

FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. and its Subsidiaries

Consolidated Balance Sheet

June 30, 2024, December 31 and June 30, 2023

Unit: NT\$ Thousand

Assets			June 30, 2024		December 31, 2023		June 30, 2023	
Code	Accounting titles	Notes	Amount	%	Amount	%	Amount	%
	Current assets							
1100	Cash and cash equivalents	IV/VI.1	\$712,041	9	\$489,397	7	\$595,046	9
1110	Financial assets at FVTPL - Current	IV/VI.2	142,595	2	269,800	3	179,900	3
1140	Contract assets - current	IV/VI.15&16	11,302	-	53,902	1	8,849	-
1150	Net notes receivable	IV/VI.4&16	472,902	6	498,089	7	448,445	6
1170	Net accounts receivable	IV/VI.5&16	1,302,054	17	1,083,705	15	1,203,305	17
130x	Inventories	IV/VI.6	1,717,242	22	1,589,608	22	1,493,509	21
1470	Other current assets	VIII	230,644	3	260,111	3	229,485	3
11xx	Total current assets		<u>4,588,780</u>	<u>59</u>	<u>4,244,612</u>	<u>58</u>	<u>4,158,539</u>	<u>59</u>
	Non-current assets							
1510	Financial assets at FVTPL - Non-current	IV/VI.2	56,041	1	56,041	1	47,723	1
1517	Financial assets at FVOCI - Non-current	IV/VI.3	57,805	1	57,392	1	57,235	1
1550	Investment accounted for using the equity method	4.	5,569	-	7,349	-	11,099	-
1600	Property, plant and equipment	IV/VI.7/VIII	2,239,389	29	2,151,039	30	1,924,237	27
1755	Right-of-use assets	IV/VI.17	147,354	2	145,744	2	146,507	2
1760	Net investment property	IV/VI.8/VIII	324,407	4	327,735	4	335,198	5
1780	Intangible assets	4.	68,979	1	71,419	1	75,504	1
1840	Deferred tax income assets	IV/VI.21	105,093	1	105,722	1	110,373	2
1900	Other non-current assets - others	IV/VI.4,5/VIII	145,887	2	117,503	2	159,004	2
15xx	Total non-current assets		<u>3,150,524</u>	<u>41</u>	<u>3,039,944</u>	<u>42</u>	<u>2,866,880</u>	<u>41</u>
1xxx	Total assets		<u>\$7,739,304</u>	<u>100</u>	<u>\$7,284,556</u>	<u>100</u>	<u>\$7,025,419</u>	<u>100</u>

(Please refer to the notes to the consolidated financial statements.)

Chairman:

Manager:

Accounting Manager:

FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. and its Subsidiaries
Consolidated Balance Sheet (Cont'd)
June 30, 2024, December 31 and June 30, 2023

