

TAIWAN HOPAX CHEMS.MFG.CO.,LTD.
2021 Six Months Consolidated Financial Statements

Unit: NT\$ thousand

Balance Sheet			
Accounting Title	2021/6/30	2020/12/31	2020/6/30
Current assets			
Cash and cash equivalents	333,127	485,155	536,686
Current financial assets at fair value through profit or loss	360	608	0
Current financial assets at amortised cost	75,723	71,791	79,696
Notes receivable, net	239,230	294,420	264,489
Accounts receivable, net	1,010,156	729,848	797,205
Other receivables	16,899	14,264	9,181
Current tax assets	7,609	7,609	7,609
Current inventories	1,020,448	998,451	904,952
Prepayments	51,520	48,151	51,372
Other current assets	34,338	30,165	33,930
Total current assets	2,789,410	2,680,462	2,685,120
Non-current assets			
Non-current financial assets at fair value through other comprehensive income	75,785	76,053	42,033
Property, plant and equipment	2,592,748	2,595,514	2,508,851
Right-of-use assets	110,238	112,407	108,075
Investment property, net	9,129	9,284	9,438
Deferred tax assets	164,082	158,841	169,381
Other non-current assets	86,669	129,654	154,916
Total non-current assets	3,038,651	3,081,753	2,992,694
Total assets	5,828,061	5,762,215	5,677,814
Current liabilities			
Current borrowings	704,089	913,334	1,191,771
Short-term notes and bills payable	99,956	134,930	184,837
Current financial liabilities at fair value through profit or loss	715	0	63
Current contract liabilities	52,472	48,994	38,302
Notes payable	164,655	139,758	178,164
Accounts payable	323,887	290,718	190,450
Other payables	435,884	314,160	387,253
Current tax liabilities	64,195	52,228	33,975
Current lease liabilities	2,844	3,191	2,866
Other current liabilities	212,789	285,922	284,010
Total current liabilities	2,061,486	2,183,235	2,491,691
Non-current liabilities			
Non-current portion of non-current borrowings	639,804	481,096	275,541
Non-current provisions	8,291	8,270	7,450
Deferred tax liabilities	93,044	96,276	98,841
Non-current lease liabilities	5,292	4,358	3,328
Other non-current liabilities	91,477	109,064	111,272
Total non-current liabilities	837,908	699,064	496,432

Unit: NT\$ thousand

Balance Sheet			
Total liabilities	2,899,394	2,882,299	2,988,123
Equity attributable to owners of parent			
Share capital			
Ordinary share	1,732,041	1,732,041	1,761,331
Total Share Capital	1,732,041	1,732,041	1,761,331
Capital surplus			
Total capital surplus	574,956	574,956	583,912
Retained earnings			
Legal reserve	287,147	287,147	287,147
Special reserve	304,265	304,265	304,265
Unappropriated retained earnings (accumulated deficit)	357,869	276,363	161,212
Total retained earnings	949,281	867,775	752,624
Other equity interest			
Total other equity interest	-327,611	-294,856	-358,717
Treasury shares	0	0	-49,459
Total equity attributable to owners of parent	2,928,667	2,879,916	2,689,691
Total equity	2,928,667	2,879,916	2,689,691
Total liabilities and equity	5,828,061	5,762,215	5,677,814
Equivalent issue shares of advance receipts for ordinary share	0	0	0
Number of shares in entity held by entity and by its subsidiaries	0	0	2,929,000

Unit: NT\$ thousand

Income Statement				
Accounting Title	2021/2nd	2020/2nd	2021/01/01 To2021/06/30	2020/01/01 To2020/06/30
Total operating revenue	1,202,257	905,332	2,373,975	1,791,885
Total operating costs	853,726	646,051	1,685,532	1,289,237
Gross profit (loss) from operations	348,531	259,281	688,443	502,648
Gross profit (loss) from operations	348,531	259,281	688,443	502,648
Operating expenses				
Selling expenses	93,250	73,771	159,965	138,566
Administrative expenses	56,899	48,619	108,544	89,889
Research and development expenses	40,291	30,532	73,825	60,012
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	2,932	1,393	2,569	1,347
Total operating expenses	193,372	154,315	344,903	289,814
Net operating income (loss)	155,159	104,966	343,540	212,834
Non-operating income and expenses				
Total interest income	1,060	2,766	2,027	4,680
Total other income	3,846	3,614	9,903	7,076
Other gains and losses, net	-6,860	-1,784	-14,717	-1,654
Finance costs, net	4,451	5,203	9,284	11,544
Total non-operating income and expenses	-6,405	-607	-12,071	-1,442
Profit (loss) from continuing operations before tax	148,754	104,359	331,469	211,392
Total tax expense (income)	27,855	25,737	76,759	51,773
Profit (loss) from continuing operations	120,899	78,622	254,710	159,619
Profit (loss)	120,899	78,622	254,710	159,619
Other comprehensive income				
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	-467	-983	-268	-1,541
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-3,304	-196	-3,265	-308
Components of other comprehensive income that will not be reclassified to profit or loss	2,837	-787	2,997	-1,233
Exchange differences on translation	-22,168	-550	-44,690	-66,523
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-4,434	-111	-8,938	-13,305
Components of other comprehensive income that will be reclassified to profit or loss	-17,734	-439	-35,752	-53,218
Other comprehensive income, net	-14,897	-1,226	-32,755	-54,451
Total comprehensive income	106,002	77,396	221,955	105,168
Profit (loss), attributable to:				
Profit (loss), attributable to owners of parent	120,899	78,622	254,710	159,619
Comprehensive income, attributable to owners of parent	106,002	77,396	221,955	105,168
Basic earnings per share				
Basic earnings (loss) per share from continuing operations	0.70	0.45	1.47	0.91
Total basic earnings per share	0.70	0.45	1.47	0.91
Diluted earnings per share				
Diluted earnings (loss) per share from continuing operations	0.70	0.45	1.47	0.91
Total diluted earnings per share	0.70	0.45	1.47	0.91

2021/06/30 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	1,732,041	1,732,041	574,956	287,147	304,265	276,363	867,775	-284,512	-10,344	-294,856		2,879,916		2,879,916
Cash dividends of ordinary share	0	0	0	0	0	-173,204	-173,204	0	0	0		-173,204		-173,204
Profit (loss)	0	0	0	0	0	254,710	254,710	0	0	0		254,710		254,710
Other comprehensive income	0	0	0	0	0	0	0	-35,752	2,997	-32,755		-32,755		-32,755
Total comprehensive income	0	0	0	0	0	254,710	254,710	-35,752	2,997	-32,755		221,955		221,955
Total increase (decrease) in equity	0	0	0	0	0	81,506	81,506	-35,752	2,997	-32,755		48,751		48,751
Equity at end of period	1,732,041	1,732,041	574,956	287,147	304,265	357,869	949,281	-320,264	-7,347	-327,611		2,928,667		2,928,667

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

Unit: NT\$ thousand

Statements of Cash Flows		
Accounting Title	2021/01/01 To2021/06/30	2020/01/01 To2020/06/30
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	331,469	211,392
Profit (loss) before tax	331,469	211,392
Depreciation expense	129,314	110,574
Amortization expense	11,625	4,009
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	2,569	1,347
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	-229	58
Interest expense	9,284	11,544
Interest income	-2,027	-4,680
Loss (gain) on disposal of property, plan and equipment	5,732	723
Impairment loss on non-financial assets	4,777	5,459
Other adjustments to reconcile profit (loss)	21	28
Total adjustments to reconcile profit (loss)	161,066	129,062
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	3,212	513
Decrease (increase) in notes receivable	55,190	20,202
Decrease (increase) in accounts receivable	-282,762	8,837
Decrease (increase) in other receivable	-2,635	182
Decrease (increase) in inventories	-26,441	18,994
Decrease (increase) in prepayments	-3,369	3,224
Decrease (increase) in other current assets	-4,173	8,411
Total changes in operating assets	-260,978	60,363
Increase (decrease) in financial liabilities held for trading	-2,020	5
Increase (decrease) in contract liabilities	3,478	7,412
Increase (decrease) in notes payable	26,219	15,449
Increase (decrease) in accounts payable	33,169	-113,290
Increase (decrease) in other payable	-37,672	-46,361
Increase (decrease) in other current liabilities	4,025	2,696
Increase (decrease) in net defined benefit liability	-17,578	-4,654
Total changes in operating liabilities	9,621	-138,743
Total changes in operating assets and liabilities	-251,357	-78,380
Total adjustments	-90,291	50,682
Cash inflow (outflow) generated from operations	241,178	262,074
Interest received	2,053	4,680
Interest paid	-9,751	-13,604
Income taxes refund (paid)	-61,608	-24,507
Net cash flows from (used in) operating activities	171,872	228,643
Cash flows from (used in) investing activities		
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	0	218
Acquisition of financial assets at amortised cost	-3,932	27,607
Acquisition of property, plant and equipment	-136,211	-210,151
Proceeds from disposal of property, plant and equipment	1,665	336
Increase in refundable deposits	-27	0
Decrease in refundable deposits	0	149
Acquisition of use-of-right assets	-829	-696
Increase in other non-current assets	0	-6,665

Unit: NT\$ thousand

Statements of Cash Flows		
Decrease in other non-current assets	3,193	0
Net cash flows from (used in) investing activities	-136,141	-189,202
Cash flows from (used in) financing activities		
Increase in short-term loans	0	132,984
Decrease in short-term loans	-209,245	0
Increase in short-term notes and bills payable	0	60,000
Decrease in short-term notes and bills payable	-35,000	0
Proceeds from long-term debt	599,162	128,602
Repayments of long-term debt	-514,725	-333,948
Increase in guarantee deposits received	-9	0
Decrease in guarantee deposits received	0	-15
Payments of lease liabilities	-1,825	-1,942
Payments to acquire treasury shares	0	-49,459
Net cash flows from (used in) financing activities	-161,642	-63,778
Effect of exchange rate changes on cash and cash equivalents	-26,117	-33,811
Net increase (decrease) in cash and cash equivalents	-152,028	-58,148
Cash and cash equivalents at beginning of period	485,155	594,834
Cash and cash equivalents at end of period	333,127	536,686
Cash and cash equivalents reported in the statement of financial position	333,127	536,686