	Current income tax assets	2,586	-	1,071	-
130x	Inventories (Notes 4 and 6 (5))	451,084	4	459,922	5
1410	Prepayments	53,602	-	49,144	1
1460	Non-current assets held for sale (or disposition group), net (Notes 6 (6))	-	-	2,597,758	27
1476	Other financial assets - current	1,490,000	12	-	-
11xx	Total current assets	9,161,735	72	6,320,175	66
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 6 (7))	344,400	3	347,000	3
1550	Investments accounted for using the equity method (Notes 4 and 6 (8))	1,729,690	13	1,427,575	15
1600	Property, plant and equipment (Notes 4 and 6 (9))	1,122,488	9	1,116,361	12
1755	Right-of-use asset (Notes 4 and 6 (10))	253	-	51	-
1760	Investment properties - net (Notes 4 and 6 (11))	271,896	2	271,930	3
1840	Deferred tax assets (Note 6 (27))	78,023	1	74,410	1
1920	Refundable deposits	567	-	607	-
1970	Other long-term investment - net	810	-	810	-
1990	Other non-current assets - others	330	-	1,441	-
15xx	Total non-current assets	3,548,457	28	3,240,185	34
1xxx	Total Assets	\$ 12,710,192	100	\$ 9,560,360	100

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Tahsin Industrial Corporation

Parent Company Only Balance Sheets

December 31, 2020 and 2019

Unit: Thousand NTD

Code	Liabilities and equity	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
	Current liabilities				
2100	Short-term loans (Note 6 (12))	\$ -	-	\$ 77,000	1
2110	Short-term notes payable (Note 6 (13))	-	-	39,988	-
2150	Notes payable	92,939	1	117,232	1
2170	Accounts payable	51,983	-	29,820	-
2180	Accounts payable - related parties	1,664	-	-	-
2200	Other payables	155,788	1	114,832	1
2220	Other payables - related parties	19,437	-	28,953	-
2250	Provisions - current (Note 4 and 6 (4))	9,467	-	9,467	-
2260	Liabilities related to non-current assets held for sale (Note 6 (6))	-	-	527,820	6
2280	Lease liabilities - current (Note 6 (10))	202	-	51	-
2300	Other current liabilities	5,957	-	4,860	-
21xx	Total current liabilities	337,437	2	950,023	9
	Noncurrent liabilities				
2570	Deferred tax liabilities (Note 6 (27))	180,746	2	181,524	2
2580	Lease liabilities - non-current (Notes 6 (10))	51	-	-	-
2640	Net defined benefit liabilities - non-current (Notes 4 and 6 (5))	7,920	-	50,245	1
2645	Guarantee deposits received	4,912	-	7,268	-
25xx	Total non-current liabilities	193,629	2	239,037	3
2xxx	Total liabilities	531,066	4	1,189,060	12
	Equity				
3100	Share capital (Note 4 and 6 (16))	1,386,000	11	1,980,000	21
3200	Capital surplus (Note 6 (17))	151,782	1	105,429	1
3300	Retained earnings (Note 6 (18))	8,350,263	66	4,196,822	44
3400	Other equity (Note 6 (19))	2,388,550	19	2,207,928	23
3500	Treasury shares (Note 6 (20))	(97,469)	(1)	(118,879)	(1)
3xxx	Total equity	12,179,126	96	8,371,300	88
	Total liabilities and equity	\$ 12,710,192	100	\$ 9,560,360	100

(The accompanying notes are an integral part of the Parent Company Only Financial Statements.)

