

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

Consolidated Balance Sheet

June 30, 2025, December 31 and June 30, 2024

Unit: NT\$ Thousand

Assets			June 30, 2025		December 31, 2024		June 30, 2024	
Code	Accounting titles	Notes	Amount	%	Amount	%	Amount	%
	Current assets							
1100	Cash and cash equivalents	IV/VI.1	\$671,062	9	\$676,230	9	\$712,041	9
1110	Financial assets at FVTPL - Current	IV/VI.2	46,082	1	99,475	1	142,595	2
1140	Contract assets - current	IV/VI.15&16	107,891	1	37,253	-	13,788	-
1150	Net notes receivable	IV/VI.4&16	543,276	7	373,236	5	472,902	6
1170	Net accounts receivable	IV/VI.5&16	1,370,111	17	1,434,768	19	1,299,568	17
130x	Inventories	IV/VI.6	2,020,145	25	1,815,337	24	1,717,242	22
1470	Other current assets	VIII	208,426	3	221,797	3	230,644	3
11xx	Total current assets		4,966,993	63	4,658,096	61	4,588,780	59
	Non-current assets							
1510	Financial assets at FVTPL - Non-current	IV/VI.2	65,164	1	65,164	1	56,041	1
1517	Financial assets at FVOCI - Non-current	IV/VI.3	64,605	1	66,109	1	57,805	1
1550	Investment accounted for using the equity method	IV.	875	-	3,574	-	5,569	-
1600	Property, plant and equipment	IV/VI.7/VIII	2,034,884	25	2,196,801	28	2,239,389	29
1755	Right-of-use assets	IV/VI.17/VIII	131,266	2	146,066	2	147,354	2
1760	Net investment property	IV/VI.8/VIII	309,363	4	321,266	4	324,407	4
1780	Intangible assets	VI.	78,574	1	79,744	1	68,979	1
1840	Deferred tax income assets	VI.	132,622	2	66,686	1	105,093	1
1900	Other non-current assets - others	IV/VI.4&5/VIII	95,583	1	106,598	1	145,887	2
15xx	Total non-current assets		2,912,936	37	3,052,008	39	3,150,524	41
1xxx	Total assets		\$7,879,929	100	\$7,710,104	100	\$7,739,304	100

(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, 2025, December 31 and June 30, 2024

Unit: NT\$ Thousand

Liabilities and Equity			June 30, 2025		December 31, 2024		June 30, 2024	
Code	Accounting titles	Notes	Amount	%	Amount	%	Amount	%
	Current liabilities							
2100	Short-term borrowings	IV/VI.9	\$573,180	7	\$311,885	4	\$282,564	4
2110	Short-term bills payable	IV/VI.10	-	-	-	-	84,855	1
2130	Contract liability	IV/VI.15	507,634	7	271,712	4	222,811	3
2150	Notes payable	IV.	318,262	4	309,693	4	319,049	4
2170	Accounts payable	IV.	1,081,145	14	998,860	13	1,021,747	13
2200	Other payables	IV.	361,932	5	379,638	5	386,041	5
2230	Current tax liabilities	IV.	10,742	-	14,817	-	6,549	-
2280	Lease liabilities - current	IV/VI.17	1,306	-	1,402	-	1,364	-
2321	Corporate bonds maturing or subject to put option within one year or one oper	IV/VI.11	327,553	4	710,398	9	360,000	5
2322	Long-term borrowings – current portion	IV/VI.12	207,750	3	146,956	2	81,163	1
2399	Other current liabilities – Others		6,394	-	14,683	-	9,577	-
21xx	Total current liabilities		<u>3,395,898</u>	<u>44</u>	<u>3,160,044</u>	<u>41</u>	<u>2,775,720</u>	<u>36</u>
	Non-current liabilities							
2530	Bonds payable	IV/VI.11	-	-	-	-	488,856	6
2540	Long-term borrowings	IV/VI.12	1,507,647	19	1,334,531	18	1,448,423	19
2570	Deferred income tax liabilities	IV.	541,966	7	533,460	7	556,830	8
2580	Lease liabilities – Non-current	IV/VI.17	19,648	-	22,229	-	22,768	-
2640	Net defined benefit liabilities - Non-current	IV/VI.13	12,759	-	28,319	-	30,629	-
2645	Deposits received		11,779	-	11,685	-	11,600	-
25xx	Total non-current liabilities		<u>2,093,799</u>	<u>26</u>	<u>1,930,224</u>	<u>25</u>	<u>2,559,106</u>	<u>33</u>
2xxx	Total Liabilities		<u>5,489,697</u>	<u>70</u>	<u>5,090,268</u>	<u>66</u>	<u>5,334,826</u>	<u>69</u>
31xx	Equity attributable to owners of the company							
3100	Share capital	VI.14						
3110	Common share capital		1,672,206	21	1,654,778	21	1,569,860	20
3130	Certificate of Entitlement from Convertible Bonds		-	-	1,623	-	-	-
3200	Capital surplus	VI.14	79,284	1	93,513	1	37,846	-
3300	Retained earnings							
3310	Legal reserve	VI.14	174,584	2	168,118	2	168,118	2
3320	Special reserve	IV.14	188,685	2	188,685	2	188,685	2
3350	Unappropriated earnings	VI.14	402,162	5	438,734	7	404,604	6
	Total retained earnings		<u>765,431</u>	<u>9</u>	<u>795,537</u>	<u>11</u>	<u>761,407</u>	<u>10</u>
3400	Other equities	IV.	(260,733)	(3)	(72,913)	(1)	(94,153)	-
3500	Treasury stocks	IV/VI.14	(29,720)	-	(29,720)	-	(49,969)	(1)
36xx	Non-controlling interests	VI.14	163,764	2	177,018	2	179,487	2
3xxx	Total equity		<u>2,390,232</u>	<u>30</u>	<u>2,619,836</u>	<u>34</u>	<u>2,404,478</u>	<u>31</u>
	Total liabilities and equities		<u>\$7,879,929</u>	<u>100</u>	<u>\$7,710,104</u>	<u>100</u>	<u>\$7,739,304</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, 2025 and 2024

