

## TAH HSIN INDUSTRIAL CORPORATION

## BALANCE SHEETS

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

(September 30, 2023 and 2022 are unaudited)

(Amounts in thousands of New Taiwan Dollars)

		September 30, 2023		December 31, 2022		September 30, 2022	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
<b>ASSETS</b>							
Current assets							
1100	Cash and cash equivalents(Note 6(1))	\$2,301,224	21	\$2,019,589	18	\$1,915,690	17
1110	Current financial assets at fair value through profit or loss(Note 6(2))	7,341	-	1,978	-	4,469	-
1120	Current financial assets at fair value through other comprehensive income(Note 6(3))	3,714,936	33	4,050,561	35	3,860,335	34
1150	Notes receivable, net(Note 6(4))	80,933	1	76,177	1	56,171	-
1170	Accounts receivable, net(Note 6(5))	224,690	2	339,514	3	391,747	4
1180	Accounts receivable due from related parties, net(Note 6(5))	17,004	-	18,535	-	22,165	-
1200	Other receivables	22,281	-	20,914	-	20,016	-
1210	Other receivables due from related parties	326	-	833	-	2,001	-
1220	Current tax assets	6,074	-	8,472	-	6,452	-
130x	Current inventories(Note 6(6))	658,537	6	749,392	6	736,603	7
1410	Prepayments	51,773	-	25,219	-	33,651	-
1476	Other current financial assets(Note 6(1))	462,238	4	640,876	6	791,375	7
1479	Other current assets, others	734	-	988	-	7,529	-
11xx	Total Current assets	7,548,091	67	7,953,048	69	7,848,204	69
Non-current assets							
1517	Non-current financial assets at fair value through other comprehensive income(Note 6(7))	668,814	6	586,578	5	573,698	5
1550	Investments accounted for using equity method(Note 6(8))	471,481	4	471,598	4	454,249	4
1600	Property, plant and equipment(Notes 4,6(9))	1,994,086	18	1,970,028	17	1,830,142	16
1755	Right-of-use asset(Note 6(10))	71,866	1	74,039	1	75,967	1
1760	Investment property, net(Note 6(11))	345,458	3	345,465	3	401,814	4
1840	Deferred tax assets	92,764	1	95,918	1	93,518	1
1920	Guarantee deposits paid	5,215	-	3,807	-	4,060	-
1970	Other long-term investments, net	810	-	810	-	810	-
1975	Net defined benefit asset, non-current	5,977	-	1,043	-	-	-
1980	Other non-current financial assets(Note 6(1))	64,018	-	26,448	-	26,838	-
1995	Other non-current assets, others	11,288	-	5,759	-	6,621	-
15xx	Total Non-current assets	3,731,777	33	3,581,493	31	3,467,717	31
1xxx	Total Assets	\$11,279,868	100	\$11,534,541	100	\$11,315,921	100
<b>LIABILITIES AND EQUITY</b>							
Current liabilities							
2100	Current borrowings(Note 6(12))	\$129,720	1	\$160,541	1	\$153,805	2
2110	Short-term notes and bills payable(Note 6(13))	-	-	25,000	-	36,000	-
2120	Current financial liabilities at fair value through profit or loss(Note 6(2))	-	-	3,209	-	-	-
2130	Current contract liabilities	11,440	-	12,117	-	8,286	-
2150	Notes payable	111,235	1	122,289	1	119,899	1
2170	Accounts payable	57,931	1	60,245	1	103,956	1
2180	Accounts payable to related parties	-	-	140	-	4,868	-
2200	Other payables(Note 6(14))	181,585	2	229,807	2	198,555	2
2220	Other payables to related parties	679	-	3,413	-	5,682	-
2230	Current tax liabilities	6,823	-	50,252	1	26,893	-
2250	Current provisions(Note 6(15))	8,458	-	8,458	-	8,458	-
2280	Current lease liabilities(Note 6(10))	2,778	-	2,904	-	2,559	-
2399	Other current liabilities, others	3,301	-	2,002	-	3,425	-
21xx	Total Current liabilities	513,950	5	680,377	6	672,386	6
Non-current liabilities							
2570	Deferred tax liabilities	206,511	2	197,569	2	213,962	2
2580	Non-current lease liabilities(Note 6(10))	6,311	-	8,250	-	8,378	-
2640	Net defined benefit liability, non-current(Note 6(16))	-	-	-	-	8,647	-
2645	Guarantee deposits received	9,605	-	9,601	-	9,595	-
25xx	Total Non-current liabilities	222,427	2	215,420	2	240,582	2
2xxx	Total Liabilities	736,377	7	895,797	8	912,968	8
<b>LIABILITIES AND EQUITY</b>							
Equity							
Equity attributable to owners of parent							
3100	Share capital(Note 6(17))	990,990	9	990,990	9	990,990	9
3200	Capital surplus(Note 6(18))	221,869	2	200,160	2	200,160	2
3300	Retained earnings(Note 6(19))	7,632,328	68	7,760,947	67	7,739,894	68
