

TAIWAN HOPAX CHEMS.MFG.CO.,LTD.
2023 Six Months Consolidated Financial Statements

Unit: NT\$ thousand

Balance Sheet			
Accounting Title	2023/6/30	2022/12/31	2022/6/30
Current assets			
Cash and cash equivalents	595,657	548,323	387,587
Current financial assets at fair value through profit or loss	263	3,040	649
Current financial assets at amortised cost	42,298	86,441	151,734
Notes receivable, net	189,258	281,298	377,383
Accounts receivable, net	892,833	1,024,178	1,255,642
Other receivables	20,776	31,763	21,779
Current inventories	1,245,178	1,502,236	1,368,259
Prepayments	58,440	63,470	99,969
Other current assets	18,395	24,659	43,620
Total current assets	3,063,098	3,565,408	3,706,622
Non-current assets			
Non-current financial assets at fair value through other comprehensive income	80,072	64,236	61,513
Property, plant and equipment	2,675,666	2,719,889	2,646,151
Right-of-use assets	110,543	104,324	107,692
Investment property, net	8,510	8,666	8,820
Deferred tax assets	139,985	151,989	149,976
Other non-current assets	62,843	62,271	115,485
Total non-current assets	3,077,619	3,111,375	3,089,637
Total assets	6,140,717	6,676,783	6,796,259
Current liabilities			
Current borrowings	441,192	587,008	790,220
Short-term notes and bills payable	0	0	84,985
Current financial liabilities at fair value through profit or loss	16,029	3,008	2,614
Current contract liabilities	40,891	61,521	44,255
Notes payable	168,350	246,369	341,941
Accounts payable	198,290	339,120	407,123
Other payables	490,756	375,739	518,779
Current tax liabilities	45,581	73,019	58,750
Current lease liabilities	3,924	1,810	2,031
Other current liabilities	457,471	451,981	141,648
Total current liabilities	1,862,484	2,139,575	2,392,346
Non-current liabilities			
Bonds payable	0	0	273,672
Non-current portion of non-current borrowings	561,667	789,707	698,423
Non-current provisions	5,573	5,535	5,812
Deferred tax liabilities	99,124	98,301	97,059
Non-current lease liabilities	10,663	2,470	3,260
Other non-current liabilities	79,030	78,123	90,764
Total non-current liabilities	756,057	974,136	1,168,990

Unit: NT\$ thousand

Balance Sheet			
Total liabilities	2,618,541	3,113,711	3,561,336
Equity attributable to owners of parent			
Share capital			
Ordinary share	1,734,903	1,734,903	1,734,903
Total Share Capital	1,734,903	1,734,903	1,734,903
Capital surplus			
Total capital surplus	627,972	627,972	627,972
Retained earnings			
Legal reserve	418,584	357,664	357,664
Special reserve	316,196	328,708	328,708
Unappropriated retained earnings (accumulated deficit)	790,141	830,021	491,159
Total retained earnings	1,524,921	1,516,393	1,177,531
Other equity interest			
Total other equity interest	-365,620	-316,196	-305,483
Total equity attributable to owners of parent	3,522,176	3,563,072	3,234,923
Total equity	3,522,176	3,563,072	3,234,923
Total liabilities and equity	6,140,717	6,676,783	6,796,259
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	0

Unit: NT\$ thousand

Income Statement				
Accounting Title	2023/2nd	2022/2nd	2023/01/01 To2023/06/30	2022/01/01 To2022/06/30
Total operating revenue	1,140,786	1,376,473	2,344,882	2,805,358
Total operating costs	861,104	998,326	1,695,248	2,083,099
Gross profit (loss) from operations	279,682	378,147	649,634	722,259
Gross profit (loss) from operations	279,682	378,147	649,634	722,259
Operating expenses				
Selling expenses	83,215	107,289	162,414	201,486
Administrative expenses	59,888	56,014	115,537	107,395
Research and development expenses	37,679	37,831	77,524	77,432
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	-634	-235	-1,376	-2,432
Total operating expenses	180,148	200,899	354,099	383,881
Net operating income (loss)	99,534	177,248	295,535	338,378
Non-operating income and expenses				
Total interest income	2,027	543	3,052	1,026
Total other income	4,256	4,915	9,695	10,153
Other gains and losses, net	10,685	9,779	2,899	17,975
Finance costs, net	8,186	6,676	17,968	12,134
Total non-operating income and expenses	8,782	8,561	-2,322	17,020
Profit (loss) from continuing operations before tax	108,316	185,809	293,213	355,398
Total tax expense (income)	-2,481	37,262	45,269	82,965
Profit (loss) from continuing operations	110,797	148,547	247,944	272,433
Profit (loss)	110,797	148,547	247,944	272,433
Other comprehensive income				
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	4,353	-12,745	15,836	-16,997
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	5,617	-552	5,520	-1,088
Components of other comprehensive income that will not be reclassified to profit or loss	-1,264	-12,193	10,316	-15,909
Exchange differences on translation	-72,534	-34,282	-53,022	46,301
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	1,436	-6,857	6,718	9,260
Components of other comprehensive income that will be reclassified to profit or loss	-73,970	-27,425	-59,740	37,041
Other comprehensive income, net	-75,234	-39,618	-49,424	21,132
Total comprehensive income	35,563	108,929	198,520	293,565
Profit (loss), attributable to:				
Profit (loss), attributable to owners of parent	110,797	148,547	247,944	272,433
Comprehensive income, attributable to owners of parent	35,563	108,929	198,520	293,565
Basic earnings per share				
Basic earnings (loss) per share from continuing operations	0.64	0.86	1.43	1.57
Total basic earnings per share	0.64	0.86	1.43	1.57
Diluted earnings per share				
Diluted earnings (loss) per share from continuing operations	0.62	0.84	1.39	1.54
Total diluted earnings per share	0.62	0.84	1.39	1.54

2023/06/30 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	1,734,903	1,734,903	627,972	357,664	328,708	830,021	1,516,393	-275,842	-40,354	-316,196		3,563,072		3,563,072
Legal reserve appropriated	0	0	0	60,920	0	-60,920	0	0	0	0		0		0
Reversal of special reserve	0	0	0	0	-12,512	12,512	0	0	0	0		0		0
Cash dividends of ordinary share	0	0	0	0	0	-239,416	-239,416	0	0	0		-239,416		-239,416
Profit (loss)	0	0	0	0	0	247,944	247,944	0	0	0		247,944		247,944
Other comprehensive income	0	0	0	0	0	0	0	-59,740	10,316	-49,424		-49,424		-49,424
Total comprehensive income	0	0	0	0	0	247,944	247,944	-59,740	10,316	-49,424		198,520		198,520
Total increase (decrease) in equity	0	0	0	60,920	-12,512	-39,880	8,528	-59,740	10,316	-49,424		-40,896		-40,896
Equity at end of period	1,734,903	1,734,903	627,972	418,584	316,196	790,141	1,524,921	-335,582	-30,038	-365,620		3,522,176		3,522,176

2022/06/30 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	615,528	314,783	294,856	514,415	1,124,054	-302,951	-25,757	-328,708		3,142,915		3,142,915
Legal reserve appropriated	0	0	0	42,881	0	-42,881	0	0	0	0		0		0
Special reserve appropriated	0	0	0	0	33,852	-33,852	0	0	0	0		0		0
Cash dividends of ordinary share	0	0	0	0	0	-216,863	-216,863	0	0	0		-216,863		-216,863
Profit (loss)	0	0	0	0	0	272,433	272,433	0	0	0		272,433		272,433
Other comprehensive income	0	0	0	0	0	0	0	37,041	-15,909	21,132		21,132		21,132
Total comprehensive income	0	0	0	0	0	272,433	272,433	37,041	-15,909	21,132		293,565		293,565
Conversion of convertible bonds	2,862	2,862	12,444	0	0	0	0	0	0	0		15,306		15,306
Disposal of investments in equity instrum	0	0	0	0	0	-2,093	-2,093	0	2,093	2,093		0		0
Total increase (decrease) in equity	2,862	2,862	12,444	42,881	33,852	-23,256	53,477	37,041	-13,816	23,225		92,008		92,008
Equity at end of period	1,734,903	1,734,903	627,972	357,664	328,708	491,159	1,177,531	-265,910	-39,573	-305,483		3,234,923		3,234,923

