

English Translation of Financial Statements Originally Issued in Chinese

TAH HSIN INDUSTRIAL CORPORATION

BALANCE SHEETS

As of September 30, 2022, December 31, 2021, and September 30, 2021

(September 30, 2022 and 2021 are unaudited)

(Amounts in thousands of New Taiwan Dollars)

		September 30, 2022		December 31, 2021		September 30, 2021	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
		ASSETS					
	Current assets						
1100	Cash and cash equivalents(Note 6(1))	\$1,915,690	17	\$1,509,695	12	\$1,371,764	10
1110	Current financial assets at fair value through profit or loss(Note 6(2))	4,469	-	-	-	89	-
1120	Current financial assets at fair value through other comprehensive income(Note 6(3))	3,860,335	34	4,564,082	36	4,599,128	35
1150	Notes receivable, net(Note 6(4))	56,171	-	88,641	1	76,413	1
1170	Accounts receivable, net(Note 6(5))	391,747	4	317,236	3	251,481	2
1180	Accounts receivable due from related parties, net(Note 6(5))	22,165	-	16,499	-	19,479	-
1200	Other receivables	20,016	-	18,701	-	18,183	-
1210	Other receivables due from related parties	2,001	-	1,834	-	1,741	-
1220	Current tax assets	6,452	-	4,957	-	4,938	-
130x	Current inventories(Note 6(6))	736,603	7	756,419	6	684,809	5
1410	Prepayments	33,651	-	40,376	-	66,423	1
1476	Other current financial assets(Note 6(1))	791,375	7	1,712,362	13	2,439,607	19
1479	Other current assets, others	7,529	-	1,153	-	1,665	-
11xx	Total Current assets	7,848,204	69	9,031,955	71	9,535,720	73
	Non-current assets						
1517	Non-current financial assets at fair value through other comprehensive income(Note 6(7))	573,698	5	768,053	6	670,775	5
1550	Investments accounted for using equity method(Notes 4, 6(8))	454,249	4	574,360	5	572,754	4
1600	Property, plant and equipment(Note 6(9))	1,830,142	16	1,757,705	14	1,719,992	13
1755	Right-of-use asset(Note 6(10))	75,967	1	74,133	-	78,571	1
1760	Investment property, net(Note 6(10))	401,814	4	401,177	3	345,485	3
1840	Deferred tax assets	93,518	1	104,239	1	104,610	1
1920	Guarantee deposits paid	4,060	-	3,883	-	3,936	-
1970	Other long-term investments, net	810	-	810	-	810	-
1980	Other non-current financial assets(Note 6(1))	26,838	-	36,924	-	45,202	-
1995	Other non-current assets, others	6,621	-	1,485	-	7,411	-
15xx	Total Non-current assets	3,467,717	31	3,722,769	29	3,549,546	27
1xxx	Total Assets	\$11,315,921	100	\$12,754,724	100	\$13,085,266	100
		LIABILITIES AND EQUITY					
	Current liabilities						
2100	Current borrowings(Note 6(102))	\$153,805	2	\$255,760	2	\$167,470	1
2110	Short-term notes and bills payable(Note 6(103))	36,000	-	-	-	-	-
2120	Current financial liabilities at fair value through profit or loss(Note 6(2))	-	-	12	-	-	-
2130	Current contract liabilities	8,286	-	11,457	-	20,645	-
2150	Notes payable	119,899	1	146,175	1	138,591	1
2170	Accounts payable	103,956	1	79,939	1	89,744	1
2180	Accounts payable to related parties	4,868	-	-	-	-	-
2200	Other payables	198,555	2	196,696	2	559,698	4
2220	Other payables to related parties	5,682	-	1,211	-	8,375	-
2230	Current tax liabilities	26,893	-	266,975	2	268,321	2
2250	Current provisions(Note 6(104))	8,458	-	8,458	-	9,467	-
2280	Current lease liabilities(Note 6(10))	2,559	-	2,655	-	2,971	-
2399	Other current liabilities, others	3,425	-	2,112	-	3,129	-
21xx	Total Current liabilities	672,386	6	971,450	8	1,268,411	9
	Non-current liabilities						
2570	Deferred tax liabilities	213,962	2	180,746	1	180,781	2
2580	Non-current lease liabilities(Note 6(10))	8,378	-	9,877	-	14,050	-
2640	Net defined benefit liability, non-current(Notes 4, 6(105))	8,647	-	13,326	-	1,736	-
2645	Guarantee deposits received	9,595	-	9,043	-	9,095	-
25xx	Total Non-current liabilities	240,582	2	212,992	1	205,662	2
2xxx	Total Liabilities	912,968	8	1,184,442	9	1,474,073	11
		LIABILITIES AND EQUITY					
	Equity						
	Equity attributable to owners of parent						
3100	Share capital(Note 6(106))	990,990	9	990,990	8	990,990	8
3200	Capital surplus(Note 6(107))	200,160	2	182,030	2	182,030	1
3300	Retained earnings(Note 6(108))	7,739,894	68	7,538,998	59	7,534,080	58
3400	Other equity interest(Note 6(109))	1,525,283	14	2,915,781	23	2,962,269	23
3500	Treasury shares(Note 6(210))	(83,230)	(1)	(83,230)	(1)	(83,230)	(1)
31xx	Total Equity attributable to owners of parent	10,373,097	92	11,544,569	91	11,586,139	89
36xx	Non-controlling interests(Note 6(210))	29,856	-	25,713	-	25,054	-
3xxx	Total Equity	10,402,953	92	11,570,282	91	11,611,193	89
	Total Liabilities And Equity	\$11,315,921	100	\$12,754,724	100	\$13,085,266	100