3400	Other equity interest(Note 6(20))	1,751,284	15	1,740,578	15	1,525,283	14
3500	Treasury shares(Note 6(21))	(83,230)	(1)	(83,230)	(1)	(83,230)	(1)
31xx	Total Equity attributable to owners of parent	10,513,241	93	10,609,445	92	10,373,097	92
36xx	Non-controlling interests(Note 6(22))	30,250	-	29,299	-	29,856	-
3xxx	Total Equity	10,543,491	93	10,638,744	92	10,402,953	92
Total Liabilities And Equity		\$11,279,868	100	\$11,534,541	100	\$11,315,921	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 September 30, 2023 and 2022  
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	Three Months Ended September 30				Nine Months Ended September 30			
	2023	%	2022	%	2023	%	2022	%
Operating revenue(Note 6(23))	\$525,000	100	\$749,376	100	\$1,693,225	100	\$2,054,077	100
Operating costs(Note 6(6)(24))	(442,538)	(84)	(597,061)	(80)	(1,401,288)	(83)	(1,677,745)	(82)
Unrealized profit (loss) from sales	82,462	16	152,315	20	291,937	17	376,332	18
Operating expenses(Note 6(24))								
Selling expenses	(30,194)	(6)	(29,906)	(4)	(87,587)	(5)	(86,224)	(4)
Administrative expenses	(57,916)	(11)	(58,709)	(8)	(170,043)	(10)	(169,159)	(8)
Expected credit impairment loss (or gain)	3,237	1	(1,415)	-	5,238	-	(1,117)	-
Operating expenses	(84,873)	(16)	(90,030)	(12)	(252,392)	(15)	(256,500)	(12)
Net operating income (loss)	(2,411)	-	62,285	8	39,545	2	119,832	6
Non-operating income and expenses								
Interest income(Note 6(25))	21,297	4	7,918	1	58,983	3	16,082	1
Other income(Note 6(26))	59,107	11	348,572	47	229,219	14	413,462	20
Other gains and losses(Note 6(27))	55,125	10	107,967	14	80,722	5	193,633	9
Finance costs(Note 6(28))	(375)	-	(458)	-	(1,252)	-	(1,777)	-
Share of profit (loss) of associates and joint ventures accounted for using equity method	13,698	3	15,776	2	29,826	2	25,941	1
Non-operating income and expenses	148,852	28	479,775	64	397,498	24	647,341	31
Profit (loss) from continuing operations before tax	146,441	28	542,060	72	437,043	26	767,173	37
Tax expense (income)(Note 6(29))	(15,323)	(3)	(34,962)	(4)	(38,246)	(2)	(67,735)	(3)
Profit (loss) from continuing operations	131,118	25	507,098	68	398,797	24	699,438	34
Net income (loss)(Note 6)	131,118	25	507,098	68	398,797	24	699,438	34
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	(320,286)	(61)	(782,018)	(105)	73,174	4	(1,312,073)	(64)
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income, associates and joint ventures	2,011	-	(40,425)	(5)	5,429	-	(114,221)	(6)
Components of other comprehensive income that will not be reclassified to profit or loss	(318,275)	(61)	(822,443)	(110)	78,603	4	(1,426,294)	(70)
Components of other comprehensive income that will be reclassified to profit or loss								
Exchange differences on translation	23,307	5	30,984	4	14,241	1	48,516	2
Unrealised gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	(10,362)	(2)	(1,699)	-	(10,066)	(1)	(1,699)	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(4,517)	(1)	(6,058)	(1)	(2,780)	-	(9,374)	-
Components of other comprehensive income that will be reclassified to profit or loss	8,428	2	23,227	3	1,395	-	37,443	2
Other comprehensive income	(\$309,847)	(59)	(\$799,216)	(107)	\$79,998	4	(\$1,388,851)	(68)
Total comprehensive income	(\$178,729)	(34)	(\$292,118)	(39)	\$478,795	28	(\$689,413)	(34)
Profit (loss), attributable to:								
Profit (loss), attributable to stockholders of the parent	\$130,703	25	\$505,321	68	\$397,023	24	\$696,391	34
Profit (loss), attributable to non-controlling interests	415	-	1,777	-	1,774	-	3,047	-
	\$131,118	25	\$507,098	68	\$398,797	24	\$699,438	34
Comprehensive income attributable to:								
Stockholders of the parent (Comprehensive income)	(\$179,867)	(34)	(\$294,590)	(39)	\$476,681	28	(\$694,107)	(34)
Non-controlling interests (Comprehensive income)	1,138	-	2,472	-	2,114	-	4,694	-
	(\$178,729)	(34)	(\$292,118)	(39)	\$478,795	28	(\$689,413)	(34)
Earnings Per Share								
Basic earnings per share(Note 6(31))	\$1.37		\$5.29		\$4.16		\$7.29	
Diluted earnings per share	\$1.37		\$5.29		\$4.15		\$7.29	

