

English Translation of Financial Statements Originally Issued in Chinese

**TAH HSIN INDUSTRIAL CORPORATION**  
**PARENT COMPANY ONLY BALANCE SHEETS**

As of December 31, 2021 and 2020

(Amounts in thousands of New Taiwan Dollars)

		December 31, 2021		December 31, 2020	
		AMOUNT	%	AMOUNT	%
<b>ASSETS</b>					
	Current assets				
1100	Cash and cash equivalents(Notes 4,6(1))	\$1,190,096	10	\$3,770,037	30
1120	Current financial assets at fair value through other comprehensive income(Note 6(2))	4,369,097	35	3,034,533	24
1150	Notes receivable, net(Note 6(3))	59,145	1	34,070	-
1160	Notes receivable due from related parties, net(Note 6(3))	1,364	-	1,118	-
1170	Accounts receivable, net(Note 6(4))	277,381	2	261,088	2
1180	Accounts receivable due from related parties, net(Note 6(4))	44,412	-	56,532	-
1200	Other receivables	13,482	-	5,519	-
1210	Other receivables due from related parties	146,059	1	1,566	-
1220	Current tax assets	1,515	-	2,586	-
130x	Current inventories(Notes 4,6(5))	602,327	5	451,084	4
1410	Prepayments	32,102	-	53,602	-
1476	Other current financial assets(Note 6(1))	1,690,000	14	1,490,000	12
11xx	Total Current assets	8,426,980	68	9,161,735	72
	Non-current assets				
1517	Non-current financial assets at fair value through other comprehensive income(Note 6(6))	464,800	4	344,400	3
1550	Investments accounted for using equity method(Notes 4,6(7))	1,655,754	13	1,729,690	13
1600	Property, plant and equipment(Notes 4,6(8))	1,416,746	11	1,122,488	9
1755	Right-of-use asset(Notes 4,6(9))	3,610	-	253	-
1760	Investment property, net(Notes 4,6(10))	345,477	3	271,896	2
1840	Deferred tax assets(Note 6(24))	80,966	1	78,023	1
1920	Guarantee deposits paid	1,817	-	567	-
1970	Other long-term investments, net	810	-	810	-
1990	Other non-current assets, others	13	-	330	-
15xx	Total Non-current assets	3,969,993	32	3,548,457	28
1xxx	Total Assets	\$12,396,973	100	\$12,710,192	100
<b>LIABILITIES AND EQUITY</b>					
	Current liabilities				
2130	Current contract liabilities(Note 6(18))	\$11,114	-	\$5,463	-
2150	Notes payable	146,175	1	92,939	1
2170	Accounts payable	62,896	1	51,983	-
2180	Accounts payable to related parties	3,658	-	1,664	-
2200	Other payables	122,054	1	155,788	1
2220	Other payables to related parties	23,384	-	19,437	-
2230	Current tax liabilities	265,881	2	-	-
2250	Current provisions(Notes 4,6(11))	8,458	-	9,467	-
2280	Current lease liabilities(Note 6(9))	1,377	-	202	-
2300	Other current liabilities	523	-	494	-
21xx	Total Current liabilities	645,520	5	337,437	2
	Non-current liabilities				
2570	Deferred tax liabilities(Note 6(24))	180,746	2	180,746	2
2580	Non-current lease liabilities(Note 6(9))	2,239	-	51	-
2640	Net defined benefit liability, non-current(Notes 4,6(12))	13,326	-	7,920	-
2645	Guarantee deposits received	5,938	-	4,912	-
2650	Credit balance of investments accounted for using equity method(Notes 4,6(7))	4,635	-	-	-
25xx	Total Non-current liabilities	206,884	2	193,629	2
2xxx	Total Liabilities	852,404	7	531,066	4
<b>LIABILITIES AND EQUITY</b>					
	Equity				
3100	Share capital(Notes 4,6(13))	990,990	8	1,386,000	11
3200	Capital surplus(Note 6(14))	182,030	1	151,782	1
3300	Retained earnings(Note 6(15))	7,538,998	61	8,350,263	66
3400	Other equity interest(Note 6(16))	2,915,781	24	2,388,550	19
3500	Treasury shares(Note 6(17))	(83,230)	(1)	(97,469)	(1)
3xxx	Total Equity	11,544,569	93	12,179,126	96
	Total Liabilities And Equity	\$12,396,973	100	\$12,710,192	100

Chairman: Wu, Zi-Cong

President: Wu, Zi-Cong

Chief Accountant: Lai, Ken-Min

**English Translation of Financial Statements Originally Issued in Chinese**  
**TAH HSIN INDUSTRIAL CORPORATION**  
**PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME**  
For the years ended December 31, 2021 and 2020  
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	2021	%	2020	%
Operating revenue(Notes 4,6(108))	\$2,015,136	100	\$1,796,398	100
Operating costs(Note 6(5)(109))	(1,767,548)	(88)	(1,583,505)	(88)
Unrealized profit (loss) from sales	247,588	12	212,893	12
Realized profit (loss) on from sales	(1,429)	-	(3,939)	-
Gross profit (loss) from operations	3,939	-	2,315	-
Gross profit (loss) from operations	250,098	12	211,269	12
Operating expenses(Note 6(109))				
Selling expenses	(114,359)	(6)	(108,404)	(6)
Administrative expenses	(108,529)	(5)	(93,680)	(6)
Expected credit impairment loss	(1,460)	-	(1,249)	-
Operating expenses	(224,348)	(11)	(203,333)	(12)
Net operating income (loss)	25,750	1	7,936	-
Non-operating income and expenses				
Interest income(Note 6(210))	18,829	1	19,877	1
Other income(Note 6(2101))	154,698	7	140,272	8
Other gains and losses(Notes	(8,989)	-	5,656,038	315
Finance costs(Notes 4,6(2103))	(88)	-	(547)	-
Share of profit (loss) of	84,543	4	106,055	6
Non-operating income and	248,993	12	5,921,695	330
Profit (loss) from continuing	274,743	13	5,929,631	330
Tax expense (income)(Note 6(2104))	(269,382)	(13)	(500,371)	(28)
Profit (loss) from continuing	5,361	-	5,429,260	302
Net income (loss)	5,361	-	5,429,260	302
Other comprehensive income(Note				
Components of other				
Gains (losses) on	(12,178)	(1)	(3,113)	-
Unrealised gains (losses) from	694,132	35	70,196	4
Unrealised gains (losses) from	(117,397)	(6)	128,514	7
Components of other	564,557	28	195,597	11
Components of other				
Exchange differences on	(27,940)	(1)	(17,118)	(1)
Income tax related to	5,588	-	3,424	-
Components of other	(22,352)	(1)	(13,694)	(1)
Other comprehensive income	\$542,205	27	\$181,903	10
Total comprehensive income	\$547,566	27	\$5,611,163	312
Earnings Per Share				
Basic earnings per share(Note	\$0.04		\$31.97	
Diluted earnings per share(Note	\$0.04		\$31.89	

**Chairman: Wu, Zi-Cong**

**President: Wu, Zi-Cong**

**Chief Accountant: Lai, Ken-Min**

English Translation of Financial Statements Originally Issued in Chinese  
TAI HSIEN INDUSTRIAL CORPORATION  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
For the years ended December 31, 2021 and 2020  
(Amounts in thousands of New Taiwan Dollars)

Description	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Treasury shares	Total equity
Beginning Balance	\$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 retained earnings:									
Legal reserve appropriated	-	-	73,817	-	(73,817)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,277,100)	-	-	-	(1,277,100)
Reversal of special reserve	-	-	-	(1,941,491)	1,941,491	-	-	-	-
Other changes in capital surplus	-	319	-	-	-	-	-	-	319
Consolidated Net Income	-	-	-	-	5,429,260	-	-	-	5,429,260
Total comprehensive income	-	-	-	-	(3,113)	(13,694)	198,710	-	181,903
Capital reduction	(594,000)	-	-	-	5,426,147	(13,694)	198,710	-	5,611,163
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	46,034	-	-	-	-	-	-	(594,000)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	46,034
Others	-	-	-	-	-	-	-	21,410	21,410
End of Year	\$1,386,000	\$151,782	\$833,530	\$573,800	\$6,942,933	(\$83,976)	\$2,472,526	(\$97,469)	\$12,179,126
Beginning Balance	1,386,000	151,782	833,530	573,800	6,942,933	(83,976)	2,472,526	(97,469)	12,179,126
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	737,203	-	(737,203)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(831,600)	-	-	-	(831,600)
Other changes in capital surplus	-	273	-	-	-	-	-	-	273
Consolidated Net Income	-	-	-	-	5,361	-	-	-	5,361
Total comprehensive income	-	-	-	-	(12,178)	(22,352)	576,735	-	542,205
Capital reduction	(395,010)	-	-	-	(6,817)	(22,352)	576,735	-	547,566
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	29,975	-	-	-	-	-	-	(395,010)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	29,975
Others	-	-	-	-	-	-	-	14,239	14,239
End of Year	\$990,990	\$182,030	\$1,570,733	\$573,800	\$5,394,465	(\$106,328)	\$3,022,109	(\$83,230)	\$11,544,569

