

English Translation of Financial Statements Originally Issued in Chinese

TAH HSIN INDUSTRIAL CORPORATION**BALANCE SHEETS**

As of December 31, 2023 and 2022

(Amounts in thousands of New Taiwan Dollars)

		December 31, 2023		December 31, 2022	
		AMOUNT	%	AMOUNT	%
ASSETS					
Current assets					
1100	Cash and cash equivalents(Notes 4,6(1))	\$1,863,013	17	\$1,826,219	16
1110	Current financial assets at fair value through profit or loss(Notes 4,6(2))	2,265	-	1,978	-
1120	Current financial assets at fair value through other comprehensive income(Note 6(3))	3,829,878	35	3,905,841	35
1150	Notes receivable, net(Note 6(4))	38,423	-	44,225	1
1160	Notes receivable due from related parties, net(Note 6(4))	1,003	-	1,710	-
1170	Accounts receivable, net(Note 6(5))	223,281	2	304,659	3
1180	Accounts receivable due from related parties, net(Note 6(5))	19,399	-	35,506	-
1200	Other receivables	14,010	-	15,411	-
1210	Other receivables due from related parties	4,573	-	2,016	-
1220	Current tax assets	11,202	-	1,382	-
130x	Current inventories(Notes 4,6(6))	464,777	4	562,931	5
1410	Prepayments	21,348	-	19,609	-
1476	Other current financial assets(Note 6)	375,538	4	580,710	5
11xx	Total Current assets	6,868,710	62	7,302,197	65
Non-current assets					
1517	Non-current financial assets at fair value through other comprehensive income(Note 6(7))	452,039	4	349,883	3
1550	Investments accounted for using equity method(Notes 4,6(8))	1,721,927	16	1,593,789	14
1600	Property, plant and equipment(Notes 4,6(9))	1,576,689	14	1,553,072	14
1755	Right-of-use asset(Notes 4,6(10))	30,930	-	2,225	-
1760	Investment property, net(Notes 4,6(11))	345,455	3	345,465	3
1840	Deferred tax assets(Note 6(26))	72,715	1	70,375	1
1920	Guarantee deposits paid	3,202	-	1,818	-
1970	Other long-term investments, net	810	-	810	-
1975	Net defined benefit asset, non-current(Notes 4,6)	-	-	1,043	-
1990	Other non-current assets, others	10,488	-	-	-
15xx	Total Non-current assets	4,214,255	38	3,918,480	35
1xxx	Total Assets	\$11,082,965	100	\$11,220,677	100
LIABILITIES AND EQUITY					
Current liabilities					
2130	Current contract liabilities(Note 6(20))	\$5,974	-	\$11,686	-
2150	Notes payable	87,081	1	122,289	1
2170	Accounts payable	28,364	-	46,556	1
2180	Accounts payable to related parties	7,855	-	2,503	-
2200	Other payables(Note 6(12))	96,270	1	146,168	1
2220	Other payables to related parties	19,209	-	24,696	-

2230	Current tax liabilities	9,390	-	28,402	-
2250	Current provisions(Notes 4,6(13))	8,458	-	8,458	-
2280	Current lease liabilities(Note 6(10))	8,159	-	1,339	-
2300	Other current liabilities	103	-	512	-
21xx	Total Current liabilities	270,863	2	392,609	3
Non-current liabilities					
2570	Deferred tax liabilities(Note 6(26))	187,955	2	197,569	2
2580	Non-current lease liabilities(Note 6(10))	22,837	-	900	-
2640	Net defined benefit liability, non-current(Notes 4,6(14))	3,354	-	-	-
2645	Guarantee deposits received	3,556	-	6,900	-
2650	Credit balance of investments accounted for using equity method(Notes 4,6)	-	-	13,254	-
25xx	Total Non-current liabilities	217,702	2	218,623	2
2xxx	Total Liabilities	488,565	4	611,232	5

LIABILITIES AND EQUITY

Equity					
3100	Share capital(Notes 4,6(15))	990,990	9	990,990	9
3200	Capital surplus(Note 6(16))	221,869	2	200,160	2
3300	Retained earnings(Note 6(17))	7,575,050	69	7,760,947	69
3400	Other equity interest(Note 6(18))	1,889,721	17	1,740,578	16
3500	Treasury shares(Note 6(19))	(83,230)	(1)	(83,230)	(1)
3xxx	Total Equity	10,594,400	96	10,609,445	95

Total Liabilities And Equity	\$11,082,965	100	\$11,220,677	100
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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 December 31, 2023 and 2022
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

Description	2023	%	2022	%
Operating revenue(Notes 4,6(20))	\$1,817,854	100	\$2,336,212	100
Operating costs(Note 6(6)(21))	(1,575,019)	(87)	(1,981,681)	(85)
Unrealized profit (loss) from sales	242,835	13	354,531	15
Realized profit (loss) on from sales	(1,644)	-	(2,057)	-
Gross profit (loss) from operations	2,057	-	1,429	-
Gross profit (loss) from operations	243,248	13	353,903	15
Operating expenses(Note 6(21))				
Selling expenses	(115,446)	(6)	(108,457)	(5)
Administrative expenses	(113,205)	(6)	(107,267)	(4)
Expected credit impairment loss (or	4,073	-	(1,291)	-
Operating expenses	(224,578)	(12)	(217,015)	(9)
Net operating income (loss)	18,670	1	136,888	6
Non-operating income and expenses				
Interest income(Note 6(22))	77,703	4	31,853	1
Other income(Note 6(23))	209,768	12	378,762	16
Other gains and losses(Notes	(74)	-	146,457	6
Finance costs(Notes 4,6(25))	(263)	-	(188)	-
Share of profit (loss) of	54,170	3	67,923	3
Non-operating income and	341,304	19	624,807	26
Profit (loss) from continuing	359,974	20	761,695	32
Tax expense (income)(Note 6(26))	(10,575)	(1)	(53,521)	(2)
Profit (loss) from continuing	349,399	19	708,174	30
Net income (loss)	349,399	19	708,174	30
Other comprehensive income(Note				
Components of other				
Gains (losses) on	(9,654)	(1)	9,270	-
Unrealised gains (losses) from	159,932	9	(992,065)	(42)
Unrealised gains (losses) from	66,258	4	(210,468)	(9)
Components of other	216,536	12	(1,193,263)	(51)
Components of other				
Exchange differences on	(11,983)	(1)	35,732	1
Unrealised gains (losses) from	1,492	-	(1,256)	-
Income tax related to	2,396	-	(7,146)	-
Components of other	(8,095)	-	27,330	1
Other comprehensive income	\$208,441	11	(\$1,165,933)	(50)
Total comprehensive income	\$557,840	30	(\$457,759)	(20)
Earnings Per Share				
Basic earnings per share(Note	\$3.66		\$7.41	
Diluted earnings per share(Note	\$3.66		\$7.41	

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

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TAI HSIN INDUSTRIAL CORPORATION

STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2023 and 2022

(Amounts in thousands of New Taiwan Dollars)

Description	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriat ed retained earnings (accumulated	Exchange differences on translation	Unrealised gains (losses) on financial	Treasury shares	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
Appropriation and distribution of retained earnings:									
Cash dividends of ordinary share	-	-	-	-	(495,495)	-	-	-	(495,495)
Other changes in capital surplus	-	270	-	-	-	-	-	-	270
Consolidated Net Income	-	-	-	-	708,174	-	-	-	708,174
	-	-	-	-	9,270	28,586	(1,203,789)	-	(1,165,933)
Total comprehensive income	-	-	-	-	717,444	28,586	(1,203,789)	-	(457,759)
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	17,860	-	-	-	-	-	-	17,860
End of Year	<u>\$990,990</u>	<u>\$200,160</u>	<u>\$1,570,733</u>	<u>\$573,800</u>	<u>\$5,616,414</u>	<u>(\$77,742)</u>	<u>\$1,818,320</u>	<u>(\$83,230)</u>	<u>\$10,609,445</u>
Beginning Balance	990,990	200,160	1,570,733	573,800	5,616,414	(77,742)	1,818,320	(83,230)	10,609,445
Appropriation and distribution of retained earnings:									
Cash dividends of ordinary share	-	-	-	-	(594,594)	-	-	-	(594,594)
Other changes in capital surplus	-	277	-	-	-	-	-	-	277
Consolidated Net Income	-	-	-	-	349,399	-	-	-	349,399
	-	-	-	-	(9,654)	(9,587)	227,682	-	208,441
Total comprehensive income	-	-	-	-	339,745	(9,587)	227,682	-	557,840
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	21,432	-	-	-	-	-	-	21,432
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	68,952	-	(68,952)	-	-
End of Year	<u>\$990,990</u>	<u>\$221,869</u>	<u>\$1,570,733</u>	<u>\$573,800</u>	<u>\$5,430,517</u>	<u>(\$87,329)</u>	<u>\$1,977,050</u>	<u>(\$83,230)</u>	<u>\$10,594,400</u>