Unit: NT\$ thousand

Statements of Cash Flows		
Accounting Title	2023/01/01 To2023/06/30	2022/01/01 To2022/06/30
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	293,213	355,398
Profit (loss) before tax	293,213	355,398
Depreciation expense	150,240	130,839
Amortization expense	3,727	5,396
Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	-1,376	-2,432
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	20,347	8,292
Interest expense	17,968	12,134
Interest income	-3,052	-1,026
Loss (gain) on disposal of property, plan and equipment	1,256	2,575
Impairment loss on non-financial assets	3,082	0
Reversal of impairment loss on non-financial assets	0	-6,535
Other adjustments to reconcile profit (loss)	38	18
Total adjustments to reconcile profit (loss)	192,230	149,261
Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	8,946	3,476
Decrease (increase) in notes receivable	92,040	-95,012
Decrease (increase) in accounts receivable	132,404	-211,173
Decrease (increase) in other receivable	10,987	-1,896
Decrease (increase) in inventories	254,297	-98,033
Decrease (increase) in prepayments	5,030	-45,406
Decrease (increase) in other current assets	6,264	-14,804
Total changes in operating assets	509,968	-462,848
Increase (decrease) in financial liabilities held for trading	-13,495	-7,803
Increase (decrease) in contract liabilities	-20,630	-15,169
Increase (decrease) in notes payable	-84,827	125,901
Increase (decrease) in accounts payable	-140,830	44,431
Increase (decrease) in other payable	-103,052	-46,021
Increase (decrease) in other current liabilities	-154	3,843
Increase (decrease) in net defined benefit liability	1,128	-13,208
Total changes in operating liabilities	-361,860	91,974
Total changes in operating assets and liabilities	148,108	-370,874
Total adjustments	340,338	-221,613
Cash inflow (outflow) generated from operations	633,551	133,785
Interest received	3,052	1,026
Interest paid	-17,711	-10,018
Income taxes refund (paid)	-71,853	-91,477
Net cash flows from (used in) operating activities	547,039	33,316
Cash flows from (used in) investing activities		
Acquisition of financial assets at fair value through other comprehensive income	0	-17,039
Proceeds from disposal of financial assets at fair value through other comprehensive income	0	7,329
Acquisition of financial assets at amortised cost	0	-8,723
Proceeds from disposal of financial assets at amortised cost	44,143	0
Acquisition of property, plant and equipment	-150,762	-176,674
Proceeds from disposal of property, plant and equipment	451	322
Increase in refundable deposits	0	-781

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Statements of Cash Flows		
Decrease in refundable deposits	84	0
Acquisition of use-of-right assets	-740	-676
Increase in other non-current assets	-940	-2,476
Net cash flows from (used in) investing activities	-107,764	-198,718
Cash flows from (used in) financing activities		
Increase in short-term loans	0	153,557
Decrease in short-term loans	-145,816	0
Increase in short-term notes and bills payable	0	45,000
Proceeds from long-term debt	220,000	279,369
Repayments of long-term debt	-445,793	-330,141
Increase in guarantee deposits received	0	317
Decrease in guarantee deposits received	-221	0
Payments of lease liabilities	-1,371	-1,007
Net cash flows from (used in) financing activities	-373,201	147,095
Effect of exchange rate changes on cash and cash equivalents	-18,740	29,687
Net increase (decrease) in cash and cash equivalents	47,334	11,380
Cash and cash equivalents at beginning of period	548,323	376,207
Cash and cash equivalents at end of period	595,657	387,587
Cash and cash equivalents reported in the statement of financial position	595,657	387,587