Chairman: Wu, Zi-Cong

Manager: Huang, Chun-Jia

Chief Accountant: Lai, Ken-Min

Tahsin Industrial Corporation

Parent Company Only Statements of Comprehensive Income

For the Years Ended December 31, 2020 and 2019

Unit: Thousand NTD

Code	Item	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
4000	Operating revenue (Notes 4 and 6 (21))	\$ 1,796,398	100	\$ 2,015,798	100
5000	Operating costs (Note 6 (5) (22))	(1,583,505)	(88)	(1,757,722)	(87)
5900	Gross profit (loss)	212,893	12	258,076	13
5910	Unrealized gain (loss) from sale, net (loss)	(3,939)	-	(2,315)	-
5920	Realized gain (loss) from sale (Loss)	2,315	-	3,551	-
5950	Net Gross Profit (loss)	211,269	12	259,312	13
	Operating expenses (Notes 6 (22))				
6100	Marketing expenses	(108,404)	(6)	(118,471)	(6)
6200	Administrative expenses	(93,680)	(6)	(108,382)	(5)
6450	Expected credit impairment loss (gain)	(1,249)	-	1,502	-
6000	Total operating expenses	(203,333)	(12)	(225,351)	(11)
6900	Operating profit (loss)	7,936	-	33,961	2
	Non-operating income and expenses				
7100	Interest income (Note 6 (23))	19,877	1	13,499	1
7010	Other income (Note 6 (24))	140,272	8	264,548	13
7020	Other gains and losses (Notes 4 and 6 (25))	5,656,038	315	401,761	20
7050	Finance costs (Notes 4 and 6 (26))	(547)	-	(3,027)	-
7070	Share of profit or loss of subsidiaries, associates, and joint ventures accounted for using the equity method	106,055	6	10,140	-
7000	Total non-operating income and expenses	5,921,695	330	686,921	34
7900	Net profit (loss) before tax	5,929,631	330	720,882	36
7950	Benefit of income tax (expense) (Note 6 (27))	(500,371)	(28)	(24,632)	(1)
8000	Income from Continuing Operations	5,429,260	302	696,250	35
8200	Net Income	5,429,260	302	696,250	35
	Other comprehensive income (Note 6 (28))				
	Items that will not be reclassified to profit or loss:				
8311	Remeasurement of defined benefit plans (Note 6 (15))	(3,113)	-	(24,627)	(1)
8316	Unrealized valuation profit or loss on investments in equity instruments at fair value through other comprehensive income	70,196	4	(144,020)	(7)
8336	Unrealized valuation gain or loss on investments in equity instruments measured at FVTOCI - subsidiaries, associates, and joint ventures	128,514	7	374,271	18
8310	Total items that will not be reclassified subsequently to profit or loss:	195,597	11	205,624	10
	Items that may be reclassified to profit or loss				
8361	Exchange differences on translation of foreign operating organizations' financial statements	(17,118)	(1)	(17,151)	(1)
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	3,424	-	3,430	-
8360	Total items that may be reclassified subsequently to profit or loss:	(13,694)	(1)	(13,721)	(1)
8300	Other comprehensive income - net	\$ 181,903	10	\$ 191,903	9
8500	Total Comprehensive Income for the Year	\$ 5,611,163	312	\$ 888,153	44
	Earnings Per Share				
9750	Basic earnings per share (Note 6 (29))	\$ 31.97		\$ 3.65	
9850	Diluted earnings per share (Note 6 (29))	\$ 31.89		\$ 3.65	

(The accompanying notes are an integral part of the Parent Company Only Financial Statements.)

Chairman: Wu, Zi-Cong

Manager: Huang, Chun-Jia

Chief Accountant: Lai, Ken-Min

Tahsin Industrial Corporation

Parent Company Only Statements of Changes in Equity
For the Years Ended December 31, 2020 and 2020
Unit: Thousand NTD

Items	Retained earnings					Other Equity		Treasury stock	Total Equity
	Share capital of common stock	Capital Surplus	Legal reserve	Special reserve	Undistributed earnings	Exchange differences on translation of foreign operating organizations' financial statements	Unrealized valuation (losses) gains from financial assets measured at fair value through other comprehensive income		
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
Appropriation and distribution of earnings:									
Provision for legal reserve	-	-	22,947	-	(22,947)	-	-	-	-
Ordinary cash dividends	-	-	-	-	(237,600)	-	-	-	(237,600)
Reversal of special reserve	-	-	-	(66,543)	66,543	-	-	-	-
Other changes in capital surplus	-	702	-	-	-	-	-	-	702
Net income for 2019 (net loss)	-	-	-	-	696,250	-	-	-	696,250
Other comprehensive income for 2019	-	-	-	-	(24,627)	(13,721)	230,251	-	191,903
Total comprehensive income in 2019	-	-	-	-	671,623	(13,721)	230,251	-	888,153
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	8,565	-	-	-	-	-	-	8,565
Balance as of December 31, 2019	\$1,980,000	\$ 105,429	\$ 759,713	\$2,515,291	\$ 921,818	\$ (70,282)	\$2,278,210	\$ (118,879)	\$8,371,300
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
Appropriation and distribution of earnings:									
Provision for legal reserve	-	-	73,817	-	(73,817)	-	-	-	-
Ordinary cash dividends	-	-	-	-	(1,277,100)	-	-	-	(1,277,100)
Reversal of special reserve	-	-	-	(1,941,491)	1,941,491	-	-	-	-
Other changes in capital surplus	-	319	-	-	-	-	-	-	319
Net income for 2020	-	-	-	-	5,429,260	-	-	-	5,429,260
Other comprehensive income for 2020	-	-	-	-	(3,113)	(13,694)	198,710	-	181,903
Total comprehensive income for 2020	-	-	-	-	5,426,147	(13,694)	198,710	-	5,611,163
Capital reduction	(594,000)	-	-	-	-	-	-	-	(594,000)
Retirement of treasury shares	-	-	-	-	-	-	-	-	-
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	46,034	-	-	-	-	-	21,410	21,410
Disposals of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	4,394	-	(4,394)	-	-
Balance as of December 31, 2020	\$1,386,000	\$ 151,782	\$ 833,530	\$ 573,800	\$6,942,933	\$ (83,976)	\$2,472,526	\$ (97,469)	\$ 12,179,126

(The accompanying notes are an integral part of the Parent Company Only Financial Statements.)

Chairman: Wu, Zi-Cong

Manager: Huang, Chun-Jia

Chief Accountant: Lai, Ken-Min

Tahsin Industrial Corporation

Parent Company Only Statements of Cash Flows

For the Years Ended December 31, 2020 and 2020

Unit: Thousand NTD

Item	December 31, 2020	December 31, 2019
Cash flows from operating activities-indirect method		
Net profit (loss) before tax	\$ 5,929,631	\$ 720,882
Adjustments		
Total adjustments to reconcile profit (loss)		
Depreciation expenses	25,755	25,754
Expected credit losses (benefits)	1,249	(1,502)
Interest expenses	547	3,028
Interest revenue	(19,877)	(13,499)
Dividend income	(109,477)	(228,000)
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using the equity method	(106,055)	(10,140)
Loss (gain) on disposal and disposition of property, plant and equipment	(2,166)	(444,250)
Loss (gain) on disposal of investment property	-	(14,315)
Loss (gain) on disposal of non-current assets classified as held for sale	(5,754,207)	-
Gain on reversal of impairment loss on non-financial assets	-	(19,633)
Unrealized gain (loss) from sale, net (loss)	3,939	2,315
Realized loss (gain) on sales	(2,315)	(3,551)
Unrealized exchange loss (gain)	2,996	5,544
Other items	319	702
Total adjustments to reconcile profit (loss)	(5,959,292)	(697,547)
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	(2,052)	24,274
Decrease (increase) in notes receivable - related parties	90	1,085
Decrease (increase) in accounts receivable	(49,501)	70,105
Decrease (increase) in accounts receivable - related parties	24,327	26,285
Decrease (increase) in other receivables	(644)	2,210
Decrease (increase) in other receivables - related parties	(1,044)	(151)
Decrease (increase) in inventories	8,838	27,616
Decrease (increase) in prepayments	(4,458)	(8,223)
Total changes in operating assets	(24,444)	143,201
Changes in operating liabilities		
Increase (decrease) in notes payable	(24,293)	(25,128)
Increase (decrease) in accounts payable	22,163	(14,822)
Increase (decrease) in accounts payable - related parties	1,664	-
Increase (decrease) in other payables	44,989	(11,363)
Increases (decreases) in other payables - related parties	(9,516)	14,629
Increase (decrease) in other current liabilities	1,097	(2,723)

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Tahsin Industrial Corporation

Parent Company Only Statements of Cash Flows
For the Years Ended December 31, 2020 and 2020

Unit: Thousand NTD

Item	December 31, 2020	December 31, 2019
Increase (decrease) in net defined benefit liabilities	\$ (45,438)	\$ (81,789)
Total changes in operating liabilities	(9,334)	(121,196)
Total changes in operating assets and liabilities	(33,778)	22,005
Total adjustments	(5,993,070)	(675,542)
Cash generated from operations	(63,439)	45,340
Interest received	19,931	13,701
Dividends received	125,352	249,600
Interest paid	(561)	(3,087)
Income tax refunded (paid)	(1,515)	(520)
Net cash provided by (used in) operating activities	79,768	305,034
Cash flows from investing activities		
Acquisition of financial assets at fair value through other comprehensive income	(635,291)	-
Disposal of financial assets at fair value through other comprehensive income	46,834	-
Investments accounted for using the equity method	(36,844)	(57,883)
Disposal of non-current assets held for sale	8,351,965	-
Acquisition of property, plant and equipment	(35,779)	(26,303)
Disposal of property, plant, and equipment	2,292	529,428
Increase in refundable deposits	-	(39)
Decrease in refundable deposits	40	-
Disposal of investment properties	-	16,887
Increase in other financial assets	(1,490,000)	-
Decrease in other non-current assets	1,111	674
Income tax refunded (paid)	(1,029,158)	-
Net cash provided by (used in) investing activities	5,175,170	462,764
Cash flows from financing activities		
Decrease in short-term loans	(77,000)	(259,000)
Decrease in short-term bills payable	(40,000)	(230,000)
Increase in guarantee deposits received	84	3,564
Decrease in guarantee deposits received	(2,440)	(4,908)
Repayments of principal portion of the lease	(202)	(203)
Cash dividends paid	(1,277,100)	(237,600)
Capital reduction	(594,000)	-
Net cash provided by (used in) financing activities	(1,990,658)	(728,147)
Increase (decrease) in cash and cash equivalents	3,264,280	39,651
Cash and cash equivalents, beginning of the period	505,757	466,106
Cash and cash equivalents, end of the period	\$ 3,770,037	\$ 505,757

(The accompanying notes are an integral part of the Parent Company Only Financial Statements.)

Chairman: Wu, Zi-Cong

Manager: Huang, Chun-Jia

Chief Accountant: Lai, Ken-Min