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## English Translation of Financial Statements Originally Issued in Chinese

## TAI HSIN INDUSTRIAL CORPORATION

## STATEMENTS OF CHANGES IN EQUITY

For the nine months ended September 30, 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 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	-	-	-	-	(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
Total comprehensive income	-	-	-	-	696,391	37,495	(1,427,993)	-	(1,390,498)	1,847	(1,388,851)
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
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	-	-	-	-	(594,594)	-	-	-	(594,594)	-	(594,594)
Other changes in capital surplus	-	277	-	-	-	-	-	-	277	-	277
Consolidated Net Income	-	-	-	-	397,023	-	-	-	397,023	1,774	398,797
Total comprehensive income	-	-	-	-	397,023	11,121	68,537	-	79,658	340	79,998
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	21,432	-	-	-	-	-	-	21,432	-	21,432
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(1,163)	(1,163)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	68,952	-	(68,952)	-	-	-	-
End of Year	\$990,990	\$221,869	\$1,570,733	\$573,800	\$5,487,795	(\$66,621)	\$1,817,905	(\$83,230)	\$10,513,241	\$30,250	\$10,543,491

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English Translation of Financial Statements Originally Issued in Chinese

TAH HSIN INDUSTRIAL CORPORATION

STATEMENTS OF CASH FLOWS

For the nine months ended September 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	\$437,043	\$767,173
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	60,189	48,013
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(5,238)	1,117
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(8,639)	(1,703)
Interest expense	1,252	1,777
Interest income	(58,983)	(16,082)
Dividend income	(195,394)	(377,484)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(29,826)	(25,941)
Loss (gain) on disposal of property, plan and equipment	(392)	(136)
Unrealized foreign exchange loss (gain)	(13,279)	(18,847)
Other Adjustments to Reconcile Net Income	277	270
Total adjustments to reconcile profit (loss)	(250,033)	(389,016)
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	(4,785)	33,162
Decrease (increase) in accounts receivable	122,528	(59,717)
Decrease (increase) in accounts receivable due from related parties	1,808	(4,749)
Decrease (increase) in other receivable	(3,420)	(1,104)
Decrease (increase) in other receivable due from related parties	507	(167)
Decrease (increase) in inventories	90,855	19,816
Decrease (increase) in prepayments	(26,554)	6,725
Decrease (increase) in other current assets	254	(6,376)
Decrease (increase) in other financial assets	28,640	(29,013)
Decrease (increase) in other operating assets	(4,934)	-
Total changes in operating assets	204,899	(41,423)
Changes in operating liabilities		
Increase (decrease) in contract liabilities	(677)	(3,171)
Increase (decrease) in notes payable	(11,054)	(26,276)
Increase (decrease) in accounts payable	(2,314)	24,017
Increase (decrease) in accounts payable to related parties	(140)	4,868
Increase (decrease) in other payable	(17,325)	(5,250)
Increase (decrease) in other payable to related parties	(2,734)	4,471
Increase (decrease) in other current liabilities	1,299	1,313

Increase (decrease) in net defined benefit liability	-	(4, 679)
Total changes in operating liabilities	(32, 945)	(4, 707)
Total changes in operating assets and liabilities	171, 954	(46, 130)
Total adjustments	(78, 079)	(435, 146)
Cash inflow (outflow) generated from operations	358, 964	332, 027
Interest received	59, 363	16, 176
Dividends received	232, 769	414, 362
Interest paid	(1, 251)	(1, 757)
Income taxes refund (paid)	(70, 237)	(270, 909)
Net cash flows from (used in) operating activities	579, 608	489, 899
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	(191, 784)	(414, 312)
Proceeds from disposal of financial assets at fair value through other comprehensive income	519, 455	-
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	(109, 278)	(90, 194)
Proceeds from disposal of property, plant and equipment	519	165
Increase in refundable deposits	(1, 408)	(177)
Acquisition of investment properties	-	(780)
Increase in other financial assets	(37, 570)	-
Decrease in other financial assets	149, 998	960, 086
Increase in other non-current assets	(5, 529)	(5, 136)
Net cash flows from (used in) investing activities	324, 403	442, 669
Cash flows from (used in) financing activities		
Decrease in short-term loans	(20, 919)	(88, 933)
Increase in short-term notes and bills payable	-	36, 000
Decrease in short-term notes and bills payable	(25, 000)	-
Increase in guarantee deposits received	-	460
Repayments of principle of lease liabilities	(2, 209)	(2, 028)
Cash dividends paid	(573, 162)	(477, 635)
Change in non-controlling interests	(1, 163)	(551)
Net cash flows from (used in) financing activities	(622, 453)	(532, 687)
Effect of exchange rate changes on cash and cash equivalents	77	6, 114
Net increase (decrease) in cash and cash equivalents	281, 635	405, 995
Cash and cash equivalents at beginning of period	2, 019, 589	1, 509, 695
Cash and cash equivalents at end of period	\$2, 301, 224	\$1, 915, 690

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