

**FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**March 31, 2023, December 31, 2022, and March 31, 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

Items	Notes	March 31, 2023		December 31, 2022		March 31, 2022		
		Amount	%	Amount	%	Amount	%	
11××	CURRENT ASSETS:							
1100	Cash and cash equivalents	4 and 6(1)	\$ 959,561	29.12	\$ 874,855	26.41	\$ 961,879	30.04
1136	Current financial assets at amortized cost	4 and 6(2)	151,772	4.61	227,127	6.86	122,102	3.81
1150	Notes receivable, net	4 and 6(3)	11,478	0.35	6,708	0.20	8,504	0.27
1170	Accounts receivable, net	4, 5 and 6(3)	328,197	9.96	372,969	11.26	357,504	11.16
1180	Accounts receivable due from related parties, net	4, 5, 6(3) and 7	171,700	5.21	147,088	4.44	163,734	5.11
1200	Other receivables		7,580	0.23	8,103	0.24	9,638	0.30
130×	Inventories	4, 5 and 6(4)	441,924	13.41	469,937	14.19	429,680	13.42
1410	Prepayments		25,260	0.77	21,760	0.66	20,572	0.64
1470	Other current assets		608	0.02	1,202	0.04	1,979	0.06
11××	Total current assets		2,098,080	63.68	2,129,749	64.30	2,075,592	64.81
15××	NON-CURRENT ASSETS:							
1600	Property, plant and equipment	4 and 6(5)	1,053,629	31.98	1,035,423	31.26	972,757	30.38
1755	Right-of-use assets	4 and 6(6)	46,163	1.40	46,549	1.41	46,284	1.45
1801	Computer software, net		2,484	0.08	2,691	0.08	2,460	0.08
1805	Goodwill	4 and 5	15,509	0.47	15,521	0.47	15,423	0.48
1840	Deferred tax assets	4, 5 and 6(12)	18,306	0.56	18,489	0.56	18,641	0.58
1915	Prepayments for business facilities	9	13,579	0.41	12,608	0.38	25,051	0.78
1920	Guarantee deposits paid		10,489	0.32	10,415	0.31	10,408	0.32
1995	Other non-current assets, others		36,098	1.10	40,584	1.23	35,927	1.12
15××	Total non-current assets		1,196,257	36.32	1,182,280	35.70	1,126,951	35.19
1××	TOTAL ASSETS		\$ 3,294,337	100.00	\$ 3,312,029	100.00	\$ 3,202,543	100.00
21××	CURRENT LIABILITIES:							
2130	Currenct contract liabilities		\$ 18,517	0.56	\$ 18,988	0.57	\$ 28,008	0.87
2150	Notes payable	4	1,080	0.03	230	0.01	315	0.01
2170	Accounts payable	4	260,063	7.90	291,158	8.79	297,402	9.29
2180	Accounts payable to related parties	4 and 7	6,244	0.19	7,273	0.22	7,313	0.23
2200	Other payables		58,802	1.78	121,353	3.66	62,601	1.95
2230	Current tax liabilities	4 and 6(12)	70,382	2.14	64,817	1.96	59,174	1.85
2250	Current provisions	4	18	0.00	12	0.00	52	0.00
2280	Current lease liabilities	4 and 6(7)	1,283	0.04	1,165	0.04	1,064	0.03
2399	Other current liabilities		2,345	0.07	4,235	0.13	2,164	0.07
21××	Total current liabilities		418,734	12.71	509,231	15.38	458,093	14.30

(Continued)

**FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
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**(Expressed in Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

Items	Notes	March 31, 2023		December 31, 2022		March 31, 2022		
		Amount	%	Amount	%	Amount	%	
25××	NON-CURRENT LIABILITIES:							
2572	Deferred tax liabilities	4 and 6(12)	\$ 9,171	0.28	\$ 5,535	0.17	\$ 7,944	0.25
2580	Non-current lease liabilities	4 and 6(7)	14,635	0.44	14,695	0.44	14,039	0.44
2640	Net defined benefit liability, non-current	4, 5 and 6(8)	15,432	0.47	15,432	0.46	15,776	0.49
2645	Guarantee deposits received		136	0.00	200	0.01	71	0.00
25××	Total non-current liabilities		39,374	1.19	35,862	1.08	37,830	1.18
2××	Total liabilities		458,108	13.90	545,093	16.46	495,923	15.48
31××	EQUITY ATTRIBUTABLE TO OWNERS OF PARENT:							
3110	Ordinary share	6(9)	756,617	22.97	756,617	22.84	756,617	23.63
3210	Capital surplus, additional paid-in capital	6(9)	150,801	4.58	150,801	4.55	150,801	4.71
3300	Retained earnings	6(9)						
3310	Legal reserve		459,608	13.95	459,608	13.88	441,475	13.79
3320	Special reserve		97,955	2.97	97,955	2.96	92,414	2.88
3350	Unappropriated retained earnings		1,090,933	33.12	1,041,715	31.45	1,030,661	32.18
3400	Other equity interest	6(9)						
3412	Exchange differences on translation of foreign financial statements		(65,877)	(2.00)	(65,920)	(1.99)	(75,312)	(2.35)
31××	Total equity attributable to owners of parent		2,490,037	75.59	2,440,776	73.69	2,396,656	74.84
36××	NON - CONTROLLING INTERESTS	6(9)	346,192	10.51	326,160	9.85	309,964	9.68
	Total equity		2,836,229	86.10	2,766,936	83.54	2,706,620	84.52
1××	TOTAL LIABILITIES AND EQUITY		\$ 3,294,337	100.00	\$ 3,312,029	100.00	\$ 3,202,543	100.00