Unit: NT\$ Thousand

Liabilities and Equity			June 30, 2024		December 31, 2023		June 30, 2023	
Code	Accounting titles	Notes	Amount	%	Amount	%	Amount	%
	Current liabilities							
2100	Short-term borrowings	IV/VI.9	\$282,564	4	\$322,182	4	\$486,379	7
2110	Short-term bills payable	IV/VI.10	84,855	1	-	-	-	-
2130	Contract liability	IV/VI.15	222,811	3	192,454	3	253,108	4
2150	Notes payable	4.	319,049	4	144,765	2	288,044	4
2170	Accounts payable	4.	1,021,747	13	1,015,864	14	633,194	9
2200	Other payables	4.	386,041	5	360,176	5	371,997	5
2230	Current tax liabilities	IV/VI.21	6,549	-	5,330	-	7,877	-
2280	Lease liabilities - current	IV/VI.17	1,364	-	1,301	-	1,262	-
2321	Corporate bonds maturing or subject to put option within one year or one operating cycle	IV/VI.11	360,000	5	-	-	-	-
2322	Long-term borrowings – current portion	IV/VI.12	81,163	1	60,543	1	72,038	1
2399	Other current liabilities – Others		9,577	-	13,990	-	10,578	-
21xx	Total current liabilities		<u>2,775,720</u>	<u>36</u>	<u>2,116,605</u>	<u>29</u>	<u>2,124,477</u>	<u>30</u>
	Non-current liabilities							
2530	Bonds payable	IV/VI.11	488,856	6	844,198	12	839,584	12
2540	Long-term borrowings	IV/VI.12	1,448,423	19	1,337,707	18	1,090,841	16
2570	Deferred income tax liabilities	IV/VI.21	556,830	8	538,769	7	540,369	8
2580	Lease liabilities – Non-current	IV/VI.17	22,768	-	22,834	-	23,247	-
2640	Net defined benefit liabilities - Non-current	IV/VI.13	30,629	-	31,703	1	32,917	-
2645	Deposits received		11,600	-	11,318	-	11,367	-
25xx	Total non-current liabilities		<u>2,559,106</u>	<u>33</u>	<u>2,786,529</u>	<u>38</u>	<u>2,538,325</u>	<u>36</u>
2xxx	Total Liabilities		<u>5,334,826</u>	<u>69</u>	<u>4,903,134</u>	<u>67</u>	<u>4,662,802</u>	<u>66</u>
31xx	Equity attributable to owners of the company							
3100	Share capital	VI.14						
3110	Common share capital		1,569,860	20	1,569,860	22	1,524,136	22
3150	Stock dividends to be distributed	VI.14	-	-	-	-	45,724	1
3200	Capital surplus	VI.14	37,846	-	42,520	1	42,520	1
3300	Retained earnings							
3310	Legal reserve	VI.14	168,118	2	166,042	2	166,042	2
3320	Special reserve	VI.14	188,685	2	188,685	3	188,685	3
3350	Unappropriated earnings	VI.14	404,604	6	399,697	5	392,512	5
	Total retained earnings		<u>761,407</u>	<u>10</u>	<u>754,424</u>	<u>10</u>	<u>747,239</u>	<u>10</u>
3400	Other equities	4.	(94,153)	-	(149,361)	(2)	(165,661)	(2)
3500	Treasury stocks	IV/VI.14	(49,969)	(1)	-	-	-	-
36xx	Non-controlling interests	VI.14	179,487	2	163,979	2	168,659	2
3xxx	Total equity		<u>2,404,478</u>	<u>31</u>	<u>2,381,422</u>	<u>33</u>	<u>2,362,617</u>	<u>34</u>
	Total liabilities and equities		<u>\$7,739,304</u>	<u>100</u>	<u>\$7,284,556</u>	<u>100</u>	<u>\$7,025,419</u>	<u>100</u>

(Please refer to the notes to the consolidated financial statements.)

Chairman:

Manager:

Accounting Manager:

FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. and its Subsidiaries
Consolidated Statements of Comprehensive Income
For the six months ended June 30, 2024 and 2023

Unit: NT\$ Thousand

Code	Accounting titles	Note	For the three months ended June 30, 2024		For the three months ended June 30, 2023		For the six months ended June 30, 2024		For the six months ended June 30, 2023	
			Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue	IV/VI.15	\$1,238,082	100	\$993,553	100	\$2,163,002	100	\$1,779,596	100
5000	Operating cost	IV/VI.18/VII	(931,872)	(75)	(737,829)	(74)	(1,609,329)	(74)	(1,302,415)	(73)
5900	Gross profit		306,210	25	255,724	26	553,673	26	477,181	27
6000	Operating expenses	VI.17&18/VII								
6100	Selling expenses		(166,490)	(13)	(144,809)	(15)	(315,565)	(15)	(272,021)	(15)
6200	Administrative expenses		(66,617)	(5)	(57,244)	(6)	(135,265)	(6)	(113,060)	(6)
6300	Research and development expenses		(28,790)	(2)	(23,361)	(2)	(55,602)	(3)	(54,437)	(3)
6450	Expected credit impairment (losses)	VI.16	(3,122)	-	(6,397)	(1)	(4,717)	-	(9,270)	(1)
	Total operating expenses		(265,019)	(20)	(231,811)	(24)	(511,149)	(24)	(448,788)	(25)
6900	Operating income		41,191	5	23,913	2	42,524	2	28,393	2
7000	Non-operating income and expense	IV/VI.19								
7010	Other income		40,759	3	12,664	1	63,280	3	40,730	2
7020	Other gains or losses		(6,194)	(1)	3,596	-	(5,798)	-	1,699	-
7050	Financial costs		(19,025)	(2)	(13,219)	(1)	(36,775)	(2)	(28,485)	(1)
7060	Share of profit or loss from associates and joint ventures accounted for using equity method		(1,023)	-	(1,009)	-	(1,780)	-	(2,187)	-
	Total non-operating incomes and expenses		14,517	-	2,032	-	18,927	1	11,757	1
7900	Net income before tax		55,708	5	25,945	2	61,451	3	40,150	3
7950	Income tax (expense)	IV/VI.21	(13,445)	(1)	(16,313)	(2)	(21,591)	(1)	(23,175)	(1)
8200	Current net profit		42,263	4	9,632	-	39,860	2	16,975	2
8300	Other comprehensive income	IV/VI.20,21								
8360	Items that may be reclassified subsequently to profit or loss									
8361	Exchange differences on translation of the financial statements of foreign operations		22,822	2	(88,241)	(9)	73,615	3	(74,647)	(4)
8399	Income tax relating to items that may be reclassified subsequently to profit or loss		(4,282)	-	16,203	2	(13,802)	(1)	13,700	1
	Other comprehensive income of the current year (net amount after-tax)		18,540	2	(72,038)	(7)	59,813	2	(60,947)	(3)
8500	Total comprehensive income in the current period		\$60,803	6	\$(62,406)	(7)	\$99,673	4	\$(43,972)	(1)
8600	Net income (loss) attributable to:									
8610	Owners of the Company		\$41,952		\$8,561		\$45,327		\$13,573	
8620	Non-controlling interests		311		1,071		(5,467)		3,402	
			\$42,263		\$9,632		\$39,860		\$16,975	
8700	Total comprehensive income attributable to:									
8710	Owners of the Company		\$59,089		\$(56,252)		\$100,535		\$(41,227)	
8720	Non-controlling interests		1,714		(6,154)		(862)		(2,745)	
			\$60,803		\$(62,406)		\$99,673		\$(43,972)	
	Earnings per share (NT\$)	VI.22								
9750	Basic earnings per share		\$0.27		\$0.06		\$0.29		\$0.09	
9850	Diluted earnings per share		\$0.24		\$0.06		\$0.26		\$0.09	

