

TAIWAN HOPAX CHEMS.MFG.CO.,LTD.
2020 Six Months Consolidated Financial Statements

Unit: NT\$ thousand

Balance Sheet			
Accounting Title	2020/6/30	2019/12/31	2019/6/30
Current assets			
Cash and cash equivalents	536,686	594,834	639,905
Current financial assets at fair value through profit or loss	0	513	38
Current financial assets at amortised cost	79,696	107,303	18,000
Notes receivable, net	264,489	284,691	210,923
Accounts receivable, net	797,205	806,862	829,889
Other receivables	9,181	9,581	8,187
Current tax assets	7,609	6,360	0
Current inventories	904,952	928,882	970,062
Prepayments	51,372	54,714	92,439
Other current assets	33,930	42,341	31,484
Total current assets	2,685,120	2,836,081	2,800,927
Non-current assets			
Non-current financial assets at fair value through other comprehensive income	42,033	43,574	57,007
Property, plant and equipment	2,508,851	2,522,049	2,418,427
Right-of-use assets	108,075	110,712	116,899
Investment property, net	9,438	9,593	9,749
Deferred tax assets	169,381	158,459	127,345
Other non-current assets	154,916	110,822	120,615
Total non-current assets	2,992,694	2,955,209	2,850,042
Total assets	5,677,814	5,791,290	5,650,969
Current liabilities			
Current borrowings	1,191,771	1,058,787	921,456
Short-term notes and bills payable	184,837	124,954	124,965
Current financial liabilities at fair value through profit or loss	63	0	0
Current contract liabilities	38,302	30,890	27,524
Notes payable	178,164	177,739	18,573
Accounts payable	190,450	303,740	321,855
Other payables	387,253	339,443	348,674
Current tax liabilities	33,975	13,031	20,898
Current lease liabilities	2,866	1,962	2,609
Other current liabilities	284,010	345,082	416,693
Total current liabilities	2,491,691	2,395,628	2,203,247
Non-current liabilities			
Non-current portion of non-current borrowings	275,541	418,938	482,620
Non-current provisions	7,450	7,422	6,777
Deferred tax liabilities	98,841	93,222	101,605
Non-current lease liabilities	3,328	2,863	1,490
Other non-current liabilities	111,272	115,941	101,987
Total non-current liabilities	496,432	638,386	694,479

Unit: NT\$ thousand

Balance Sheet			
Total liabilities	2,988,123	3,034,014	2,897,726
Equity attributable to owners of parent			
Share capital			
Ordinary share	1,761,331	1,761,331	1,761,331
Total Share Capital	1,761,331	1,761,331	1,761,331
Capital surplus			
Total capital surplus	583,912	587,435	587,435
Retained earnings			
Legal reserve	287,147	266,484	266,484
Special reserve	304,265	239,664	239,664
Unappropriated retained earnings (accumulated deficit)	161,212	206,628	108,593
Total retained earnings	752,624	712,776	614,741
Other equity interest			
Total other equity interest	-358,717	-304,266	-210,264
Treasury shares	-49,459	0	0
Total equity attributable to owners of parent	2,689,691	2,757,276	2,753,243
Total equity	2,689,691	2,757,276	2,753,243
Total liabilities and equity	5,677,814	5,791,290	5,650,969
Equivalent issue shares of advance receipts for ordinary share	0	0	0
Number of shares in entity held by entity and by its subsidiaries	2929000	0	0

Unit: NT\$ thousand

Income Statement				
Accounting Title	2020/2nd	2019/2nd	2020/01/01 To2020/06/30	2019/01/01 To2019/06/30
Total operating revenue	905,332	961,417	1,791,885	1,810,815
Total operating costs	646,051	714,696	1,289,237	1,375,741
Gross profit (loss) from operations	259,281	246,721	502,648	435,074
Gross profit (loss) from operations	259,281	246,721	502,648	435,074
Operating expenses				
Selling expenses	73,771	78,841	138,566	143,308
Administrative expenses	48,619	50,700	89,889	95,611
Research and development expenses	30,532	26,543	60,012	51,884
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	1,393	-1,136	1,347	-1,380
Total operating expenses	154,315	154,948	289,814	289,423
Net operating income (loss)	104,966	91,773	212,834	145,651
Non-operating income and expenses				
Total interest income	2,766	1,907	4,680	3,718
Total other income	3,614	3,269	7,076	5,183
Other gains and losses, net	-1,784	3,403	-1,654	2,998
Finance costs, net	5,203	8,400	11,544	16,048
Total non-operating income and expenses	-607	179	-1,442	-4,149
Profit (loss) from continuing operations before tax	104,359	91,952	211,392	141,502
Total tax expense (income)	25,737	22,826	51,773	36,382
Profit (loss) from continuing operations	78,622	69,126	159,619	105,120
Profit (loss)	78,622	69,126	159,619	105,120
Other comprehensive income				
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	-983	1,466	-1,541	1,466
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-196	293	-308	293
Components of other comprehensive income that will not be reclassified to profit or loss	-787	1,173	-1,233	1,173
Exchange differences on translation	-550	-18,025	-66,523	35,283
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-111	-3,607	-13,305	7,056
Components of other comprehensive income that will be reclassified to profit or loss	-439	-14,418	-53,218	28,227
Other comprehensive income, net	-1,226	-13,245	-54,451	29,400
Total comprehensive income	77,396	55,881	105,168	134,520
Profit (loss), attributable to:				
Profit (loss), attributable to owners of parent	78,622	69,126	159,619	105,120
Comprehensive income, attributable to owners of parent	77,396	55,881	105,168	134,520
Basic earnings per share				
Basic earnings (loss) per share from continuing operations	0.45	0.39	0.91	0.6
Total basic earnings per share	0.45	0.39	0.91	0.6
Diluted earnings per share				
Diluted earnings (loss) per share from continuing operations	0.45	0.39	0.91	0.6
Total diluted earnings per share	0.45	0.39	0.91	0.6

2020/06/30 Statement of Stockholders' Equity

Unit: NT\$ thousand

Accounting Title	Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	1,761,331	1,761,331	587,435	266,484	239,664	206,628	712,776	-292,722	-11,544	-304,266	0	2,757,276		2,757,276
Legal reserve appropriated	0	0	0	20,663	0	-20,663	0	0	0	0	0	0		0
Special reserve appropriated	0	0	0	0	64,601	-64,601	0	0	0	0	0	0		0
Cash dividends of ordinary share	0	0	0	0	0	-119,771	-119,771	0	0	0	0	-119,771		-119,771
Cash dividends from capital surplus	0	0	-3,523	0	0	0	0	0	0	0	0	-3,523		-3,523
Profit (loss)	0	0	0	0	0	159,619	159,619	0	0	0	0	159,619		159,619
Other comprehensive income	0	0	0	0	0	0	0	-53,218	-1,233	-54,451	0	-54,451		-54,451
Total comprehensive income	0	0	0	0	0	159,619	159,619	-53,218	-1,233	-54,451	0	105,168		105,168
Purchase of treasury shares	0	0	0	0	0	0	0	0	0	0	-49,459	-49,459		-49,459
Total increase (decrease) in equity	0	0	-3,523	20,663	64,601	-45,416	39,848	-53,218	-1,233	-54,451	-49,459	-67,585		-67,585
Equity at end of period	1,761,331	1,761,331	583,912	287,147	304,265	161,212	752,624	-345,940	-12,777	-358,717	-49,459	2,689,691		2,689,691