(See accompanying notes to consolidated financial statements.)

**FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**For the three months ended March 31, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

Items		Notes	For the Three Months Ended March 31			
			2023		2022	
			Amount	%	Amount	%
4000	OPERATING REVENUE	4, 5, 6(10) and 7	\$ 697,631	100.00	\$ 779,691	100.00
5000	OPERATING COSTS	6(4)(13)	(556,318)	(79.74)	(629,117)	(80.69)
5900	GROSS PROFIT FROM OPERATIONS		141,313	20.26	150,574	19.31
6000	OPERATING EXPENSES	6(13)				
6100	Selling expenses		(11,406)	(1.63)	(11,167)	(1.43)
6200	Administrative expenses		(35,501)	(5.10)	(34,321)	(4.40)
6300	Research and development expenses		(6,728)	(0.96)	(5,884)	(0.75)
6450	Impairment loss determined in accordance with IFRS 9		(642)	(0.09)	1,009	0.13
	Total operating expenses		(54,277)	(7.78)	(50,363)	(6.45)
6900	NET OPERATING INCOME		87,036	12.48	100,211	12.86
7000	NON-OPERATING INCOME AND EXPENSES	6(11)				
7100	Interest income		5,473	0.78	2,832	0.36
7010	Other income		3,229	0.46	1,312	0.17
7020	Other gains and losses		(2,159)	(0.31)	7,493	0.96
7510	Interest expense	6(7)	(141)	(0.02)	(139)	(0.02)
	Total non-operating income and expenses		6,402	0.91	11,498	1.47
7900	PROFIT BEFORE INCOME TAX		93,438	13.39	111,709	14.33
7950	INCOME TAX EXPENSE	4 and 6(12)	(23,109)	(3.31)	(27,900)	(3.58)
8200	PROFIT FOR THE PERIOD		70,329	10.08	83,809	10.75
8300	OTHER COMPREHENSIVE INCOME, NET					
8360	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation		(1,036)	(0.15)	31,455	4.03
	OTHER COMPREHENSIVE INCOME(LOSS), NET OF INCOME TAX		(1,036)	(0.15)	31,455	4.03
8500	TOTAL COMPREHENSIVE INCOME		\$ 69,293	9.93	\$ 115,264	14.78
8600	PROFIT ATTRIBUTABLE TO					
	Owners of parent		\$ 49,218	7.05	\$ 57,880	7.42
	Non-controlling interests		21,111	3.03	25,929	3.33
			\$ 70,329	10.08	\$ 83,809	10.75
8700	COMPREHENSIVE INCOME ATTRIBUTABLE TO					
	Owners of parent		\$ 49,261	7.06	\$ 80,523	10.33
	Non-controlling interests		20,032	2.87	34,741	4.45
			\$ 69,293	9.93	\$ 115,264	14.78
9750	BASIC EARNINGS PER SHARE (NTD)	4 and 6(14)	\$ 0.65		\$ 0.76	

(See accompanying notes to consolidated financial statements.)

**FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES**  
**Consolidated Statements of Changes in Equity**  
**For the three months ended March 31, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

Items		Equity Attributable to Owners of Parent					Total	Non-controlling Interests	Total Equity	
		Retained Earnings			Others					
		Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings				Exchange Differences on Translation of Foreign Financial Statements
9	BALANCE, JANUARY 1, 2022	\$ 756,617	\$ 150,801	\$ 441,475	\$ 92,414	\$ 972,781	\$ (97,955)	\$ 2,316,133	\$ 275,223	\$ 2,591,356
	Profit for the period					57,880		57,880	25,929	83,809
	Other comprehensive income (loss) for the period									
	Exchange differences on translation of foreign financial statements						22,643	22,643	8,812	31,455
	Total comprehensive income (loss) for the period					57,880	22,643	80,523	34,741	115,264
	BALANCE, MARCH 31, 2022	\$ 756,617	\$ 150,801	\$ 441,475	\$ 92,414	\$ 1,030,661	\$ (75,312)	\$ 2,396,656	\$ 309,964	\$ 2,706,620
	BALANCE, JANUARY 1, 2023	\$ 756,617	\$ 150,801	\$ 459,608	\$ 97,955	\$ 1,041,715	\$ (65,920)	\$ 2,440,776	\$ 326,160	\$ 2,766,936
	Profit for the period					49,218		49,218	21,111	70,329
	Other comprehensive income (loss) for the period									
	Exchange differences on translation of foreign financial statements						43	43	(1,079)	(1,036)
Total comprehensive income (loss) for the period					49,218	43	49,261	20,032	69,293	
BALANCE, MARCH 31, 2023	\$ 756,617	\$ 150,801	\$ 459,608	\$ 97,955	\$ 1,090,933	\$ (65,877)	\$ 2,490,037	\$ 346,192	\$ 2,836,229	

(See accompanying notes to consolidated financial statements.)

**FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**For the three months ended March 31, 2023 and 2022**

**(Expressed in Thousands of New Taiwan Dollars)**

**(Reviewed, Not Audited)**

	<u>For the Three Months Ended March 31</u>	
	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES :</b>		
Profit before income tax	\$ 93,438	\$ 111,709
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expenses	26,204	23,063
Amortization expense	7,604	7,462
Expected credit loss (gain)	642	(1,009)
Interest expense	141	139
Interest income	(5,473)	(2,832)
Loss (gain) on disposal of property, plant and equipment	(125)	(374)
Impairment loss (gain on reversal) on non-financial assets	128	-
Changes in operating assets and liabilities		
Decrease (increase) in notes receivable, net	(4,770)	7,486
Decrease (increase) in accounts receivable, net	44,151	4,165
Decrease (increase) in accounts receivable due from related parties	(24,633)	(26,791)
Decrease (increase) in other receivables	112	(4,816)
Decrease (increase) in inventories	28,013	26,171
Decrease (increase) in prepayments	(3,500)	(8,878)
Decrease (increase) in other current assets	<u>594</u>	<u>(714)</u>
Total changes in operating assets	<u>39,967</u>	<u>(3,377)</u>
Increase (decrease) in contract liabilities	(471)	6,556
Increase (decrease) in notes payable	850	(2,644)
Increase (decrease) in accounts payable	(31,095)	1,743
Increase (decrease) in accounts payable to related parties	(1,029)	(1,199)
Increase (decrease) in other payable	(62,683)	(45,929)
Increase (decrease) in provisions	6	(64)
Increase (decrease) in other current liabilities	<u>(1,890)</u>	<u>(52)</u>
Total changes in operating liabilities	<u>(96,312)</u>	<u>(41,589)</u>
Cash inflow (outflow) generated from operations	66,214	93,192
Interest received	5,922	3,893
Interest paid	(9)	(11)
Income taxes paid	<u>(14,195)</u>	<u>(11,089)</u>
Net cash flows from (used in) operating activities	<u>57,932</u>	<u>85,985</u>

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**FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**For the three months ended March 31, 2023 and 2022**

**(Expressed in Thousands of New Taiwan Dollars)**

**(Reviewed, Not Audited)**

	<u>For the Three Months Ended March 31</u>	
	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES :</b>		
Decrease (increase) in financial assets at amortized cost - current	75,355	108
Acquisition of property, plant and equipment	(26,900)	(27,112)
Proceeds from disposal of property, plant and equipment	125	598
Decrease (increase) in prepayments for business facilities	(18,481)	(9,202)
Decrease (increase) in refundable deposits	(74)	(3)
Decrease (increase) in other non-current assets	<u>(2,353)</u>	<u>(4,843)</u>
Net cash flows from (used in) investing activities	<u>27,672</u>	<u>(40,454)</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES :</b>		
Payments of lease liabilities	(323)	(339)
Increase (decrease) in guarantee deposits received	(64)	3
Change in non-controlling interests	<u>(1,079)</u>	<u>8,812</u>
Net cash flows from (used in) financing activities	<u>(1,466)</u>	<u>8,476</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<u>568</u>	<u>9,819</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	84,706	63,826
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>	<u>874,855</u>	<u>898,053</u>
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<u><u>\$ 959,561</u></u>	<u><u>\$ 961,879</u></u>

(See accompanying notes to consolidated financial statements.)