Chairman: Wu, Zi-Cong

President: Chen, Yi-Chien

Chief Accountant: Chen, Ming-Je

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TAH HSIN INDUSTRIAL CORPORATION

STATEMENTS OF CASH FLOWS

For the years ended December 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	\$359,974	\$761,695
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	50,860	38,652
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(4,073)	1,291
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(287)	825
Interest expense	263	188
Interest income	(77,703)	(31,853)
Dividend income	(177,446)	(348,774)
Investment Loss (Income) Recognized under Equity Method	(54,170)	(67,923)
Loss (gain) on disposal of property, plan and equipment	(27)	(572)
Property, plan and equipment transferred to expenses	-	2,130
Unrealized profit (loss) from sales	1,644	2,057
Realized loss (profit) on from sales	(2,057)	(1,429)
Unrealized foreign exchange loss (gain)	468	2,147
Other Adjustments to Reconcile Net Income	277	270
Total adjustments to reconcile profit (loss)	(262,251)	(402,991)
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	5,982	15,381
Decrease (increase) in notes receivable due from related parties	707	(346)
Decrease (increase) in accounts receivable	80,136	(32,059)
Decrease (increase) in accounts receivable due from related parties	15,721	8,978
Decrease (increase) in other receivable	1,336	1,863
Decrease (increase) in other receivable due from related parties	(2,558)	3
Decrease (increase) in inventories	98,154	39,396
Decrease (increase) in prepayments	(1,739)	12,493
Decrease (increase) in other operating assets	1,043	(1,043)
Total changes in operating assets	198,782	44,666
Changes in operating liabilities		
Increase (decrease) in contract liabilities	(5,712)	572
Increase (decrease) in notes payable	(35,208)	(23,886)
Increase (decrease) in accounts payable	(18,192)	(16,340)
Increase (decrease) in accounts payable to related parties	5,352	(1,155)
Increase (decrease) in other payable	(10,604)	(3,986)

Increase (decrease) in other payable to related parties	(5,487)	1,312
Increase (decrease) in other current liabilities	(409)	(11)
Increase (decrease) in net defined benefit liability	(6,300)	(4,056)
Total changes in operating liabilities	<u>(76,560)</u>	<u>(47,550)</u>
Total changes in operating assets and liabilities	122,222	(2,884)
Total adjustments	<u>(140,029)</u>	<u>(405,875)</u>
Cash inflow (outflow) generated from operations	219,945	355,820
Interest received	76,772	28,406
Dividends received	239,526	492,444
Interest paid	(263)	(188)
Income taxes refund (paid)	<u>(48,965)</u>	<u>(270,599)</u>
Net cash flows from (used in) operating activities	487,015	605,883
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	(201,609)	(414,313)
Proceeds from disposal of financial assets at fair value through other comprehensive income	342,164	-
Acquisition of financial assets measured at fair value through profit or loss	-	(2,803)
Acquisition of investments accounted for using equity method	(72,302)	(18,997)
Acquisition of property, plant and equipment	(111,355)	(147,867)
Proceeds from disposal of property, plant and equipment	54	827
Increase in refundable deposits	(1,384)	-
Decrease in other financial assets	205,172	1,109,290
Increase in other non-current assets	(10,488)	-
Decrease in other non-current assets	-	13
Net cash flows from (used in) investing activities	<u>150,252</u>	<u>526,150</u>
Cash flows from (used in) financing activities		
Increase in guarantee deposits received	-	2,170
Decrease in guarantee deposits received	(3,344)	(1,208)
Repayments of principle of lease liabilities	(2,535)	(1,377)
Cash dividends paid	<u>(594,594)</u>	<u>(495,495)</u>
Net cash flows from (used in) financing activities	<u>(600,473)</u>	<u>(495,910)</u>
Net increase (decrease) in cash and cash equivalents	36,794	636,123
Cash and cash equivalents at beginning of period	1,826,219	1,190,096
Cash and cash equivalents at end of period	<u>\$1,863,013</u>	<u>\$1,826,219</u>

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