2019/06/30 Statement of Stockholders' Equity

Unit: NT\$ thousand

Accounting Title	Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	1,761,331	1,761,331	587,435	250,160	201,902	163,239	615,301	-237,510	-2,154	-239,664		2,724,403		2,724,403
Legal reserve appropriated	0	0	0	16,324	0	-16,324	0	0	0	0		0		0
Special reserve appropriated	0	0	0	0	37,762	-37,762	0	0	0	0		0		0
Cash dividends of ordinary share	0	0	0	0	0	-105,680	-105,680	0	0	0		-105,680		-105,680
Cash dividends from capital surplus	0	0	0	0	0	0	0	0	0	0		0		0
Profit (loss)	0	0	0	0	0	105,120	105,120	0	0	0		105,120		105,120
Other comprehensive income	0	0	0	0	0	0	0	28,227	1,173	29,400		29,400		29,400
Total comprehensive income	0	0	0	0	0	105,120	105,120	28,227	1,173	29,400		134,520		134,520
Total increase (decrease) in equity	0	0	0	16,324	37,762	-54,646	-560	28,227	1,173	29,400		28,840		28,840
Equity at end of period	1,761,331	1,761,331	587,435	266,484	239,664	108,593	614,741	-209,283	-981	-210,264		2,753,243		2,753,243

Unit: NT\$ thousand

Statements of Cash Flows		
Accounting Title	2020/01/01 To2020/06/30	2019/01/01 To2019/06/30
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	211,392	141,502
Profit (loss) before tax	211,392	141,502
Depreciation expense	110,574	109,668
Amortization expense	4,009	2,905
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	1,347	-1,380
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	58	-67
Interest expense	11,544	16,048
Interest income	-4,680	-3,718
Loss (gain) on disposal of property, plan and equipment	723	1,025
Impairment loss on non-financial assets	5,459	11,861
Other adjustments to reconcile profit (loss)	28	223
Total adjustments to reconcile profit (loss)	129,062	136,565
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	513	-38
Decrease (increase) in notes receivable	20,202	-99,286
Decrease (increase) in accounts receivable	8,837	-45,064
Decrease (increase) in other receivable	182	1,448
Decrease (increase) in inventories	18,994	-17,821
Decrease (increase) in prepayments	3,224	-36,732
Decrease (increase) in other current assets	8,411	21,668
Total changes in operating assets	60,363	-175,825
Increase (decrease) in financial liabilities held for trading	5	54
Increase (decrease) in contract liabilities	7,412	-5,232
Increase (decrease) in notes payable	15,449	18,573
Increase (decrease) in accounts payable	-113,290	36,978
Increase (decrease) in other payable	-46,361	-28,747
Increase (decrease) in other current liabilities	2,696	964
Increase (decrease) in net defined benefit liability	-4,654	1,742
Total changes in operating liabilities	-138,743	24,332
Total changes in operating assets and liabilities	-78,380	-151,493
Total adjustments	50,682	-14,928
Cash inflow (outflow) generated from operations	262,074	126,574
Interest received	4,680	3,718
Interest paid	-13,604	-14,129
Income taxes refund (paid)	-24,507	-19,513
Net cash flows from (used in) operating activities	228,643	96,650
Cash flows from (used in) investing activities		
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	218	646
Acquisition of financial assets at amortised cost	27,607	-9,776
Acquisition of property, plant and equipment	-210,151	-176,069
Proceeds from disposal of property, plant and equipment	336	1,043
Increase in refundable deposits	0	-12
Decrease in refundable deposits	149	0
Acquisition of use-of-right assets	-696	-427
Increase in other non-current assets	-6,665	-5,920

Unit: NT\$ thousand

Statements of Cash Flows		
Net cash flows from (used in) investing activities	-189,202	-190,515
Cash flows from (used in) financing activities		
Increase in short-term loans	132,984	63,931
Increase in short-term notes and bills payable	60,000	35,000
Proceeds from long-term debt	128,602	361,942
Repayments of long-term debt	-333,948	-261,667
Increase in guarantee deposits received	0	10
Decrease in guarantee deposits received	-15	0
Payments of lease liabilities	-1,942	-1,912
Payments to acquire treasury shares	-49,459	0
Net cash flows from (used in) financing activities	-63,778	197,304
Effect of exchange rate changes on cash and cash equivalents	-33,811	24,399
Net increase (decrease) in cash and cash equivalents	-58,148	127,838
Cash and cash equivalents at beginning of period	594,834	512,067
Cash and cash equivalents at end of period	536,686	639,905
Cash and cash equivalents reported in the statement of financial position	536,686	639,905