

**FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**June 30, 2023, December 31, 2022, and June 30, 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

Items	Notes	June 30, 2023		December 31, 2022		June 30, 2022		
		Amount	%	Amount	%	Amount	%	
11××	CURRENT ASSETS:							
1100	Cash and cash equivalents	4 and 6(1)	\$ 988,691	30.60	\$ 874,855	26.41	\$ 802,235	25.99
1136	Current financial assets at amortized cost	4 and 6(2)	113,692	3.52	227,127	6.86	131,134	4.25
1150	Notes receivable, net	4 and 6(3)	6,490	0.20	6,708	0.20	10,713	0.35
1170	Accounts receivable, net	4, 5 and 6(3)	314,636	9.74	372,969	11.26	328,078	10.63
1180	Accounts receivable due from related parties, net	4, 5, 6(3) and 7	143,887	4.45	147,088	4.44	176,425	5.71
1200	Other receivables		19,973	0.62	8,103	0.24	6,460	0.21
130×	Inventories	4, 5 and 6(4)	401,216	12.42	469,937	14.19	467,423	15.14
1410	Prepayments		26,587	0.82	21,760	0.66	20,768	0.67
1470	Other current assets		716	0.02	1,202	0.04	1,701	0.06
11××	Total current assets		2,015,888	62.39	2,129,749	64.30	1,944,937	63.01
15××	NON-CURRENT ASSETS:							
1600	Property, plant and equipment	4, 6(5) and 8	1,043,153	32.29	1,035,423	31.26	991,691	32.13
1755	Right-of-use assets	4 and 6(6)	45,780	1.42	46,549	1.41	46,075	1.49
1801	Computer software, net		2,284	0.07	2,691	0.08	2,649	0.09
1805	Goodwill	4 and 5	15,541	0.48	15,521	0.47	15,474	0.50
1840	Deferred tax assets	4, 5 and 6(12)	25,950	0.80	18,489	0.56	22,830	0.74
1915	Prepayments for business facilities		26,834	0.83	12,608	0.38	16,946	0.55
1920	Guarantee deposits paid		10,386	0.32	10,415	0.31	10,410	0.34
1995	Other non-current assets, others		45,170	1.40	40,584	1.23	35,600	1.15
15××	Total non-current assets		1,215,098	37.61	1,182,280	35.70	1,141,675	36.99
1××	TOTAL ASSETS		\$ 3,230,986	100.00	\$ 3,312,029	100.00	\$ 3,086,612	100.00
21××	CURRENT LIABILITIES:							
2130	Currenct contract liabilities	4	\$ 16,741	0.52	\$ 18,988	0.57	\$ 18,622	0.60
2150	Notes payable	4	443	0.01	230	0.01	748	0.02
2170	Accounts payable	4	242,413	7.50	291,158	8.79	292,592	9.48
2180	Accounts payable to related parties	4 and 7	2,400	0.07	7,273	0.22	4,485	0.15
2200	Other payables		224,050	6.94	121,353	3.66	77,171	2.50
2230	Current tax liabilities	4 and 6(12)	48,235	1.49	64,817	1.96	48,902	1.59
2250	Current provisions	4	47	0.00	12	0.00	17	0.00
2280	Current lease liabilities	4 and 6(7)	1,297	0.04	1,165	0.04	912	0.03
2399	Other current liabilities		2,044	0.06	4,235	0.13	2,381	0.08
21××	Total current liabilities		537,670	16.63	509,231	15.38	445,830	14.45

(Continued)

**FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**June 30, 2023, December 31, 2022, and June 30, 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

