

English Translation of Financial Statements Originally Issued in Chinese

TAH HSIN INDUSTRIAL CORPORATION
CONSOLIDATED BALANCE SHEETS

As of March 31, 2022, December 31, 2021, and March 31, 2021

(March 31, 2022 and 2021 are unaudited)

(Amounts in thousands of New Taiwan Dollars)

	March 31, 2022		December 31, 2021		March 31, 2021	
	AMOUNT	%	AMOUNT	%	AMOUNT	%
ASSETS						
Current assets						
1100 Cash and cash equivalents(Note 6)	\$1,350,633	11	\$1,509,695	12	\$3,783,625	28
1110 Current financial assets at fair value through profit or loss(Note 6)	1,898	-	-	-	1,427	-
1120 Current financial assets at fair value through other comprehensive income(Note 6)	5,139,196	40	4,564,082	36	3,663,455	27
1150 Notes receivable, net(Note 6)	44,118	-	88,641	1	66,655	-
1170 Accounts receivable, net(Note 6)	273,954	2	317,236	3	214,123	2
1180 Accounts receivable due from related parties, net(Note 6)	20,986	-	16,499	-	11,325	-
1200 Other receivables	20,868	-	18,701	-	27,684	-
1210 Other receivables due from related parties	747	-	1,834	-	1,655	-
1220 Current tax assets	6,965	-	4,957	-	5,078	-
130x Current inventories(Note 6)	818,868	6	756,419	6	610,361	5
1410 Prepayments	43,253	-	40,376	-	68,426	1
1476 Other current financial assets(Note 6)	1,669,193	13	1,712,362	13	1,570,289	12
1479 Other current assets, others	1,177	-	1,153	-	997	-
11xx Total Current assets	9,391,856	72	9,031,955	71	10,025,100	75
Non-current assets						
1517 Non-current financial assets at fair value through other comprehensive income(Note 6)	746,440	6	768,053	6	704,245	5
1550 Investments accounted for using equity method(Note 6)	520,070	4	574,360	5	668,017	5
1600 Property, plant and equipment(Note 6)	1,776,079	14	1,757,705	14	1,498,115	11
1755 Right-of-use asset(Note 6)	75,188	-	74,133	-	78,707	1
1760 Investment property, net(Note 6)	401,129	3	401,177	3	271,888	2
1840 Deferred tax assets	99,156	1	104,239	1	105,075	1
1920 Guarantee deposits paid	3,922	-	3,883	-	2,745	-
1970 Other long-term investments, net	810	-	810	-	810	-
1980 Other non-current financial assets(Note 6)	31,542	-	36,924	-	49,956	-
1995 Other non-current assets, others	1,460	-	1,485	-	2,958	-
15xx Total Non-current assets	3,655,796	28	3,722,769	29	3,382,516	25
1xxx Total Assets	\$13,047,652	100	\$12,754,724	100	\$13,407,616	100
LIABILITIES AND EQUITY						
Current liabilities						
2100 Current borrowings(Note 6)	\$185,303	2	\$255,760	2	\$198,321	1
2110 Short-term notes and bills payable(Note 6)	33,000	-	-	-	-	-
2120 Current financial liabilities at fair value through profit or loss(Note 6)	-	-	12	-	-	-
2130 Current contract liabilities	12,582	-	11,457	-	25,340	-
2150 Notes payable	133,611	1	146,175	1	96,149	1
2170 Accounts payable	102,285	1	79,939	1	81,962	1
2200 Other payables	401,190	3	196,696	2	752,033	5
2220 Other payables to related parties	6,246	-	1,211	-	928	-
2230 Current tax liabilities	271,403	2	266,975	2	1,537	-
2250 Current provisions(Note 6)	8,458	-	8,458	-	9,467	-
2280 Current lease liabilities(Note 6)	2,594	-	2,655	-	2,572	-
2320 Long-term liabilities, current portion	-	-	-	-	1,212	-
2399 Other current liabilities, others	2,968	-	2,112	-	2,717	-
21xx Total Current liabilities	1,159,640	9	971,450	8	1,172,238	8
Non-current liabilities						
2570 Deferred tax liabilities	186,660	2	180,746	1	181,246	2
2580 Non-current lease liabilities(Note 6)	9,391	-	9,877	-	12,343	-
2640 Net defined benefit liability, non-current(Notes 4,6)	10,997	-	13,326	-	7,158	-
2645 Guarantee deposits received	9,618	-	9,043	-	8,016	-
25xx Total Non-current liabilities	216,666	2	212,992	1	208,763	2
2xxx Total Liabilities	1,376,306	11	1,184,442	9	1,381,001	10
LIABILITIES AND EQUITY						
Equity						
Equity attributable to owners of parent						
3100 Share capital(Note 6)	990,990	8	990,990	8	1,386,000	11
3200 Capital surplus(Note 6)	182,300	1	182,030	2	152,055	1
3300 Retained earnings(Note 6)	7,371,723	57	7,538,998	59	7,837,111	59
3400 Other equity interest(Note 6)	3,182,272	24	2,915,781	23	2,724,391	20
3500 Treasury shares(Note 6)	(83,230)	(1)	(83,230)	(1)	(97,469)	(1)
31xx Total Equity attributable to owners of parent	11,644,055	89	11,544,569	91	12,002,088	90
36xx Non-controlling interests(Note 6)	27,291	-	25,713	-	24,527	-
3xxx Total Equity	11,671,346	89	11,570,282	91	12,026,615	90
Total Liabilities And Equity	\$13,047,652	100	\$12,754,724	100	\$13,407,616	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
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended March 31, 2022 and 2021
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Three Months Ended March 31			
	2022	%	2021	%
Operating revenue(Note 6)	\$613,677	100	\$539,193	100
Operating costs(Note 6)	(509,296)	(83)	(440,003)	(82)
Unrealized profit (loss) from sales	104,381	17	99,190	18
Operating expenses(Note 6)				
Selling expenses	(30,157)	(5)	(27,682)	(5)
Administrative expenses	(56,023)	(9)	(56,738)	(11)
Expected credit impairment loss	4,098	-	4,400	1
Operating expenses	(82,082)	(14)	(80,020)	(15)
Net operating income (loss)	22,299	3	19,170	3
Non-operating income and expenses				
Interest income(Note 6)	3,531	-	5,599	1
Other income(Note 6)	29,880	5	9,331	1
Other gains and losses(Note 6)	41,144	7	3,194	1
Finance costs(Note 6)	(673)	-	(632)	-
Share of profit (loss) of associates	(1,914)	-	(1,665)	-
Non-operating income and	71,968	12	15,827	3
Profit (loss) from continuing	94,267	15	34,997	6
Tax expense (income)(Note 6(2108))	(13,151)	(2)	(3,833)	(1)
Profit (loss) from continuing	81,116	13	31,164	5
Net income (loss)(Note 6)	81,116	13	31,164	5
Other comprehensive income(Note				
Components of other				
Unrealised gains (losses) from	270,589	44	326,855	61
Unrealised gains (losses) from	(16,098)	(3)	23,446	4
Components of other	254,491	41	350,301	65
Components of other				
Exchange differences on	15,935	2	(5,998)	(1)
Income tax related to	(3,000)	-	1,181	-
Components of other	12,935	2	(4,817)	(1)
Other comprehensive income	\$267,426	43	\$345,484	64
Total comprehensive income	\$348,542	56	\$376,648	69
Profit (loss), attributable to:				
Profit (loss), attributable to	\$80,473	13	\$31,511	5
Profit (loss), attributable to non-	643	-	(347)	-
	\$81,116	13	\$31,164	5
Comprehensive income attributable				
Stockholders of the parent	\$346,964	56	\$377,089	69
Non-controlling interests	1,578	-	(441)	-
	\$348,542	56	\$376,648	69
Earnings Per Share				
Basic earnings per share(Note 6)	\$0.84		\$0.24	
Diluted earnings per share	\$0.84		\$0.24	

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TAH HSIN INDUSTRIAL CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the three months ended March 31, 2022 and 2021
(Amounts in thousands of New Taiwan Dollars)

Description	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriate d retained earnings (accumulated deficit)	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Beginning Balance	\$1,386,000	\$151,782	\$833,530	\$573,800	\$6,942,933	(\$83,976)	\$2,472,526	(\$97,469)	\$12,179,126	\$24,968	\$12,204,094
Appropriation and distribution of retained earnings:											
Cash dividends of ordinary share	-	-	-	-	(554,400)	-	-	-	(554,400)	-	(554,400)
Other changes in capital surplus	-	273	-	-	-	-	-	-	273	-	273
Consolidated Net Income	-	-	-	-	31,511	-	-	-	31,511	(347)	31,164
	-	-	-	-	-	(4,723)	350,301	-	345,578	(94)	345,484
Total comprehensive income	-	-	-	-	31,511	(4,723)	350,301	-	377,089	(441)	376,648
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	9,737	-	(9,737)	-	-	-	-
End of Year	<u>\$1,386,000</u>	<u>\$152,055</u>	<u>\$833,530</u>	<u>\$573,800</u>	<u>\$6,429,781</u>	<u>(\$88,699)</u>	<u>\$2,813,090</u>	<u>(\$97,469)</u>	<u>\$12,002,088</u>	<u>\$24,527</u>	<u>\$12,026,615</u>
Beginning Balance	990,990	182,030	1,570,733	573,800	5,394,465	(106,328)	3,022,109	(83,230)	11,544,569	25,713	11,570,282
Appropriation and distribution of retained earnings:											
Cash dividends of ordinary share	-	-	-	-	(247,748)	-	-	-	(247,748)	-	(247,748)
Other changes in capital surplus	-	270	-	-	-	-	-	-	270	-	270
Consolidated Net Income	-	-	-	-	80,473	-	-	-	80,473	643	81,116
	-	-	-	-	-	12,000	254,491	-	266,491	935	267,426
Total comprehensive income	-	-	-	-	80,473	12,000	254,491	-	346,964	1,578	348,542
End of Year	<u>\$990,990</u>	<u>\$182,300</u>	<u>\$1,570,733</u>	<u>\$573,800</u>	<u>\$5,227,190</u>	<u>(\$94,328)</u>	<u>\$3,276,600</u>	<u>(\$83,230)</u>	<u>\$11,644,055</u>	<u>\$27,291</u>	<u>\$11,671,346</u>

