

TAH HSIN INDUSTRIAL CORPORATION

BALANCE SHEETS

As of June 30, 2023, December 31, 2022, and June 30, 2022

(June 30, 2023 and 2022 are unaudited)

(Amounts in thousands of New Taiwan Dollars)

		June 30, 2023		December 31, 2022		June 30, 2022	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
ASSETS							
Current assets							
1100	Cash and cash equivalents(Note 6(1))	\$2,495,176	21	\$2,019,589	18	\$1,634,406	14
1110	Current financial assets at fair value through profit or loss(Note 6(2))	6,850	-	1,978	-	2,027	-
1120	Current financial assets at fair value through other comprehensive income(Note 6(3))	3,963,155	34	4,050,561	35	4,585,821	39
1150	Notes receivable, net(Note 6(4))	77,643	1	76,177	1	87,812	1
1170	Accounts receivable, net(Note 6(5))	315,436	3	339,514	3	314,453	2
1180	Accounts receivable due from related parties, net(Note 6(5))	9,392	-	18,535	-	34,379	-
1200	Other receivables	132,455	1	20,914	-	16,891	-
1210	Other receivables due from related parties	1,986	-	833	-	1,749	-
1220	Current tax assets	14,529	-	8,472	-	5,658	-
130x	Current inventories(Note 6(6))	657,771	6	749,392	6	768,712	7
1410	Prepayments	40,155	-	25,219	-	47,260	-
1476	Other current financial assets(Note 6(1))	360,296	3	640,876	6	768,767	7
1479	Other current assets, others	733	-	988	-	3,524	-
11xx	Total Current assets	8,075,577	69	7,953,048	69	8,271,459	70
Non-current assets							
1517	Non-current financial assets at fair value through other comprehensive income(Note 6(7))	599,745	5	586,578	5	616,830	5
1550	Investments accounted for using equity method(Note 6(8))	455,673	4	471,598	4	478,211	4
1600	Property, plant and equipment(Notes 4,6(9))	1,996,057	17	1,970,028	17	1,777,030	15
1755	Right-of-use asset(Note 6(10))	70,868	1	74,039	1	74,527	1
1760	Investment property, net(Note 6(11))	345,460	3	345,465	3	401,862	4
1840	Deferred tax assets	96,685	1	95,918	1	98,372	1
1920	Guarantee deposits paid	3,782	-	3,807	-	3,910	-
1970	Other long-term investments, net	810	-	810	-	810	-
1975	Net defined benefit asset, non-current(Note 6)	4,953	-	1,043	-	-	-
1980	Other non-current financial assets(Note 6(1))	25,692	-	26,448	-	26,634	-
1995	Other non-current assets, others	8,335	-	5,759	-	1,207	-
15xx	Total Non-current assets	3,608,060	31	3,581,493	31	3,479,393	30
1xxx	Total Assets	\$11,683,637	100	\$11,534,541	100	\$11,750,852	100
LIABILITIES AND EQUITY							
Current liabilities							
2100	Current borrowings(Note 6(12))	\$130,290	1	\$160,541	1	\$154,755	2
2110	Short-term notes and bills payable(Note 6(13))	-	-	25,000	-	33,000	-
2120	Current financial liabilities at fair value through profit or loss(Note 6(2))	-	-	3,209	-	65	-
2130	Current contract liabilities	9,416	-	12,117	-	21,843	-
2150	Notes payable	81,206	1	122,289	1	129,761	1
2170	Accounts payable	41,804	-	60,245	1	57,177	-
2180	Accounts payable to related parties	1,066	-	140	-	-	-
2200	Other payables(Note 6(14))	196,142	2	229,807	2	163,713	2
2220	Other payables to related parties	2,671	-	3,413	-	3,539	-
2230	Current tax liabilities	30,512	-	50,252	1	15,032	-
2250	Current provisions(Note 6(15))	8,458	-	8,458	-	8,458	-
2280	Current lease liabilities(Note 6(10))	2,854	-	2,904	-	2,530	-
2399	Other current liabilities, others	3,464	-	2,002	-	3,258	-
21xx	Total Current liabilities	507,883	4	680,377	6	593,131	5
Non-current liabilities							
2570	Deferred tax liabilities	198,546	2	197,569	2	195,197	2
2580	Non-current lease liabilities(Note 6(10))	6,656	-	8,250	-	8,595	-
2640	Net defined benefit liability, non-current(Note	-	-	-	-	10,470	-
2645	Guarantee deposits received	9,524	-	9,601	-	9,571	-
25xx	Total Non-current liabilities	214,726	2	215,420	2	223,833	2
2xxx	Total Liabilities	722,609	6	895,797	8	816,964	7
LIABILITIES AND EQUITY							
Equity							
Equity attributable to owners of parent							
3100	Share capital(Note 6(17))	990,990	9	990,990	9	990,990	8
3200	Capital surplus(Note 6(18))	212,930	2	200,160	2	191,230	2
3300	Retained earnings(Note 6(19))	7,740,815	66	7,760,947	67	7,482,320	64
3400	Other equity interest(Note 6(20))	2,070,411	18	1,740,578	15	2,325,194	20
3500	Treasury shares(Note 6(21))	(83,230)	(1)	(83,230)	(1)	(83,230)	(1)
31xx	Total Equity attributable to owners of parent	10,931,916	94	10,609,445	92	10,906,504	93
36xx	Non-controlling interests(Note 6(22))	29,112	-	29,299	-	27,384	-
3xxx	Total Equity	10,961,028	94	10,638,744	92	10,933,888	93
Total Liabilities And Equity		\$11,683,637	100	\$11,534,541	100	\$11,750,852	100