Chairman: Wu, Zi-Cong

President: Wu, Zi-Cong

Chief Accountant: Chen, Ming-Je

English Translation of Financial Statements Originally Issued in Chinese
TAH HSIN INDUSTRIAL CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME
For the years ended September 30, 2022 and 2021
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Three Months Ended September 30				Nine Months Ended September 30			
	2022	%	2021	%	2022	%	2021	%
Operating revenue(Note 6(2102))	\$749,376	100	\$682,016	100	\$2,054,077	100	\$1,763,378	100
Operating costs(Note 6(6)(2103))	(597,061)	(80)	(583,806)	(86)	(1,677,745)	(82)	(1,491,063)	(84)
Unrealized profit (loss) from sales	152,315	20	98,210	14	376,332	18	272,315	16
Operating expenses(Note 6(2103))								
Selling expenses	(29,906)	(4)	(32,003)	(5)	(86,224)	(4)	(87,474)	(5)
Administrative expenses	(58,709)	(8)	(62,775)	(9)	(169,159)	(8)	(175,116)	(10)
Expected credit impairment loss (or gain)	(1,415)	-	(2)	-	(1,117)	-	2,649	-
Operating expenses	(90,030)	(12)	(94,780)	(14)	(256,500)	(12)	(259,941)	(15)
Net operating income (loss)	62,285	8	3,430	-	119,832	6	12,374	1
Non-operating income and expenses								
Interest income(Note 6(2104))	7,918	1	5,064	1	16,082	1	16,141	1
Other income(Note 6(2105))	348,572	47	183,343	27	413,462	20	205,905	12
Other gains and losses(Note 6(2106))	107,967	14	2,354	-	193,633	9	(9,832)	(1)
Finance costs(Note 6(2107))	(458)	-	(437)	-	(1,777)	-	(1,549)	-
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	-	-	(57)	-	-	-	5,092	-
Share of profit (loss) of associates and joint ventures accounted for using equity method	15,776	2	47,330	7	25,941	1	43,971	3
Non-operating income and expenses	479,775	64	237,597	35	647,341	31	259,728	15
Profit (loss) from continuing operations before tax	542,060	72	241,027	35	767,173	37	272,102	16
Tax expense (income)(Note 6(2108))	(34,962)	(4)	(6,773)	(1)	(67,735)	(3)	(274,543)	(16)
Profit (loss) from continuing operations	507,098	68	234,254	34	699,438	34	(2,441)	-
Net income (loss)(Note 6)	507,098	68	234,254	34	699,438	34	(2,441)	-
Other comprehensive income(Note 6(2109))								
Components of other comprehensive income that will not be reclassified to profit or loss								
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(782,018)	(105)	169,435	25	(1,312,073)	(64)	675,529	38
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income, associates and joint ventures	(40,425)	(5)	(103,759)	(15)	(114,221)	(6)	(65,459)	(4)
Components of other comprehensive income that will not be reclassified to profit or loss	(822,443)	(110)	65,676	10	(1,426,294)	(70)	610,070	34
Components of other comprehensive income that will be reclassified to profit or loss								
Exchange differences on translation	30,984	4	(1,797)	-	48,516	2	(22,916)	(1)
Unrealised gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	(1,699)	-	-	-	(1,699)	-	-	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(6,058)	(1)	372	-	(9,374)	-	4,509	-
Components of other comprehensive income that will be reclassified to profit or loss	23,227	3	(1,425)	-	37,443	2	(18,407)	(1)
Other comprehensive income	(\$799,216)	(107)	\$64,251	10	(\$1,388,851)	(68)	\$591,663	33
Total comprehensive income	(\$292,118)	(39)	\$298,505	44	(\$689,413)	(34)	\$589,222	33
Profit (loss), attributable to:								
Profit (loss), attributable to stockholders of the parent	\$505,321	68	\$233,727	34	\$696,391	34	(\$2,898)	-
Profit (loss), attributable to non-controlling interests	1,777	-	527	-	3,047	-	457	-
	\$507,098	68	\$234,254	34	\$699,438	34	(\$2,441)	-
Comprehensive income attributable to:								
Stockholders of the parent (Comprehensive income)	(\$294,590)	(39)	\$297,915	44	(\$694,107)	(34)	\$589,136	33
Non-controlling interests (Comprehensive income)	2,472	-	590	-	4,694	-	86	-
	(\$292,118)	(39)	\$298,505	44	(\$689,413)	(34)	\$589,222	33
Earnings Per Share								
Basic earnings per share(Note 6(310))	\$5.29		\$1.75		\$7.29		(\$0.02)	
Diluted earnings per share	\$5.29		\$1.75		\$7.29		(\$0.02)	

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TAH HSIN INDUSTRIAL CORPORATION

STATEMENTS OF CHANGES IN EQUITY

For the nine months ended September 30, 2022 and 2021

(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	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive	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:											
Legal reserve appropriated	-	-	737,203	-	(737,203)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(831,600)	-	-	-	(831,600)	-	(831,600)
Other changes in capital surplus	-	273	-	-	-	-	-	-	273	-	273
Consolidated Net Income	-	-	-	-	(2,898)	-	-	-	(2,898)	457	(2,441)
	-	-	-	-	-	(18,036)	610,070	-	592,034	(371)	591,663
Total comprehensive income	-	-	-	-	(2,898)	(18,036)	610,070	-	589,136	86	589,222
Capital reduction	(395,010)	-	-	-	-	-	-	-	(395,010)	-	(395,010)
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	29,975	-	-	-	-	-	-	29,975	-	29,975
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	18,315	-	(18,315)	-	-	-	-
Others	-	-	-	-	-	-	-	14,239	14,239	-	14,239
End of Year	\$990,990	\$182,030	\$1,570,733	\$573,800	\$5,389,547	(\$102,012)	\$3,064,281	(\$83,230)	\$11,586,139	\$25,054	\$11,611,193
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	-	-	-	-	(495,495)	-	-	-	(495,495)	-	(495,495)
Other changes in capital surplus	-	270	-	-	-	-	-	-	270	-	270
Consolidated Net Income	-	-	-	-	696,391	-	-	-	696,391	3,047	699,438
	-	-	-	-	-	37,495	(1,427,993)	-	(1,390,498)	1,647	(1,388,851)
Total comprehensive income	-	-	-	-	696,391	37,495	(1,427,993)	-	(694,107)	4,694	(689,413)
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	17,860	-	-	-	-	-	-	17,860	-	17,860
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(551)	(551)
End of Year	\$990,990	\$200,160	\$1,570,733	\$573,800	\$5,595,361	(\$68,833)	\$1,594,116	(\$83,230)	\$10,373,097	\$29,856	\$10,402,953

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TAH HSIN INDUSTRIAL CORPORATION

STATEMENTS OF CASH FLOWS

For the nine months ended September 30, 2022 and 2021

(Amounts in thousands of New Taiwan Dollars)

Description	2022	2021
Cash flows from (used in) operating activities, indirect method		
Profit (loss) before tax	\$767,173	\$272,102
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	48,013	43,355
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	1,117	(7,741)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(1,703)	(129)
Interest expense	1,777	1,549
Interest income	(16,082)	(16,141)
Dividend income	(377,484)	(176,896)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(25,941)	(43,971)
Loss (gain) on disposal of property, plan and equipment	(136)	(142)
Unrealized foreign exchange loss (gain)	(18,847)	(360)
Other Adjustments to Reconcile Net Income	270	273
Total adjustments to reconcile profit (loss)	(389,016)	(200,203)
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	33,162	13,975
Decrease (increase) in accounts receivable	(59,717)	62,003
Decrease (increase) in accounts receivable due from related parties	(4,749)	(4,284)
Decrease (increase) in other receivable	(1,104)	(3,525)
Decrease (increase) in other receivable due from related parties	(167)	(772)
Decrease (increase) in inventories	19,816	(77,832)
Decrease (increase) in prepayments	6,725	(8,052)
Decrease (increase) in other current assets	(6,376)	(16)
Decrease (increase) in other financial assets	(29,013)	(7,285)
Total changes in operating assets	(41,423)	(25,788)
Changes in operating liabilities		
Increase (decrease) in contract liabilities	(3,171)	12,756
Increase (decrease) in notes payable	(26,276)	45,652
Increase (decrease) in accounts payable	24,017	21,091
Increase (decrease) in accounts payable to related parties	4,868	-
Increase (decrease) in other payable	(5,250)	(81,502)
Increase (decrease) in other payable to related parties	4,471	3,583
Increase (decrease) in other current liabilities	1,313	760

Increase (decrease) in net defined benefit liability	(4, 679)	(6, 184)
Total changes in operating liabilities	(4, 707)	(3, 844)
Total changes in operating assets and liabilities	(46, 130)	(29, 632)
Total adjustments	(435, 146)	(229, 835)
Cash inflow (outflow) generated from operations	332, 027	42, 267
Interest received	16, 176	17, 150
Dividends received	414, 362	226, 361
Interest paid	(1, 757)	(1, 518)
Income taxes refund (paid)	(270, 909)	(8, 699)
Net cash flows from (used in) operating activities	489, 899	275, 561
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	(414, 312)	(1, 072, 266)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	272, 024
Acquisition of financial assets measured at fair value through profit or loss	(2, 803)	-
Acquisition of investments accounted for using equity method	(4, 180)	-
Acquisition of property, plant and equipment	(90, 194)	(343, 716)
Proceeds from disposal of property, plant and equipment	165	250
Increase in refundable deposits	(177)	(1, 250)
Decrease in refundable deposits	-	103
Acquisition of investment properties	(780)	-
Increase in other financial assets	-	(900, 000)
Decrease in other financial assets	960, 086	5, 133
Increase in other non-current assets	(5, 136)	(5, 500)
Decrease in other non-current assets	-	6, 861
Net cash flows from (used in) investing activities	442, 669	(2, 038, 361)
Cash flows from (used in) financing activities		
Decrease in short-term loans	(88, 933)	(26, 476)
Increase in short-term notes and bills payable	36, 000	-
Repayments of long-term debt	-	(2, 120)
Increase in guarantee deposits received	460	1, 106
Repayments of principle of lease liabilities	(2, 028)	(2, 231)
Cash dividends paid	(477, 635)	(801, 625)
Change in non-controlling interests	(551)	-
Net cash flows from (used in) financing activities	(532, 687)	(831, 346)
Effect of exchange rate changes on cash and cash equivalents	6, 114	(21, 517)
Net increase (decrease) in cash and cash equivalents	405, 995	(2, 615, 663)
Cash and cash equivalents at beginning of period	1, 509, 695	3, 987, 427
Cash and cash equivalents at end of period	\$1, 915, 690	\$1, 371, 764

Chairman: Wu, Zi-Cong

President: Wu, Zi-Cong

Chief Accountant: Chen,Ming-Je