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TAH HSIN INDUSTRIAL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2022 and 2021

(Amounts in thousands of New Taiwan Dollars)

	Description	2022	2021
	Cash flows from (used in) operating activities, indirect method		
A10000	Profit (loss) before tax	\$94,267	\$34,997
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	15,353	14,771
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(4,098)	(4,400)
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(1,931)	(1,519)
A20900	Interest expense	673	632
A21200	Interest income	(3,531)	(5,599)
A21300	Dividend income	(18,660)	(2,805)
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	1,914	1,665
A22500	Loss (gain) on disposal of property, plan and equipment	(45)	(241)
A24100	Unrealized foreign exchange loss (gain)	(2,891)	(736)
A29900	Other Adjustments to Reconcile Net Income	270	273
A20010	Total adjustments to reconcile profit (loss)	(12,946)	2,041
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31130	Decrease (increase) in notes receivable	45,472	24,070
A31150	Decrease (increase) in accounts receivable	48,951	100,797
A31160	Decrease (increase) in accounts receivable due from related parties	(4,106)	4,194
A31180	Decrease (increase) in other receivable	(2,282)	2,220
A31190	Decrease (increase) in other receivable due from related parties	1,087	(686)
A31200	Decrease (increase) in inventories	(62,449)	(3,384)
A31230	Decrease (increase) in prepayments	(2,877)	(10,055)
A31240	Decrease (increase) in other current assets	(24)	652
A31250	Decrease (increase) in other financial assets	(6,831)	(37,967)
A31000	Total changes in operating assets	16,941	79,841
	Changes in operating liabilities		
A32125	Increase (decrease) in contract liabilities	1,125	17,451
A32130	Increase (decrease) in notes payable	(12,564)	3,210
A32150	Increase (decrease) in accounts payable	22,346	13,309
A32180	Increase (decrease) in other payable	(46,430)	(51,452)
A32190	Increase (decrease) in other payable to related parties	5,035	(3,864)
A32230	Increase (decrease) in other current liabilities	856	348
A32240	Increase (decrease) in net defined benefit liability	(2,329)	(762)
A32000	Total changes in operating liabilities	(31,961)	(21,760)
A30000	Total changes in operating assets and liabilities	(15,020)	58,081
A20000	Total adjustments	(27,966)	60,122
A33000	Cash inflow (outflow) generated from operations	66,301	95,119
A33100	Interest received	3,838	5,161
A33200	Dividends received	55,095	2,430

A33300	Interest paid	(663)	(618)
A33500	Income taxes refund (paid)	(1,924)	(5,786)
AAAA	Net cash flows from (used in) operating activities	122,647	96,306
	Cash flows from (used in) investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(277,567)	(264,743)
B02700	Acquisition of property, plant and equipment	(29,376)	(22,066)
B02800	Proceeds from disposal of property, plant and equipment	52	250
B03700	Increase in refundable deposits	(39)	-
B03800	Decrease in refundable deposits	-	44
B06600	Decrease in other financial assets	55,382	-
B06800	Decrease in other non-current assets	25	371
BBBB	Net cash flows from (used in) investing activities	(251,523)	(286,144)
	Cash flows from (used in) financing activities		
C00200	Decrease in short-term loans	(67,092)	(1,447)
C00500	Increase in short-term notes and bills payable	33,000	-
C01700	Repayments of long-term debt	-	(936)
C03000	Increase in guarantee deposits received	460	-
C04020	Repayments of principle of lease liabilities	(643)	(715)
CCCC	Net cash flows from (used in) financing activities	(34,275)	(3,098)
DDDD	Effect of exchange rate changes on cash and cash equivalents	4,089	(10,866)
EEEE	Net increase (decrease) in cash and cash equivalents	(159,062)	(203,802)
E00100	Cash and cash equivalents at beginning of period	1,509,695	3,987,427
E00200	Cash and cash equivalents at end of period	\$1,350,633	\$3,783,625

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