(Please refer to the notes to the consolidated financial statements)

Chairman:

Manager:

Accounting Manager:

FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. and its Subsidiaries
Consolidated Statement of Changes in Equity
For the six months ended June 30, 2024 and 2023

Unit: NT\$ Thousand

	Items	Equity attributable to owners of the company										Non- controlling interests	Total Equity
		Share capital	Bond conversion entitlement certificates	Stock dividends to be distributed	Capital surplus	Retained earnings		Other items of equity			Total		
						Legal reserve	Special reserve	Unappropriat ed earnings	Exchange differences on translation of the financial	Treasury stocks			
Code		3110	3130	3150	3200	3310	3320	3350	3410	3500	31XX	36XX	3XXX
A1	Balance as of January 1, 2023	\$1,524,079	\$57	\$ -	\$42,520	\$149,928	\$188,685	\$486,501	\$(110,861)	\$ -	\$2,280,909	\$171,404	\$2,452,313
	Earnings appropriation and distribution for 2022												
B1	Provision of legal reserve	-	-	-	-	16,114	-	(16,114)	-	-	-	-	-
B5	Cash dividend from ordinary shares	-	-	-	-	-	-	(45,724)	-	-	(45,724)	-	(45,724)
B9	Stock dividend from ordinary shares	-	-	45,724	-	-	-	(45,724)	-	-	-	-	-
D1	Net income for the six months ended June 30 , 2023	-	-	-	-	-	-	13,573	-	-	13,573	3,402	16,975
D3	Other comprehensive income (loss) for the six months ended June 30, 2023	-	-	-	-	-	-	-	(54,800)	-	(54,800)	(6,147)	(60,947)
D5	Comprehensive income in the current period	-	-	-	-	-	-	13,573	(54,800)	-	(41,227)	(2,745)	(43,972)
I3	Conversion of bond conversion entitlement certificates	57	(57)	-	-	-	-	-	-	-	-	-	-
Z1	Balance as of June 30, 2023	\$1,524,136	\$-	\$45,724	\$42,520	\$166,042	\$188,685	\$392,512	\$(165,661)	\$ -	\$2,193,958	\$168,659	\$2,362,617
A1	Balance as of January 1, 2024	\$1,569,860	\$ -	\$ -	\$42,520	\$166,042	\$188,685	\$399,697	\$(149,361)	\$ -	\$2,217,443	\$163,979	\$2,381,422
	Earnings appropriation and distribution for 2023												
B1	Provision of legal reserve	-	-	-	-	2,076	-	(2,076)	-	-	-	-	-
B5	Cash dividend from ordinary shares	-	-	-	-	-	-	(23,548)	-	-	(23,548)	-	(23,548)
D1	Net income for the six months ended June 30 , 2024	-	-	-	-	-	-	45,327	-	-	45,327	(5,467)	39,860
D3	Other comprehensive income (loss) for the three months ended June 30, 2024	-	-	-	-	-	-	-	55,208	-	55,208	4,605	59,813
D5	Comprehensive income in the current period	-	-	-	-	-	-	45,327	55,208	-	100,535	(862)	99,673
L1	Repurchase of treasury shares	-	-	-	-	-	-	-	-	(49,969)	(49,969)	-	(49,969)
M7	Change in ownership interests in subsidiaries	-	-	-	(4,674)	-	-	(14,796)	-	-	(19,470)	16,370	(3,100)
Z1	Balance as of June 30, 2024	\$1,569,860	\$ -	\$ -	\$37,846	\$168,118	\$188,685	\$404,604	\$(94,153)	\$(49,969)	\$2,224,991	\$179,487	\$2,404,478

(Please refer to the notes to the consolidated financial statements)

Chairman:

Manager:

Accounting Manager:

FU CHUN SHIN MACHINERY MANUFACTURE CO., LTD. and its Subsidiaries

Consolidated Statements of Cash Flows

For the six months ended June 30, 2024 and 2023

Unit: NT\$ Thousand

Code	Items	For the six months ended June 30, 2024	For the six months ended June 30, 2023	Code	Items	For the six months ended June 30, 2024	For the six months ended June 30, 2023
		Amount	Amount			Amount	Amount
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Income before income tax	\$61,451	\$40,150	B00100	Purchase of financial assets at fair value through profit or loss	(418,622)	(520,542)
A20000	Adjustment items:			B00200	Disposal of financial assets at FVTPL	554,244	567,160
A20010	Income/expenses items:			B02700	Acquisition of property, plant and equipment	(121,078)	(191,956)
A20100	Depreciation expense	73,673	61,010	B02800	Disposal of property, plant and equipment	213	2,479
A20200	Amortization expenses	5,665	5,453	B04500	Acquisition of intangible assets	(2,837)	(12,305)
A20300	Expected credit impairment losses	4,717	9,270	B05400	Acquisition of investment property	(886)	(187)
A20400	Net (gain) on financial assets at FVTPL	(2,285)	(2,180)	BBBB	Net cash inflow (outflow) from investing activities	11,034	(155,351)
A20900	Interest expenses	36,775	28,485				
A21200	Interest revenue	(14,594)	(14,333)	CCCC	Cash flows from financing activities:		
A22300	Share of losses on affiliates and joint ventures accounted for using the equity method	1,780	2,187	C00100	Increase in short-term borrowings	87,040	406,273
A22500	Losses on disposal of property, plant and equipment	213	1,135	C00200	Decrease in short-term borrowings	(133,303)	(448,092)
A30000	Changes in operating assets/ liabilities:			C00500	Increase in short-term notes and bills payable	84,855	-
A31125	Decrease (increase) in contract assets	42,600	(7,749)	C01600	Proceeds from long-term borrowings	228,260	206,963
A31130	Decrease (increase) in notes receivable	24,634	(17,397)	C01700	Repayments of long-term borrowings	(113,257)	(119,147)
A31150	Decrease (increase) in accounts receivable	(216,652)	8,436	C03000	Increase in deposits received	282	-
A31200	(Increase) in inventories	(92,461)	(92,770)	C03100	Guarantee deposits received (decrease)	-	(1,024)
A31240	Decrease(increase) in other current assets	29,461	(25,696)	C04020	Repayment of principal portion of lease	(656)	(630)
A31990	(Increase) decrease in other non-current assets	(1,936)	7,289	C04900	Cost of repurchase of treasury shares	(49,969)	-
A32125	Increase in contract liability	30,357	63,517	C05800	Non-controlling interests (decrease)	(3,100)	-
A32130	Increase in notes payable	174,284	41,579	CCCC	Net cash inflow from financing activities	100,152	44,343
A32150	Increase in accounts payable	5,883	14,059				
A32180	Other payables (decrease)	(3,173)	(60,699)	DDDD	Effect of exchange rate changes on cash and cash equivalents	(6,944)	(3,685)
A32230	Increase (decrease) in other current liabilities	(4,413)	5,315				
A32240	(Decrease) in net defined benefit liabilities	(1,074)	(6,251)	EEEE	Increase (decrease) in cash and cash equivalents for the current period	222,644	(101,303)
A33000	Cash inflow from operating activities	154,905	60,810	E00100	Cash and cash equivalents at the beginning of the year	489,397	696,349
A33100	Interest received	14,594	14,333	E00200	Cash and cash equivalents at the end of the year	\$712,041	\$595,046
A33300	Interest paid	(33,377)	(24,102)				
A33500	Income tax paid	(17,720)	(37,651)				
AAAA	Net cash inflow from operating activities	118,402	13,390				

(Please refer to the notes to the consolidated financial statements)

Chairman:

Manager:

Accounting Manager: