

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

Consolidated Balance Sheet

March 31, 2022, December 31 and March 31, 2021

(Reviewed as of March 31, 2022 and 2021, but not audited in accordance with generally accepted auditing standards)

Unit: NT\$ Thousand

Assets			March 31, 2022		December 31, 2021		March 31, 2021	
Code	Accounting titles	Notes	Amount	%	Amount	%	Amount	%
	Current assets							
1100	Cash and cash equivalents	IV/VI.1	\$602,847	8.56	\$533,974	8.06	\$697,235	11.35
1110	Financial assets at FVTPL – Current	IV/VI.2	246,159	3.50	405,060	6.11	165,921	2.70
1140	Contract assets - current	IV/VI. 14,15	21,406	0.30	11,247	0.17	4,500	0.07
1150	Net notes receivable	IV/VI.3, 15	406,626	5.77	291,979	4.41	270,567	4.41
1170	Net accounts receivable	IV/VI.4, 15	1,223,409	17.37	1,165,878	17.59	1,094,616	17.83
130x	Inventories	IV/VI.5	1,614,113	22.92	1,527,628	23.05	1,330,869	21.67
1470	Other current assets	VIII	383,450	5.46	314,132	4.74	337,378	5.49
11xx	Total current assets		4,498,010	63.88	4,249,898	64.13	3,901,086	63.52
	Non-current assets							
1510	Financial assets at FVTPL –Non-current	IV/VI.2	55,313	0.80	55,313	0.83	56,101	0.91
1550	Investment accounted for using the equity method	4.	1,997	0.03	3,080	0.05	461	0.01
1600	Property, plant and equipment	IV/VI.6/VIII	1,788,117	25.39	1,616,639	24.40	1,496,820	24.37
1755	Right-of-use assets	IV/VI.16	160,163	2.27	155,561	2.35	162,633	2.65
1760	Net investment property	IV/VI.7/VIII	225,733	3.21	228,534	3.45	233,683	3.81
1780	Intangible assets	4.	76,367	1.08	77,950	1.18	71,381	1.16
1840	Deferred tax income assets	IV/VI. 20	91,860	1.30	92,292	1.39	92,546	1.51
1900	Other non-current assets – Others	IV/VI.3,4/VIII	143,924	2.04	147,280	2.22	126,560	2.06
15xx	Total non-current assets		2,543,474	36.12	2,376,649	35.87	2,240,185	36.48
1xxx	Total assets		\$7,041,484	100.00	\$6,626,547	100.00	\$6,141,271	100.00

(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)

March 31, 2022, December 31 and March 31, 2021

(Reviewed as of March 31, 2022 and 2021, but not audited in accordance with generally accepted auditing standards)

Unit: NT\$ Thousand

Liabilities and Equity			March 31, 2022		December 31, 2021		March 31, 2021	
Code	Accounting titles	Notes	Amount	%	Amount	%	Amount	%
	Current liabilities							
2100	Short-term borrowings	IV/VI.8	\$620,097	8.81	\$596,343	8.99	\$628,031	10.23
2110	Short-term bills payable	IV/VI.9	-	-	-	-	114,938	1.87
2120	Financial liabilities assets at FVTPL – Current	4.	187	-	-	-	600	0.01
2130	Contract liability	IV/VI.14	390,257	5.54	333,906	5.04	294,236	4.79
2150	Notes payable	4.	482,162	6.85	347,020	5.24	312,376	5.09
2170	Accounts payable	4.	804,932	11.43	786,284	11.87	667,155	10.86
2200	Other payables	4.	267,478	3.80	302,319	4.56	256,655	4.18
2230	Current tax liabilities	IV/VI.20	25,960	0.37	35,180	0.53	14,204	0.23
2280	Lease liabilities - current	IV/VI.16	1,264	0.02	1,206	0.02	1,048	0.02
2322	Long-term borrowings – current portion	IV/VI.11	72,355	1.03	86,228	1.30	92,503	1.51
2399	Other current liabilities – Others		6,684	0.09	3,312	0.05	10,481	0.18
21xx	Total current liabilities		2,671,376	37.94	2,491,798	37.60	2,392,227	38.97
	Non-current liabilities							
2530	Bonds payable	IV/VI.10	360,000	5.11	360,000	5.44	360,000	5.86
2540	Long-term borrowings	IV/VI.11	1,042,871	14.81	938,100	14.16	677,457	11.03
2570	Deferred income tax liabilities	IV/VI.20	507,795	7.21	482,353	7.28	442,373	7.20
2580	Lease liabilities – Non-current	IV/VI.16	26,115	0.37	25,486	0.38	26,395	0.43
2640	Net defined benefit liabilities (– Non-current	IV/VI.12	43,659	0.62	44,265	0.67	44,118	0.72
2645	Deposits received		9,994	0.14	9,994	0.15	10,069	0.16
25xx	Total non-current liabilities		1,990,434	28.26	1,860,198	28.08	1,560,412	25.40
2xxx	Total Liabilities		4,661,810	66.20	4,351,996	65.68	3,952,639	64.37
31xx	Equity attributable to owners of the company							
3100	Share capital	VI.13						
3110	Common share capital		1,494,388	21.22	1,494,388	22.55	1,487,085	24.21
3200	Capital surplus	VI.13	23,649	0.34	23,649	0.36	23,745	0.39
3300	Retained earnings							
3310	Legal reserve	VI.13	138,371	1.97	138,371	2.09	137,165	2.23
3320	Special reserve	VI.13	188,685	2.68	188,685	2.85	188,685	3.07
3350	Unappropriated earnings	VI.13	445,955	6.33	411,150	6.20	334,447	5.45
	Total retained earnings		773,011	10.98	738,206	11.14	660,297	10.75
3400	Other equities	4.	(64,605)	(0.92)	(128,629)	(1.94)	(120,211)	(1.96)
3500	Treasury stocks	IV/VI.13	(12,263)	(0.17)	(12,263)	(0.19)	(33,031)	(0.54)
36xx	Non-controlling interests	VI.13	165,494	2.35	159,200	2.40	170,747	2.78
3xxx	Total equity		2,379,674	33.80	2,274,551	34.32	2,188,632	35.63
	Total liabilities and equities		\$7,041,484	100.00	\$6,626,547	100.00	\$6,141,271	100.00

(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 three months ended March 31, 2022 and 2021
(Reviewed, not audited in accordance with generally accepted auditing standards)

Unit: NT\$ Thousand

Code	Accounting titles	Note	For the three months ended March 31, 2022		For the three months ended March 31, 2021	
			Amount	%	Amount	%
4000	Operating revenue	IV/VI.14	\$1,057,368	100.00	\$966,063	100.00
5000	Operating cost	IV/VI.17/VII	(785,974)	(74.33)	(725,759)	(75.13)
5900	Gross profit		271,394	25.67	240,304	24.87
6000	Operating expenses	VI.16、17/七				
6100	Selling expenses		(139,909)	(13.23)	(133,035)	(13.77)
6200	Administrative expenses		(49,751)	(4.71)	(46,216)	(4.78)
6300	Research and development expenses		(23,754)	(2.25)	(21,086)	(2.18)
6450	Expected credit impairment losses	VI.15	(5,623)	(0.53)	(2,544)	(0.26)
	Total operating expenses		(219,037)	(20.72)	(202,881)	(20.99)
6900	Operating income		52,357	4.95	37,423	3.88
7000	Non-operating income and expense	IV/VI.18				
7010	Other income		16,495	1.56	13,774	1.43
7020	Other gains or losses		(3,951)	(0.37)	(2,678)	(0.28)
7050	Financial costs		(6,085)	(0.58)	(3,334)	(0.35)
7060	Share of profit or loss from associates and joint ventures accounted for u		(1,083)	(0.10)	-	-
	Total non-operating incomes and expenses		5,376	0.51	7,762	0.80
7900	Net income before tax		57,733	5.46	45,185	4.68
7950	Income tax expenses	IV/VI.20	(23,596)	(2.23)	(24,136)	(2.50)
8200	Current net profit		34,137	3.23	21,049	2.18
8300	Other comprehensive income	IV/VI.19&20				
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of the financial statements of fore		85,991	8.13	(5,314)	(0.55)
8399	Income tax relating to items that may be reclassified subsequently to p		(16,006)	(1.51)	-	-
	Other comprehensive income of the current year (net amount after-tax)		69,985	6.62	(5,314)	(0.55)
8500	Total comprehensive income in the current period		\$104,122	9.85	\$15,735	1.63
8600	Net income (loss) attributable to:					
8610	Owners of the Company		\$34,805		\$23,061	
8620	Non-controlling interests		(668)		(2,012)	
			\$34,137		\$21,049	
8700	Total comprehensive income attributable to:					
8710	Owners of the Company		\$98,829		\$19,192	
8720	Non-controlling interests		5,293		(3,457)	
			\$104,122		\$15,735	
	Earnings per share(NT\$)	VI.21				
9750	Basic earnings per share		\$0.23		\$0.16	
9850	Diluted earnings per share		\$0.23		\$0.16	

(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 three months ended March 31, 2022 and 2021

(Reviewed, not audited in accordance with generally accepted auditing standards)

Unit: NT\$ Thousand

	Items	Equity attributable to owners of the company								Non- controlling interests	Total Equity
		Share capital	Capital surplus	Retained earnings		Other items of equity			Total		
				Legal reserve	Special reserve	Unappropri- d earnings	Exchange differences on translation of the financial	Treasury stocks			
Code		3110	3200	3310	3320	3350	3410	3500	31XX	36XX	3XXX
A1	Balance as of January 1, 2021	\$1,487,085	\$23,745	\$137,165	\$188,685	\$311,386	\$(116,342)	\$(33,031)	\$1,998,693	\$174,204	\$2,172,897
D1	Net income (loss) for the three months ended	-	-	-	-	23,061	-	-	23,061	(2,012)	21,049
D3	Other comprehensive income (loss) for the th	-	-	-	-	-	(3,869)	-	(3,869)	(1,445)	(5,314)
D5	Total comprehensive income in the current pe	-	-	-	-	23,061	(3,869)	-	19,192	(3,457)	15,735
Z1	Balance as of March 31 , 2021	<u>\$1,487,085</u>	<u>\$23,745</u>	<u>\$137,165</u>	<u>\$188,685</u>	<u>\$334,447</u>	<u>\$(120,211)</u>	<u>\$(33,031)</u>	<u>\$2,017,885</u>	<u>\$170,747</u>	<u>\$2,188,632</u>
A1	Balance as of January 1, 2022	\$1,494,388	\$23,649	\$138,371	\$188,685	\$411,150	\$(128,629)	\$(12,263)	\$2,115,351	\$159,200	\$2,274,551
D1	Net income (loss) for the three months ended	-	-	-	-	34,805	-	-	34,805	(668)	34,137
D3	Other comprehensive income (loss) for the th	-	-	-	-	-	64,024	-	64,024	5,961	69,985
D5	Total comprehensive income in the current pe	-	-	-	-	34,805	64,024	-	98,829	5,293	104,122
M7	Change in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	1,001	1,001
Z1	Balance as of March 31 , 2022	<u>\$1,494,388</u>	<u>\$23,649</u>	<u>\$138,371</u>	<u>\$188,685</u>	<u>\$445,955</u>	<u>\$(64,605)</u>	<u>\$(12,263)</u>	<u>\$2,214,180</u>	<u>\$165,494</u>	<u>\$2,379,674</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 Cash Flows
For the three months ended March 31, 2022 and 2021
(Reviewed, not audited in accordance with generally accepted auditing standards)

Unit: NT\$ Thousand							
Code	Items	For the three months ended March 31, 2022	For the three months ended March 31, 2021	Code	Items	For the three months ended March 31, 2022	For the three months ended March 31, 2021
		Amount	Amount			Amount	Amount
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Income before income tax	\$57,733	\$45,185	B00100	Purchase of financial assets at fair value through profit or loss	(361,487)	(377,858)
A20000	Adjustment items:			B00200	Disposal of financial assets at FVTPL	532,600	746,813
A20010	Income/expenses items:			B02700	Acquisition of property, plant and equipment	(163,240)	(87,373)
A20100	Depreciation expense	24,608	25,734	B02800	Disposal of property, plant and equipment	800	215
A20200	Amortization expenses	3,235	3,043	B04500	Acquisition of intangible assets	(1,040)	(1,161)
A20300	Expected credit impairment losses	5,623	2,544	BBBB	Net cash inflow from investing activities	7,633	280,636
A20400	Net (gain) on financial assets at FVTPL	(1,265)	(4,554)				
A20900	Interest expenses	6,085	3,334	CCCC	Cash flows from financing activities:		
A21200	Interest revenue	(5,480)	(5,939)	C00100	Increase in short-term borrowings	467,148	1,044,806
A22300	Share of losses on affiliates and joint ventures accounted for	1,083	-	C00200	Decrease in short-term borrowings	(455,765)	(1,015,031)
A22500	Losses on disposal of property, plant and equipment	540	126	C00500	Increase in short-term notes and bills payable	-	64,977
A30000	Changes in operating assets/ liabilities:			C01600	Proceeds from long-term borrowings	134,061	60,720
A31125	(Increase) decrease in contract assets	(10,159)	4,038	C01700	Repayments of long-term borrowings	(51,912)	(72,736)
A31130	Decrease (increase) of notes receivable	(114,364)	11,359	C04020	Repayment of principal portion of lease	(302)	(247)
A31150	(Increase) in accounts receivable	(62,627)	(37,485)	C05800	Increase in non-controlling interests	1,001	-
A31200	(Increase) in inventories	(81,744)	(71,304)	CCCC	Net cash inflow from financing activities	94,231	82,489
A31240	Other current assets (increase)	(68,751)	(19,127)				
A31990	(Increase) decrease in other non-current assets	(1,553)	6,797	DDDD	Effect of exchange rate changes on cash and cash equivalents	59,532	5,398
A32125	Increase in contract liability	56,351	32,040				
A32130	Increase (decrease) in notes payable	135,142	(34,233)	EEEE	Increase in cash and cash equivalents for the current period	68,873	304,013
A32150	Increase in accounts payable	18,648	32,450	E00100	Cash and cash equivalents at the beginning of the year	533,974	393,222
A32180	Other payables (decrease)	(36,424)	(17,834)	E00200	Cash and cash equivalents at the end of the year	\$602,847	\$697,235
A32230	Increase (decrease) in other current liabilities	3,372	(848)				
A32240	(Decrease) in net defined benefit liabilities	(606)	(3,103)				
A33000	Cash (outflow) from operations	(70,553)	(27,777)				
A33100	Interest received	5,480	5,939				
A33300	Interest paid	(4,502)	(2,551)				
A33500	Income tax paid	(22,948)	(40,121)				
AAAA	Net cash (outflow) from operating activities	(92,523)	(64,510)				

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

Chairman:

Manager:

Accounting Manager: