

## TAH HSIN INDUSTRIAL CORPORATION

## BALANCE SHEETS

As of March 31, 2023, December 31, 2022, and March 31, 2022

(March 31, 2023 and 2022 are unaudited)

(Amounts in thousands of New Taiwan Dollars)

		March 31, 2023		December 31, 2022		March 31, 2022	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
<b>ASSETS</b>							
<b>Current assets</b>							
1100	Cash and cash equivalents(Note 6)	\$2,067,665	17	\$2,019,589	18	\$1,350,633	11
1110	Current financial assets at fair value through profit or loss(Note 6)	2,183	-	1,978	-	1,898	-
1120	Current financial assets at fair value through other comprehensive	4,483,604	38	4,050,561	35	5,139,196	40
1150	Notes receivable, net(Note 6)	43,995	-	76,177	1	44,118	-
1170	Accounts receivable, net(Note 6)	235,497	2	339,514	3	273,954	2
1180	Accounts receivable due from related parties, net(Note 6)	11,195	-	18,535	-	20,986	-
1200	Other receivables	27,273	-	20,914	-	20,868	-
1210	Other receivables due from related parties	733	-	833	-	747	-
1220	Current tax assets	7,477	-	8,472	-	6,965	-
130x	Current inventories(Note 6)	789,908	7	749,392	6	818,868	6
1410	Prepayments	48,008	-	25,219	-	43,253	-
1476	Other current financial assets(Note 6)	662,047	6	640,876	6	1,669,193	13
1479	Other current assets, others	735	-	988	-	1,177	-
11xx	Total Current assets	8,380,320	70	7,953,048	69	9,391,856	72
<b>Non-current assets</b>							
1517	Non-current financial assets at fair value through other comprehensive income(Note 6)	616,949	5	586,578	5	746,440	6
1550	Investments accounted for using equity method(Note 6)	440,772	4	471,598	4	520,070	4
1600	Property, plant and equipment(Note 6)	1,984,824	16	1,970,028	17	1,776,079	14
1755	Right-of-use asset(Note 6)	72,589	1	74,039	1	75,188	-
1760	Investment property, net(Note 6)	345,463	3	345,465	3	401,129	3
1840	Deferred tax assets	95,726	1	95,918	1	99,156	1
1920	Guarantee deposits paid	3,802	-	3,807	-	3,922	-
1970	Other long-term investments, net	810	-	810	-	810	-
1975	Net defined benefit asset, non-current(Note 6)	1,754	-	1,043	-	-	-
1980	Other non-current financial assets(Note 6)	26,586	-	26,448	-	31,542	-
1995	Other non-current assets, others	5,293	-	5,759	-	1,460	-
15xx	Total Non-current assets	3,594,568	30	3,581,493	31	3,655,796	28
1xxx	Total Assets	\$11,974,888	100	\$11,534,541	100	\$13,047,652	100
<b>LIABILITIES AND EQUITY</b>							
<b>Current liabilities</b>							
2100	Current borrowings(Note 6)	\$141,725	1	\$160,541	1	\$185,303	2
2110	Short-term notes and bills payable(Note 6)	25,000	-	25,000	-	33,000	-
2120	Current financial liabilities at fair value through profit or loss(Note 6)	-	-	3,209	-	-	-
2130	Current contract liabilities	17,882	-	12,117	-	12,582	-
2150	Notes payable	111,397	1	122,289	1	133,611	1
2170	Accounts payable	109,832	1	60,245	1	102,285	1
2180	Accounts payable to related parties	-	-	140	-	-	-
2200	Other payables(Note 6)	497,844	4	229,807	2	401,190	3
2220	Other payables to related parties	3,021	-	3,413	-	6,246	-
2230	Current tax liabilities	53,680	1	50,252	1	271,403	2
2250	Current provisions(Note 6)	8,458	-	8,458	-	8,458	-
2280	Current lease liabilities(Note 6)	2,895	-	2,904	-	2,594	-
2399	Other current liabilities, others	2,620	-	2,002	-	2,968	-
21xx	Total Current liabilities	974,354	8	680,377	6	1,159,640	9
<b>Non-current liabilities</b>							
2570	Deferred tax liabilities	192,486	2	197,569	2	186,660	2
2580	Non-current lease liabilities(Note 6)	7,510	-	8,250	-	9,391	-
2640	Net defined benefit liability, non-current(Notes 4,6)	-	-	-	-	10,997	-
2645	Guarantee deposits received	9,615	-	9,601	-	9,618	-
25xx	Total Non-current liabilities	209,611	2	215,420	2	216,666	2
2xxx	Total Liabilities	1,183,965	10	895,797	8	1,376,306	11
<b>LIABILITIES AND EQUITY</b>							
<b>Equity</b>							
<b>Equity attributable to owners of parent</b>							
3100	Share capital(Note 6)	990,990	8	990,990	9	990,990	8
3200	Capital surplus(Note 6)	200,428	2	200,160	2	182,300	1
3300	Retained earnings(Note 6)	7,445,852	62	7,760,947	67	7,371,723	57
3400	Other equity interest(Note 6)	2,207,514	19	1,740,578	15	3,182,272	24
3500	Treasury shares(Note 6)	(83,230)	(1)	(83,230)	(1)	(83,230)	(1)
31xx	Total Equity attributable to owners of parent	10,761,554	90	10,609,445	92	11,644,055	89
36xx	Non-controlling interests(Note 6)	29,369	-	29,299	-	27,291	-
3xxx	Total Equity	10,790,923	90	10,638,744	92	11,671,346	89
Total Liabilities And Equity		\$11,974,888	100	\$11,534,541	100	\$13,047,652	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 March 31, 2023 and 2022

(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Three Months Ended March 31			
	2023	%	2022	%
Operating revenue(Note 6)	\$541,146	100	\$613,677	100
Operating costs(Note 6)	(448,325)	(83)	(509,296)	(83)
Unrealized profit (loss) from sales	92,821	17	104,381	17
Operating expenses(Note 6)				
Selling expenses	(27,964)	(5)	(30,157)	(5)
Administrative expenses	(54,574)	(10)	(56,023)	(9)
Expected credit impairment loss (or	4,400	1	4,098	-
Operating expenses	(78,138)	(14)	(82,082)	(14)
Net operating income (loss)	14,683	3	22,299	3
Non-operating income and expenses				
Interest income(Note 6)	18,182	3	3,531	-
Other income(Note 6)	23,491	4	29,880	5
Other gains and losses(Note 6)	(15,020)	(3)	41,144	7
Finance costs(Note 6)	(497)	-	(673)	-
Share of profit (loss) of associates	(2,995)	-	(1,914)	-
Non-operating income and	23,161	4	71,968	12
Profit (loss) from continuing	37,844	7	94,267	15
Tax expense (income)(Note 6(29))	(6,071)	(1)	(13,151)	(2)
Profit (loss) from continuing	31,773	6	81,116	13
Net income (loss)(Note 6)	31,773	6	81,116	13
Other comprehensive income(Note				
Components of other				
Unrealised gains (losses) from	463,016	86	270,589	44
Unrealised gains (losses) from	6,698	1	(16,098)	(3)
Components of other	469,714	87	254,491	41
Components of other				
Exchange differences on	(4,085)	(1)	15,935	2
Unrealised gains (losses) from	529	-	-	-
Income tax related to	827	-	(3,000)	-
Components of other	(2,729)	(1)	12,935	2
Other comprehensive income	\$466,985	86	\$267,426	43
Total comprehensive income	\$498,758	92	\$348,542	56
Profit (loss), attributable to:				
Profit (loss), attributable to	\$31,752	6	\$80,473	13
Profit (loss), attributable to non-	21	-	643	-
	\$31,773	6	\$81,116	13
Comprehensive income attributable				
Stockholders of the parent	\$498,688	92	\$346,964	56
Non-controlling interests	70	-	1,578	-
	\$498,758	92	\$348,542	56
Earnings Per Share				
Basic earnings per share(Note 6)	\$0.33		\$0.84	
Diluted earnings per share	\$0.33		\$0.84	

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**TAI HSIN INDUSTRIAL CORPORATION**

**STATEMENTS OF CHANGES IN EQUITY**

For the three months ended March 31, 2023 and 2022

(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	\$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	\$990,990	\$182,300	\$1,570,733	\$573,800	\$5,227,190	(\$94,328)	\$3,276,600	(\$83,230)	\$11,644,055	\$27,291	\$11,671,346
Beginning Balance	990,990	200,160	1,570,733	573,800	5,616,414	(77,742)	1,818,320	(83,230)	10,609,445	29,299	10,638,744
Appropriation and distribution of retained earnings:											
Cash dividends of ordinary share	-	-	-	-	(346,847)	-	-	-	(346,847)	-	(346,847)
Other changes in capital surplus	-	268	-	-	-	-	-	-	268	-	268
Consolidated Net Income	-	-	-	-	31,752	-	-	-	31,752	21	31,773
	-	-	-	-	-	(3,307)	470,243	-	466,936	49	466,985
Total comprehensive income	-	-	-	-	31,752	(3,307)	470,243	-	498,688	70	498,758
End of Year	\$990,990	\$200,428	\$1,570,733	\$573,800	\$5,301,319	(\$81,049)	\$2,288,563	(\$83,230)	\$10,761,554	\$29,369	\$10,790,923

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TAH HSIN INDUSTRIAL CORPORATION

STATEMENTS OF CASH FLOWS

For the three months ended March 31, 2023 and 2022

(Amounts in thousands of New Taiwan Dollars)

Description	2023	2022
Cash flows from (used in) operating activities, indirect method		
Profit (loss) before tax	\$37,844	\$94,267
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	18,983	15,353
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(4,400)	(4,098)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(3,378)	(1,931)
Interest expense	497	673
Interest income	(18,182)	(3,531)
Dividend income	(12,038)	(18,660)
Share of loss (profit) of associates and joint ventures accounted for using equity method	2,995	1,914
Loss (gain) on disposal of property, plan and equipment	-	(45)
Unrealized foreign exchange loss (gain)	642	(2,891)
Other Adjustments to Reconcile Net Income	268	270
Total adjustments to reconcile profit (loss)	(14,613)	(12,946)
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	32,755	45,472
Decrease (increase) in accounts receivable	107,059	48,951
Decrease (increase) in accounts receivable due from related parties	7,624	(4,106)
Decrease (increase) in other receivable	600	(2,282)
Decrease (increase) in other receivable due from related parties	100	1,087
Decrease (increase) in inventories	(40,516)	(62,449)
Decrease (increase) in prepayments	(22,789)	(2,877)
Decrease (increase) in other current assets	253	(24)
Decrease (increase) in other financial assets	9,019	(6,831)
Decrease (increase) in other operating assets	(711)	-
Total changes in operating assets	93,394	16,941
Changes in operating liabilities		
Increase (decrease) in contract liabilities	5,765	1,125
Increase (decrease) in notes payable	(10,892)	(12,564)
Increase (decrease) in accounts payable	49,587	22,346
Increase (decrease) in accounts payable to related parties	(140)	-
Increase (decrease) in other payable	(43,597)	(46,430)

Increase (decrease) in other payable to related parties	(392)	5,035
Increase (decrease) in other current liabilities	618	856
Increase (decrease) in net defined benefit liability	-	(2,329)
Total changes in operating liabilities	949	(31,961)
Total changes in operating assets and liabilities	94,343	(15,020)
Total adjustments	79,730	(27,966)
Cash inflow (outflow) generated from operations	117,574	66,301
Interest received	17,996	3,838
Dividends received	39,765	55,095
Interest paid	(535)	(663)
Income taxes refund (paid)	(5,223)	(1,924)
Net cash flows from (used in) operating activities	169,577	122,647
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	-	(277,567)
Acquisition of property, plant and equipment	(71,018)	(29,376)
Proceeds from disposal of property, plant and equipment	-	52
Increase in refundable deposits	-	(39)
Decrease in refundable deposits	5	-
Increase in other financial assets	(30,328)	-
Decrease in other financial assets	-	55,382
Decrease in other non-current assets	466	25
Net cash flows from (used in) investing activities	(100,875)	(251,523)
Cash flows from (used in) financing activities		
Decrease in short-term loans	(16,579)	(67,092)
Increase in short-term notes and bills payable	-	33,000
Increase in guarantee deposits received	-	460
Repayments of principle of lease liabilities	(656)	(643)
Net cash flows from (used in) financing activities	(17,235)	(34,275)
Effect of exchange rate changes on cash and cash equivalents	(3,391)	4,089
Net increase (decrease) in cash and cash equivalents	48,076	(159,062)
Cash and cash equivalents at beginning of period	2,019,589	1,509,695
Cash and cash equivalents at end of period	\$2,067,665	\$1,350,633

**Chairman: Wu, Zi-Cong**

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