Items	Notes	June 30, 2023		December 31, 2022		June 30, 2022		
		Amount	%	Amount	%	Amount	%	
25××	NON-CURRENT LIABILITIES:							
2570	Deferred tax liabilities	4 and 6(12)	\$ 505	0.02	\$ 5,535	0.17	\$ 920	0.03
2580	Non-current lease liabilities	4 and 6(7)	14,450	0.45	14,695	0.44	14,036	0.46
2640	Net defined benefit liability, non-current	4, 5 and 6(8)	15,432	0.48	15,432	0.46	15,776	0.51
2645	Guarantee deposits received		135	0.00	200	0.01	32	0.00
25××	Total non-current liabilities		30,522	0.95	35,862	1.08	30,764	1.00
2××	Total liabilities		568,192	17.58	545,093	16.46	476,594	15.45
31××	EQUITY ATTRIBUTABLE TO OWNERS OF PARENT:							
3110	Ordinary share	6(9)	756,617	23.42	756,617	22.84	756,617	24.51
3210	Capital surplus, additional paid-in capital	6(9)	150,801	4.67	150,801	4.55	150,801	4.89
3300	Retained earnings	6(9)						
3310	Legal reserve		480,974	14.89	459,608	13.88	459,608	14.89
3320	Special reserve		65,920	2.04	97,955	2.96	97,955	3.17
3350	Unappropriated retained earnings		988,618	30.60	1,041,715	31.45	944,318	30.59
3400	Other equity interest	6(9)						
3410	Exchange differences on translation of foreign financial statements		(67,090)	(2.08)	(65,920)	(1.99)	(73,643)	(2.39)
31××	Total equity attributable to owners of parent		2,375,840	73.54	2,440,776	73.69	2,335,656	75.66
36××	NON - CONTROLLING INTERESTS	6(9)	286,954	8.88	326,160	9.85	274,362	8.89
	Total equity		2,662,794	82.42	2,766,936	83.54	2,610,018	84.55
1××	TOTAL LIABILITIES AND EQUITY		\$ 3,230,986	100.00	\$ 3,312,029	100.00	\$ 3,086,612	100.00

(See accompanying notes to consolidated financial statements.)

**FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**For the six months ended June 30, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

Items	Notes	For the Three Months Ended June 30				For the Six Months Ended June 30			
		2023		2022		2023		2022	
		Amount	%	Amount	%	Amount	%	Amount	%
4000 OPERATING REVENUE	4, 5, 6(10) and 7	\$ 669,473	100.00	\$ 749,219	100.00	\$ 1,367,104	100.00	\$ 1,528,910	100.00
5000 OPERATING COSTS	6(4)(13)	(547,421)	(81.77)	(593,448)	(79.21)	(1,103,739)	(80.74)	(1,222,565)	(79.96)
5900 GROSS PROFIT FROM OPERATIONS		<u>122,052</u>	<u>18.23</u>	<u>155,771</u>	<u>20.79</u>	<u>263,365</u>	<u>19.26</u>	<u>306,345</u>	<u>20.04</u>
6000 OPERATING EXPENSES	6(13)								
6100 Selling expenses		(10,924)	(1.63)	(10,825)	(1.44)	(22,330)	(1.63)	(21,992)	(1.44)
6200 Administrative expenses		(36,244)	(5.41)	(36,694)	(4.90)	(71,745)	(5.25)	(71,015)	(4.64)
6300 Research and development expenses		(6,815)	(1.02)	(5,681)	(0.76)	(13,543)	(0.99)	(11,565)	(0.76)
6450 Impairment loss determined in accordance with IFRS 9		<u>1,466</u>	<u>0.22</u>	<u>(142)</u>	<u>(0.02)</u>	<u>824</u>	<u>0.06</u>	<u>867</u>	<u>0.06</u>
Total operating expenses		<u>(52,517)</u>	<u>(7.84)</u>	<u>(53,342)</u>	<u>(7.12)</u>	<u>(106,794)</u>	<u>(7.81)</u>	<u>(103,705)</u>	<u>(6.78)</u>
6900 NET OPERATING INCOME		<u>69,535</u>	<u>10.39</u>	<u>102,429</u>	<u>13.67</u>	<u>156,571</u>	<u>11.45</u>	<u>202,640</u>	<u>13.26</u>
7000 NON-OPERATING INCOME AND EXPENSES	6(11)								
7100 Interest income		6,318	0.94	2,967	0.40	11,791	0.86	5,799	0.38
7010 Other income		1,632	0.24	1,760	0.24	4,861	0.36	3,072	0.20
7020 Other gains and losses		3,186	0.48	4,735	0.63	1,027	0.08	12,228	0.80
7510 Interest expense	6(7)	<u>(142)</u>	<u>(0.02)</u>	<u>(142)</u>	<u>(0.02)</u>	<u>(283)</u>	<u>(0.02)</u>	<u>(281)</u>	<u>(0.02)</u>
Total non-operating income and expenses		<u>10,994</u>	<u>1.64</u>	<u>9,320</u>	<u>1.25</u>	<u>17,396</u>	<u>1.28</u>	<u>20,818</u>	<u>1.36</u>
7900 PROFIT BEFORE INCOME TAX		80,529	12.03	111,749	14.92	173,967	12.73	223,458	14.62
7950 INCOME TAX EXPENSE	4 and 6(12)	<u>(24,382)</u>	<u>(3.64)</u>	<u>(30,938)</u>	<u>(4.13)</u>	<u>(47,491)</u>	<u>(3.47)</u>	<u>(58,838)</u>	<u>(3.85)</u>
8200 PROFIT FOR THE PERIOD		<u>56,147</u>	<u>8.39</u>	<u>80,811</u>	<u>10.79</u>	<u>126,476</u>	<u>9.26</u>	<u>164,620</u>	<u>10.77</u>
8300 OTHER COMPREHENSIVE INCOME, NET									
8360 Components of other comprehensive income that will be reclassified to profit or loss									
8361 Exchange differences on translation		<u>3,967</u>	<u>0.59</u>	<u>7,387</u>	<u>0.98</u>	<u>2,931</u>	<u>0.21</u>	<u>38,842</u>	<u>2.54</u>
OTHER COMPREHENSIVE INCOME(LOSS), NET OF INCOME TAX		<u>3,967</u>	<u>0.59</u>	<u>7,387</u>	<u>0.98</u>	<u>2,931</u>	<u>0.21</u>	<u>38,842</u>	<u>2.54</u>
8500 TOTAL COMPREHENSIVE INCOME		<u>\$ 60,114</u>	<u>8.98</u>	<u>\$ 88,198</u>	<u>11.77</u>	<u>\$ 129,407</u>	<u>9.47</u>	<u>\$ 203,462</u>	<u>13.31</u>
8600 PROFIT ATTRIBUTABLE TO									
Owners of parent		\$ 38,339	5.73	\$ 58,386	7.79	\$ 87,557	6.41	\$ 116,266	7.61
Non-controlling interests		<u>17,808</u>	<u>2.66</u>	<u>22,425</u>	<u>3.00</u>	<u>38,919</u>	<u>2.85</u>	<u>48,354</u>	<u>3.16</u>
		<u>\$ 56,147</u>	<u>8.39</u>	<u>\$ 80,811</u>	<u>10.79</u>	<u>\$ 126,476</u>	<u>9.26</u>	<u>\$ 164,620</u>	<u>10.77</u>
8700 COMPREHENSIVE INCOME ATTRIBUTABLE TO									
Owners of parent		\$ 37,126	5.55	\$ 60,055	8.02	\$ 86,387	6.32	\$ 140,578	9.20
Non-controlling interests		<u>22,988</u>	<u>3.43</u>	<u>28,143</u>	<u>3.75</u>	<u>43,020</u>	<u>3.15</u>	<u>62,884</u>	<u>4.11</u>
		<u>\$ 60,114</u>	<u>8.98</u>	<u>\$ 88,198</u>	<u>11.77</u>	<u>\$ 129,407</u>	<u>9.47</u>	<u>\$ 203,462</u>	<u>13.31</u>
9750 BASIC EARNINGS PER SHARE (NTD)	4 and 6(14)	<u>\$ 0.51</u>		<u>\$ 0.78</u>		<u>\$ 1.16</u>		<u>\$ 1.54</u>	

(See accompanying notes to consolidated financial statements.)

**FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES**  
**Consolidated Statements of Changes in Equity**  
**For the six months ended June 30, 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
	Ordinary Share	Capital Surplus	Retained Earnings			Others			
			Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements			
BALANCE, JANUARY 1, 2022	\$ 756,617	\$ 150,801	\$ 441,475	\$ 92,414	\$ 972,781	\$ (97,955)	\$ 2,316,133	\$ 275,223	\$ 2,591,356
Appropriation of earnings:									
Legal reserve			18,133		(18,133)		-		-
Special reserve				5,541	(5,541)		-		-
Cash dividends					(121,055)		(121,055)	(63,745)	(184,800)
Profit for the period					116,266		116,266	48,354	164,620
Other comprehensive income (loss) for the period									
Exchange differences on translation of foreign financial statements						24,312	24,312	14,530	38,842
BALANCE, JUNE 30, 2022	\$ 756,617	\$ 150,801	\$ 459,608	\$ 97,955	\$ 944,318	\$ (73,643)	\$ 2,335,656	\$ 274,362	\$ 2,610,018
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
Appropriation of earnings:									
Legal reserve			21,366		(21,366)		-		-
Special reserve				(32,035)	32,035		-		-
Cash dividends					(151,323)		(151,323)	(82,226)	(233,549)
Profit for the period					87,557		87,557	38,919	126,476
Other comprehensive income (loss) for the period									
Exchange differences on translation of foreign financial statements						(1,170)	(1,170)	4,101	2,931
BALANCE, JUNE 30 2023	\$ 756,617	\$ 150,801	\$ 480,974	\$ 65,920	\$ 988,618	\$ (67,090)	\$ 2,375,840	\$ 286,954	\$ 2,662,794

(See accompanying notes to consolidated financial statements.)

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

**Consolidated Statements of Cash Flows**

**For the six months ended June 30, 2023 and 2022**

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

**(Reviewed, Not Audited)**

	<u>For the Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES :</b>		
Profit before income tax	\$ 173,967	\$ 223,458
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expenses	52,934	46,448
Amortization expense	16,000	14,528
Expected credit loss (gain)	(824)	(867)
Interest expense	283	281
Interest income	(11,791)	(5,799)
Loss (gain) on disposal of property, plant and equipment	(331)	(612)
Impairment loss (gain on reversal) on non-financial assets	127	(215)
Changes in operating assets and liabilities		
Decrease (increase) in notes receivable, net	218	5,277
Decrease (increase) in accounts receivable, net	59,163	33,424
Decrease (increase) in accounts receivable due from related parties	3,195	(39,457)
Decrease (increase) in other receivables	(13,834)	(2,147)
Decrease (increase) in inventories	68,721	(11,572)
Decrease (increase) in prepayments	(2,800)	(6,233)
Decrease (increase) in other current assets	<u>486</u>	<u>(436)</u>
Total changes in operating assets	<u>115,149</u>	<u>(21,144)</u>
Increase (decrease) in contract liabilities	(2,247)	(2,830)
Increase (decrease) in notes payable	213	(2,211)
Increase (decrease) in accounts payable	(48,745)	(3,067)
Increase (decrease) in accounts payable to related parties	(4,873)	(4,027)
Increase (decrease) in other payable	(48,626)	(31,407)
Increase (decrease) in provisions	35	(99)
Increase (decrease) in other current liabilities	<u>(2,191)</u>	<u>165</u>
Total changes in operating liabilities	<u>(106,434)</u>	<u>(43,476)</u>
Cash inflow (outflow) generated from operations	239,080	212,602
Interest received	14,025	7,520
Interest paid	(557)	(551)
Income taxes paid	<u>(77,208)</u>	<u>(64,522)</u>
Net cash flows from (used in) operating activities	<u>175,340</u>	<u>155,049</u>

(Continued)

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

**Consolidated Statements of Cash Flows**

**For the six months ended June 30, 2023 and 2022**

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

**(Reviewed, Not Audited)**

	<u>For the Six Months Ended June 30</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	113,435	(8,924)
Acquisition of property, plant and equipment	(43,343)	(48,324)
Proceeds from disposal of property, plant and equipment	331	1,068
Decrease (increase) in software charge	-	(445)
Decrease (increase) in prepayments for business facilities	(34,380)	(30,400)
Decrease (increase) in refundable deposits	29	(5)
Decrease (increase) in other non-current assets	<u>(19,471)</u>	<u>(6,357)</u>
Net cash flows from (used in) investing activities	<u>16,601</u>	<u>(93,387)</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES :</b>		
Payments of lease liabilities	(745)	(780)
Increase (decrease) in guarantee deposits received	(65)	(36)
Cash dividends	(82,226)	(184,623)
Change in non-controlling interests	<u>4,101</u>	<u>14,530</u>
Net cash flows from (used in) financing activities	<u>(78,935)</u>	<u>(170,909)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<u>830</u>	<u>13,429</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	113,836	(95,818)
<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>\$ 988,691</u></u>	<u><u>\$ 802,235</u></u>

(See accompanying notes to consolidated financial statements.)