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**TAH HSIN INDUSTRIAL CORPORATION**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**

For the years ended December 31, 2021 and 2020

(Amounts in thousands of New Taiwan Dollars)

Description	2021	2020
Cash flows from (used in) operating activities, indirect method		
Profit (loss) before tax	\$274,743	\$5,929,631
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	30,011	25,755
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	1,460	1,249
Interest expense	88	547
Interest income	(18,829)	(19,877)
Dividend income	(129,774)	(109,477)
Investment Loss (Income) Recognized under Equity Method	(84,543)	(106,055)
Loss (gain) on disposal of property, plan and equipment	(206)	(2,166)
Loss (gain) on disposal of non-current assets classified as held for sale	-	(5,754,207)
Unrealized profit (loss) from sales	1,429	3,939
Realized loss (profit) on from sales	(3,939)	(2,315)
Unrealized foreign exchange loss (gain)	1,633	2,996
Other Adjustments to Reconcile Net Income	273	319
Total adjustments to reconcile profit (loss)	(202,397)	(5,959,292)
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	(25,850)	(2,052)
Decrease (increase) in notes receivable due from related parties	(246)	90
Decrease (increase) in accounts receivable	(17,579)	(49,501)
Decrease (increase) in accounts receivable due from related parties	11,088	24,327
Decrease (increase) in other receivable	(6,008)	(644)
Decrease (increase) in other receivable due from related parties	(507)	(1,044)
Decrease (increase) in inventories	(151,243)	8,838
Decrease (increase) in prepayments	21,500	(4,458)
Total changes in operating assets	(168,845)	(24,444)
Changes in operating liabilities		
Increase (decrease) in contract liabilities	5,651	1,102
Increase (decrease) in notes payable	53,236	(24,293)
Increase (decrease) in accounts payable	10,913	22,163
Increase (decrease) in accounts payable to related parties	1,994	1,664
Increase (decrease) in other payable	(43,324)	44,989
Increase (decrease) in other payable to related parties	3,947	(9,516)
Increase (decrease) in provisions	(1,009)	-
Increase (decrease) in other current liabilities	29	(5)



Increase (decrease) in net defined benefit liability	(6, 772)	(45, 438)
Total changes in operating liabilities	24, 665	(9, 334)
Total changes in operating assets and liabilities	(144, 180)	(33, 778)
Total adjustments	(346, 577)	(5, 993, 070)
Cash inflow (outflow) generated from operations	(71, 834)	(63, 439)
Interest received	18, 613	19, 931
Dividends received	128, 049	125, 352
Interest paid	(88)	(561)
Income taxes refund (paid)	215	(1, 515)
Net cash flows from (used in) operating activities	74, 955	79, 768
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	(901, 010)	(635, 291)
Proceeds from disposal of financial assets at fair value through other comprehensive income	140, 179	46, 834
Acquisition of investments accounted for using equity method	(79, 500)	(36, 844)
Proceeds from disposal of non-current assets classified as held for sale	-	8, 351, 965
Acquisition of property, plant and equipment	(387, 678)	(35, 779)
Proceeds from disposal of property, plant and equipment	271	2, 292
Increase in refundable deposits	(1, 250)	-
Decrease in refundable deposits	-	40
Increase in other financial assets	(200, 000)	(1, 490, 000)
Decrease in other non-current assets	317	1, 111
Income taxes refund (paid)	-	(1, 029, 158)
Net cash flows from (used in) investing activities	(1, 428, 671)	5, 175, 170
Cash flows from (used in) financing activities		
Decrease in short-term loans	-	(77, 000)
Decrease in short-term notes and bills payable	-	(40, 000)
Increase in guarantee deposits received	1, 106	84
Decrease in guarantee deposits received	(80)	(2, 440)
Repayments of principle of lease liabilities	(641)	(202)
Cash dividends paid	(831, 600)	(1, 277, 100)
Capital reduction payments to shareholders	(395, 010)	(594, 000)
Net cash flows from (used in) financing activities	(1, 226, 225)	(1, 990, 658)
Net increase (decrease) in cash and cash equivalents	(2, 579, 941)	3, 264, 280
Cash and cash equivalents at beginning of period	3, 770, 037	505, 757
Cash and cash equivalents at end of period	\$1, 190, 096	\$3, 770, 037

**Chairman: Wu, Zi-Cong**

**President: Wu, Zi-Cong**

**Chief Accountant: Lai, Ken-Min**