Chairman: Wu, Zi-Cong President: Chen, Yi-Chien 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 June 30, 2023 and 2022
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Three Months Ended June 30				Six Months Ended June 30			
	2023	%	2022	%	2023	%	2022	%
Operating revenue(Note 6(23))	\$627,079	100	\$691,024	100	\$1,168,225	100	\$1,304,701	100
Operating costs(Note 6(6)(24))	(510,425)	(81)	(571,388)	(83)	(958,750)	(82)	(1,080,684)	(83)
Unrealized profit (loss) from sales	116,654	19	119,636	17	209,475	18	224,017	17
Operating expenses(Note 6(24))								
Selling expenses	(29,429)	(5)	(26,161)	(4)	(57,393)	(5)	(56,318)	(4)
Administrative expenses	(57,553)	(9)	(54,427)	(8)	(112,127)	(9)	(110,450)	(9)
Expected credit impairment loss (or gain)	(2,399)	-	(3,800)	-	2,001	-	298	-
Operating expenses	(89,381)	(14)	(84,388)	(12)	(167,519)	(14)	(166,470)	(13)
Net operating income (loss)	27,273	5	35,248	5	41,956	4	57,547	4
Non-operating income and expenses								
Interest income(Note 6(25))	19,504	3	4,633	1	37,686	3	8,164	1
Other income(Note 6(26))	146,621	23	35,010	5	170,112	15	64,890	5
Other gains and losses(Note 6(27))	40,617	7	44,522	6	25,597	2	85,666	6
Finance costs(Note 6(28))	(380)	-	(646)	-	(877)	-	(1,319)	-
Share of profit (loss) of associates and joint ventures accounted for using equity method	19,123	3	12,079	2	16,128	1	10,165	1
Non-operating income and expenses	225,485	36	95,598	14	248,646	21	167,566	13
Profit (loss) from continuing operations before tax	252,758	41	130,846	19	290,602	25	225,113	17
Tax expense (income)(Note 6(29))	(16,852)	(3)	(19,622)	(3)	(22,923)	(2)	(32,773)	(2)
Profit (loss) from continuing operations	235,906	38	111,224	16	267,679	23	192,340	15
Net income (loss)(Note 6)	235,906	38	111,224	16	267,679	23	192,340	15
Other comprehensive income(Note 6(30))								
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	(69,556)	(11)	(800,644)	(116)	393,460	34	(530,055)	(40)
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income, associates and joint ventures	(3,280)	(1)	(57,698)	(8)	3,418	-	(73,796)	(6)
Components of other comprehensive income that will not be reclassified to profit or loss	(72,836)	(12)	(858,342)	(124)	396,878	34	(603,851)	(46)
Components of other comprehensive income that will be reclassified to profit or loss								
Exchange differences on translation	(4,981)	(1)	1,597	-	(9,066)	(1)	17,532	1
Unrealised gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	(233)	-	-	-	296	-	-	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	910	-	(316)	-	1,737	-	(3,316)	-
Components of other comprehensive income that will be reclassified to profit or loss	(4,304)	(1)	1,281	-	(7,033)	(1)	14,216	1
Other comprehensive income	(\$77,140)	(13)	(\$857,061)	(124)	\$389,845	33	(\$589,635)	(45)
Total comprehensive income	\$158,766	25	(\$745,837)	(108)	\$657,524	56	(\$397,295)	(30)
Profit (loss), attributable to:								
Profit (loss), attributable to stockholders of the parent	\$234,568	38	\$110,597	16	\$266,320	23	\$191,070	15
Profit (loss), attributable to non-controlling interests	1,338	-	627	-	1,359	-	1,270	-
	\$235,906	38	\$111,224	16	\$267,679	23	\$192,340	15
Comprehensive income attributable to:								
Stockholders of the parent (Comprehensive income)	\$157,860	25	(\$746,481)	(108)	\$656,548	56	(\$399,517)	(30)
Non-controlling interests (Comprehensive income)	906	-	644	-	976	-	2,222	-
	\$158,766	25	(\$745,837)	(108)	\$657,524	56	(\$397,295)	(30)
Earnings Per Share								
Basic earnings per share(Note 6(31))	\$2.46		\$1.16		\$2.79		\$2.00	
Diluted earnings per share	\$2.46		\$1.16		\$2.79		\$2.00	

Chairman: Wu, Zi-Cong

President: Chen, Yi-Chien

Chief Accountant: Chen, Ming-Je

English Translation of Financial Statements Originally Issued in Chinese

TAH HSIN INDUSTRIAL CORPORATION

STATEMENTS OF CHANGES IN EQUITY

For the six months ended June 30, 2023 and 2022

(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	\$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	-	-	-	-	191,070	-	-	-	191,070	1,270	192,340
Total comprehensive income	-	-	-	-	191,070	13,264	(603,851)	-	(590,587)	952	(589,635)
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	8,930	-	-	-	-	-	-	8,930	-	8,930
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(551)	(551)
End of Year	\$990,990	\$191,230	\$1,570,733	\$573,800	\$5,337,787	(\$93,064)	\$2,418,258	(\$83,230)	\$10,906,504	\$27,384	\$10,933,888
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	-	-	-	-	266,320	-	-	-	266,320	1,359	267,679
Total comprehensive income	-	-	-	-	266,320	(6,946)	397,174	-	390,228	(383)	389,845
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	12,502	-	-	-	-	-	-	12,502	-	12,502
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(1,163)	(1,163)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	60,395	-	(60,395)	-	-	-	-
End of Year	\$990,990	\$212,930	\$1,570,733	\$573,800	\$5,596,282	(\$84,688)	\$2,155,099	(\$83,230)	\$10,931,916	\$29,112	\$10,961,028

Chairman: Wu, Zi-Cong

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Chief Accountant: Chen, Ming-Je

English Translation of Financial Statements Originally Issued in Chinese

TAH HSIN INDUSTRIAL CORPORATION

STATEMENTS OF CASH FLOWS

For the six months ended June 30, 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	\$290,602	\$225,113
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	38,828	31,481
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(2,001)	(298)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(8,251)	(2,096)
Interest expense	877	1,319
Interest income	(37,686)	(8,164)
Dividend income	(147,176)	(40,779)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(16,128)	(10,165)
Loss (gain) on disposal of property, plant and equipment	(338)	(136)
Unrealized foreign exchange loss (gain)	(3,610)	(4,132)
Other Adjustments to Reconcile Net Income	268	270
Total adjustments to reconcile profit (loss)	(175,217)	(32,700)
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	(1,352)	1,525
Decrease (increase) in accounts receivable	28,983	6,450
Decrease (increase) in accounts receivable due from related parties	9,567	(17,766)
Decrease (increase) in other receivable	661	3,560
Decrease (increase) in other receivable due from related parties	21	85
Decrease (increase) in inventories	91,621	(12,293)
Decrease (increase) in prepayments	(14,936)	(6,884)
Decrease (increase) in other current assets	255	(2,371)
Decrease (increase) in other financial assets	12,150	(6,405)
Decrease (increase) in other operating assets	(3,910)	-
Total changes in operating assets	123,060	(34,099)
Changes in operating liabilities		
Increase (decrease) in contract liabilities	(2,701)	10,386
Increase (decrease) in notes payable	(41,083)	(16,414)
Increase (decrease) in accounts payable	(18,441)	(22,762)
Increase (decrease) in accounts payable to related parties	926	-
Increase (decrease) in other payable	(28,674)	(26,570)
Increase (decrease) in other payable to related parties	(742)	2,328
Increase (decrease) in other current liabilities	1,462	1,146

Increase (decrease) in net defined benefit liability	-	(2,856)
Total changes in operating liabilities	(89,253)	(54,742)
Total changes in operating assets and liabilities	33,807	(88,841)
Total adjustments	(141,410)	(121,541)
Cash inflow (outflow) generated from operations	149,192	103,572
Interest received	37,740	8,419
Dividends received	69,633	75,957
Interest paid	(918)	(1,310)
Income taxes refund (paid)	(46,907)	(265,494)
Net cash flows from (used in) operating activities	208,740	(78,856)
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	(19,879)	(400,547)
Proceeds from disposal of financial assets at fair value through other comprehensive income	502,773	-
Acquisition of investments accounted for using equity method	-	(4,180)
Acquisition of property, plant and equipment	(88,423)	(50,471)
Proceeds from disposal of property, plant and equipment	462	164
Increase in refundable deposits	-	(27)
Decrease in refundable deposits	25	-
Acquisition of investment properties	-	(780)
Decrease in other financial assets	269,186	960,290
Increase in other non-current assets	(2,576)	-
Decrease in other non-current assets	-	278
Net cash flows from (used in) investing activities	661,568	504,727
Cash flows from (used in) financing activities		
Decrease in short-term loans	(19,614)	(86,746)
Increase in short-term notes and bills payable	-	33,000
Decrease in short-term notes and bills payable	(25,000)	-
Increase in guarantee deposits received	-	460
Repayments of principle of lease liabilities	(1,554)	(1,453)
Cash dividends paid	(334,345)	(238,818)
Change in non-controlling interests	(1,163)	(551)
Net cash flows from (used in) financing activities	(381,676)	(294,108)
Effect of exchange rate changes on cash and cash equivalents	(13,045)	(7,052)
Net increase (decrease) in cash and cash equivalents	475,587	124,711
Cash and cash equivalents at beginning of period	2,019,589	1,509,695
Cash and cash equivalents at end of period	\$2,495,176	\$1,634,406

Chairman: Wu, Zi-Cong President: Chen, Yi-Chien Chief Accountant: Chen, Ming-Je