Unit: NT\$ Thousand

Code	Accounting titles	Note	For the three months ended June 30, 2025		For the three months ended June 30, 2024		For the six months ended June 30, 2025		For the six months ended June 30, 2024	
			Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue	IV/VI.15	\$1,251,647	100	\$1,238,082	100	\$2,273,093	100	\$2,163,002	100
5000	Operating cost	IV/VI.18/VII	(940,603)	(75)	(931,872)	(75)	(1,713,328)	(76)	(1,609,329)	(74)
5900	Gross profit		311,044	25	306,210	25	559,765	24	553,673	26
6000	Operating expenses	VI.17&18/VII								
6100	Selling expenses		(155,179)	(12)	(166,490)	(13)	(298,677)	(13)	(315,565)	(15)
6200	Administrative expenses□		(71,392)	(6)	(66,617)	(5)	(142,724)	(6)	(135,265)	(6)
6300	Research and development expenses		(30,426)	(3)	(28,790)	(2)	(63,362)	(3)	(55,602)	(3)
6450	Expected credit impairment (losses)	VI.16	(3,115)	-	(3,122)	-	(1,944)	-	(4,717)	-
	Total operating expenses		(260,112)	(21)	(265,019)	(20)	(506,707)	(22)	(511,149)	(24)
6900	Operating income		50,932	4	41,191	5	53,058	2	42,524	2
7000	Non-operating income and expense	IV/VI.19								
7010	Other income		24,021	2	40,759	3	44,825	2	63,280	3
7020	Other gains or losses		(56,830)	(5)	(6,194)	(1)	(57,292)	(3)	(5,798)	-
7050	Financial costs		(16,875)	(1)	(19,025)	(2)	(32,848)	(1)	(36,775)	(2)
7060	Share of profit or loss from associates and joint ventures accounted for using equity method		(1,670)	-	(1,023)	-	(2,705)	-	(1,780)	-
	Total non-operating incomes and expenses		(51,354)	(4)	14,517	-	(48,020)	(2)	18,927	1
7900	Net income before tax		(422)	-	55,708	5	5,038	-	61,451	3
7950	Income tax (expense)	IV/VI.21	(2,991)	-	(13,445)	(1)	(6,842)	-	(21,591)	(1)
8200	Current net profit		(3,413)	-	42,263	4	(1,804)	-	39,860	2
8300	Other comprehensive income	IV/VI.20&21								
8310	Items that will not be reclassified to profit or loss									
8316	Exchange differences on translation of the financial statements of foreign operations		(1,873)	-	129	-	(1,504)	-	413	-
8360	Items that may be reclassified subsequently to profit or loss									
8361	Exchange differences on translation of the financial statements of foreign operations		(306,697)	(25)	22,693	2	(250,244)	(11)	73,202	3
8399	Income tax relating to items that may be reclassified subsequently to profit or loss		57,607	5	(4,282)	-	46,955	2	(13,802)	(1)
	Other comprehensive income of the current year (net amount after-tax)		(250,963)	(20)	18,540	2	(204,793)	(9)	59,813	2
8500	Total comprehensive income in the current period		<u>\$(254,376)</u>	<u>(20)</u>	<u>\$60,803</u>	<u>6</u>	<u>\$(206,597)</u>	<u>(9)</u>	<u>\$99,673</u>	<u>4</u>
8600	Net income (loss) attributable to:									
8610	Owners of the Company		\$ (8,879)		\$41,952		\$ (5,523)		\$45,327	
8620	Non-controlling interests		5,466		311		3,719		(5,467)	
			<u>\$(3,413)</u>		<u>\$42,263</u>		<u>\$(1,804)</u>		<u>\$39,860</u>	
8700	Total comprehensive income attributable to:									
8710	Owners of the Company		\$ (239,307)		\$59,089		\$ (193,343)		\$100,535	
8720	Non-controlling interests		(15,069)		1,714		(13,254)		(862)	
			<u>\$(254,376)</u>		<u>\$60,803</u>		<u>\$(206,597)</u>		<u>\$99,673</u>	
	Earnings per share (NT\$)	VI.22								
9750	Basic earnings per share		<u>\$(0.05)</u>		<u>\$0.27</u>		<u>\$(0.03)</u>		<u>\$0.29</u>	
9850	Diluted earnings per share		<u>\$(0.05)</u>		<u>\$0.24</u>		<u>\$(0.03)</u>		<u>\$0.26</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 Statement of Changes in Equity
For the six months ended June 30, 2025 and 2024

Unit: NT\$ Thousand

	Items	Equity attributable to owners of the company										Non- controlling interests	Total Equity
		Share capital	Bond conversion entitlement certificates	Capital surplus	Retained earnings			Other items of equity		Treasury Stock	Total		
					Legal reserve	Special reserve	Unappropri- d earnings	Exchange differences on translation of the financial statements of foreign	Unrealized gains or losses on financial assets measured at fair value through other comprehensive				
Code		3110	3130	3200	3310	3320	3350	3410	3420	3500	31XX	36XX	3XXX
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	-	-	-	-	-	45,327	-	-	-	45,327	(5,467)	39,860
D3	Other comprehensive income (loss) for the six months ended June 30	-	-	-	-	-	-	54,795	413	-	55,208	4,605	59,813
D5	Comprehensive income in the current period	-	-	-	-	-	45,327	54,795	413	-	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	<u>\$1,569,860</u>	<u>\$ -</u>	<u>\$37,846</u>	<u>\$168,118</u>	<u>\$188,685</u>	<u>\$404,604</u>	<u>\$(94,566)</u>	<u>\$413</u>	<u>\$(49,969)</u>	<u>\$2,224,991</u>	<u>\$179,487</u>	<u>\$2,404,478</u>
A1	Balance as of January 1, 2025	\$1,654,778	\$1,623	\$93,513	\$168,118	\$188,685	\$438,734	\$(81,101)	\$8,188	\$(29,720)	\$2,442,818	\$177,018	\$2,619,836
	Earnings appropriation and distribution for 2024												
B1	Provision of legal reserve	-	-	-	6,466	-	(6,466)	-	-	-	-	-	-
B5	Cash dividend from ordinary shares	-	-	-	-	-	(24,583)	-	-	-	(24,583)	-	(24,583)
C15	Cash dividends distributed from capital surplus	-	-	(24,583)	-	-	-	-	-	-	(24,583)	-	(24,583)
D1	Net income for the six months ended June 30	-	-	-	-	-	(5,523)	-	-	-	(5,523)	3,719	(1,804)
D3	Other comprehensive income (loss) for the three months ended March 31	-	-	-	-	-	-	(186,316)	(1,504)	-	(187,820)	(16,973)	(204,793)
D5	Comprehensive income in the current period	-	-	-	-	-	(5,523)	(186,316)	(1,504)	-	(193,343)	(13,254)	(206,597)
I1	Conversion of convertible bonds	-	15,805	10,286	-	-	-	-	-	-	26,091	-	26,091
I3	Exercise of bond conversion rights certificate	17,428	(17,428)	-	-	-	-	-	-	-	-	-	-
T1	Other – exercise of subscription rights	-	-	68	-	-	-	-	-	-	68	-	68
Z1	Balance as of June 30, 2025	<u>\$1,672,206</u>	<u>\$-</u>	<u>\$79,284</u>	<u>\$174,584</u>	<u>\$188,685</u>	<u>\$402,162</u>	<u>\$(267,417)</u>	<u>\$6,684</u>	<u>\$(29,720)</u>	<u>\$2,226,468</u>	<u>\$163,764</u>	<u>\$2,390,232</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 six months ended June 30, 2025 and 2024

Unit: NT\$ Thousand

Code	Items	For the six months ended June 30, 2025	For the six months ended June 30, 2024	Code	Items	For the six months ended June 30, 2025	For the six months ended June 30, 2024
		Amount	Amount			Amount	Amount
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Income before income tax	\$5,038	\$61,451	B00100	Purchase of financial assets at fair value through profit or	(353,114)	(418,622)
A20000	Adjustment items:			B00200	Disposal of financial assets at FVTPL	401,938	554,244
A20010	Income/expenses items:			B02700	Acquisition of property, plant and equipment	(52,331)	(121,078)
A20100	Depreciation expense	71,673	73,673	B02800	Disposal of property, plant and equipment	17,996	213
A20200	Amortization expenses	6,835	5,665	B04500	Acquisition of intangible assets	(6,750)	(2,837)
A20300	Expected credit impairment losses	1,944	4,717	B05400	Acquisition of investment property	-	(886)
A20400	Net (gain) on financial assets at FVTPL	(260)	(2,285)	BBBB	Net cash inflow (outflow) from investing activities	7,739	11,034
A20900	Interest expenses	32,848	36,775				
A21200	Interest revenue	(16,787)	(14,594)	CCCC	Cash flows from financing activities:		
A22300	Share of losses on affiliates and joint ventures accounted for	2,705	1,780	C00100	Increase in short-term borrowings	355,121	87,040
A22500	Losses on disposal of property, plant and equipment	(958)	213	C00200	Decrease in short-term borrowings	(68,781)	(133,303)
A30000	Changes in operating assets/ liabilities:			C00500	Increase in short-term notes and bills payable	-	84,855
A31125	Decrease (increase) in contract assets	(70,638)	40,114	C01300	Redemption of corporate bonds	(360,000)	-
A31130	Decrease (increase) in notes receivable	(170,733)	24,634	C01600	Proceeds from long-term borrowings	430,000	228,260
A31150	Decrease (increase) in accounts receivable	(32,503)	(214,166)	C01700	Repayments of long-term borrowings	(166,330)	(113,257)
A31200	(Increase) in inventories	(347,703)	(92,461)	C03000	Increase in deposits received	94	282
A31240	Decrease(increase) in other current assets	18,530	29,461	C04020	Repayment of principal portion of lease	(680)	(656)
A31990	(Increase) decrease in other non-current assets	8,620	(1,936)	C04900	Cost of repurchase of treasury shares	-	(49,969)
A32125	Increase in contract liability	235,922	30,357	C05800	Non-controlling interests (decrease)	-	(3,100)
A32130	Increase in notes payable	8,569	174,284	C09900	Other financing activities	68	-
A32150	Increase in accounts payable	82,285	5,883	CCCC	Net cash inflow from financing activities	189,492	100,152
A32180	Other payables (decrease)	(65,311)	(3,173)				
A32230	Increase (decrease) in other current liabilities	(8,289)	(4,413)	DDDD	Effect of exchange rate changes on cash and cash equivalents	91,989	(6,944)
A32240	(Decrease) in net defined benefit liabilities	(15,560)	(1,074)				
A33000	Cash inflow from operating activities	(253,773)	154,905	EEEE	Increase (decrease) in cash and cash equivalents for the curr	(5,168)	222,644
A33100	Interest received	16,787	14,594	E00100	Cash and cash equivalents at the beginning of the year	676,230	489,397
A33300	Interest paid	(31,163)	(33,377)	E00200	Cash and cash equivalents at the end of the year	\$671,062	\$712,041
A33500	Income tax paid	(26,239)	(17,720)				
AAAA	Net cash inflow from operating activities	(294,388)	118,402				

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Chairman:

Manager:

Accounting Manager: