

FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES
Consolidated Balance Sheets
March 31, 2024, December 31, 2023, and March 31, 2023
(Expressed in Thousands of New Taiwan Dollars)

Items	Notes	March 31, 2024		December 31, 2023		March 31, 2023		
		Amount	%	Amount	%	Amount	%	
11××	CURRENT ASSETS:							
1100	Cash and cash equivalents	4 and 6(1)	\$ 1,124,752	34.10	\$ 993,619	30.35	\$ 959,561	29.12
1136	Current financial assets at amortized cost	4 and 6(2)	168,629	5.11	199,810	6.10	151,772	4.61
1150	Notes receivable, net	4 and 6(3)	8,638	0.26	5,778	0.18	11,478	0.35
1170	Accounts receivable, net	4, 5 and 6(3)	307,211	9.31	292,861	8.95	328,197	9.96
1180	Accounts receivable due from related parties, net	4, 5, 6(3) and 7	124,381	3.77	142,293	4.34	171,700	5.21
1200	Other receivables		10,746	0.33	7,905	0.24	7,580	0.23
130×	Inventories	4, 5 and 6(4)	335,126	10.16	390,037	11.91	441,924	13.41
1410	Prepayments		25,133	0.76	34,868	1.07	25,260	0.77
1470	Other current assets		256	0.01	538	0.02	608	0.02
11××	Total current assets		2,104,872	63.81	2,067,709	63.16	2,098,080	63.68
15××	NON-CURRENT ASSETS:							
1600	Property, plant and equipment	4 and 6(5)	1,026,524	31.12	1,033,638	31.57	1,053,629	31.98
1755	Right-of-use assets	4 and 6(6)	43,268	1.31	42,998	1.31	46,163	1.40
1801	Computer software, net		3,035	0.09	2,553	0.08	2,484	0.08
1805	Goodwill	4 and 5	15,582	0.47	15,521	0.47	15,509	0.47
1840	Deferred tax assets	4, 5 and 6(12)	19,848	0.60	20,139	0.62	18,306	0.56
1915	Prepayments for business facilities	9	21,643	0.66	24,153	0.74	13,579	0.41
1920	Guarantee deposits paid		10,278	0.31	10,276	0.31	10,489	0.32
1995	Other non-current assets, others		53,647	1.63	56,904	1.74	36,098	1.10
15××	Total non-current assets		1,193,825	36.19	1,206,182	36.84	1,196,257	36.32
1××	TOTAL ASSETS		\$ 3,298,697	100.00	\$ 3,273,891	100.00	\$ 3,294,337	100.00
21××	CURRENT LIABILITIES:							
2130	Currenct contract liabilities		\$ 16,014	0.49	\$ 18,081	0.55	\$ 18,517	0.56
2150	Notes payable	4	755	0.02	2,883	0.09	1,080	0.03
2170	Accounts payable	4	234,781	7.12	268,309	8.20	260,063	7.90
2180	Accounts payable to related parties	4 and 7	3,758	0.11	7,996	0.24	6,244	0.19
2200	Other payables		59,832	1.81	99,564	3.04	58,802	1.78
2230	Current tax liabilities	4 and 6(12)	66,735	2.02	65,128	1.99	70,382	2.14
2250	Current provisions	4	36	0.00	21	0.00	18	0.00
2280	Current lease liabilities	4 and 6(7)	946	0.03	1,072	0.03	1,283	0.04
2399	Other current liabilities, others		2,141	0.07	2,136	0.07	2,345	0.07
21××	Total current liabilities		384,998	11.67	465,190	14.21	418,734	12.71

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(Expressed in Thousands of New Taiwan Dollars)

Items	Notes	<u>March 31, 2024</u>		<u>December 31, 2023</u>		<u>March 31, 2023</u>	
		Amount	%	Amount	%	Amount	%
25××	NON-CURRENT LIABILITIES:						
2551	Provisions for employee benefits, non-current	\$ 7,238	0.22	\$ 7,238	0.22	\$ -	-
2572	Deferred tax liabilities	4 and 6(12) \$ 10,805	0.33	4,550	0.14	9,171	0.28
2580	Non-current lease liabilities	4 and 6(7) 13,604	0.41	13,557	0.42	14,635	0.44
2640	Net defined benefit liability, non-current	4, 5 and 6(8) -	-	-	-	15,432	0.47
2645	Guarantee deposits received	137	0.00	133	0.00	136	0.00
25××	Total non-current liabilities	31,784	0.96	25,478	0.78	39,374	1.19
2××	Total liabilities	416,782	12.63	490,668	14.99	458,108	13.90
31××	EQUITY ATTRIBUTABLE TO OWNERS OF PARENT:						
3110	Ordinary share	6(9) 756,617	22.94	756,617	23.11	756,617	22.97
3210	Capital surplus, additional paid-in capital	6(9) 150,801	4.57	150,801	4.61	150,801	4.58
3300	Retained earnings	6(9)					
3310	Legal reserve	480,974	14.58	480,974	14.69	459,608	13.95
3320	Special reserve	65,920	2.00	65,920	2.01	97,955	2.97
3350	Unappropriated retained earnings	1,134,005	34.38	1,082,485	33.06	1,090,933	33.12
3400	Other equity interest	6(9)					
3412	Exchange differences on translation of foreign financial statements	(61,527)	(1.87)	(80,932)	(2.47)	(65,877)	(2.00)
31××	Total equity attributable to owners of parent	2,526,790	76.60	2,455,865	75.01	2,490,037	75.59
36××	NON - CONTROLLING INTERESTS	6(9) 355,125	10.77	327,358	10.00	346,192	10.51
3××	Total equity	2,881,915	87.37	2,783,223	85.01	2,836,229	86.10
3×2×	TOTAL LIABILITIES AND EQUITY	\$ 3,298,697	100.00	\$ 3,273,891	100.00	\$ 3,294,337	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, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Items		Notes	For the three months ended March 31			
			2024		2023	
			Amount	%	Amount	%
4000	OPERATING REVENUE	4, 5, 6(10) and 7	\$ 688,991	100.00	\$ 697,631	100.00
5000	OPERATING COSTS	6(4)(13)	(557,221)	(80.87)	(556,318)	(79.74)
5900	GROSS PROFIT FROM OPERATIONS		131,770	19.13	141,313	20.26
6000	OPERATING EXPENSES	6(13)				
6100	Selling expenses		(9,859)	(1.43)	(11,406)	(1.63)
6200	Administrative expenses		(40,186)	(5.83)	(35,501)	(5.10)
6300	Research and development expenses		(6,949)	(1.01)	(6,728)	(0.96)
6450	Impairment loss determined in accordance with IFRS 9		220	0.03	(642)	(0.09)
	Total operating expenses		(56,774)	(8.24)	(54,277)	(7.78)
6900	NET OPERATING INCOME		74,996	10.89	87,036	12.48
7000	NON-OPERATING INCOME AND EXPENSES	6(11)				
7100	Interest income		6,497	0.94	5,473	0.78
7010	Other income		1,667	0.24	3,229	0.46
7020	Other gains and losses		14,696	2.13	(2,159)	(0.31)
7510	Interest expense	6(7)	(134)	(0.02)	(141)	(0.02)
	Total non-operating income and expenses		22,726	3.29	6,402	0.91
7900	PROFIT BEFORE INCOME TAX		97,722	14.18	93,438	13.39
7950	INCOME TAX EXPENSE	4 and 6(12)	(25,155)	(3.65)	(23,109)	(3.31)
8200	PROFIT FOR THE PERIOD		72,567	10.53	70,329	10.08
8300	OTHER COMPREHENSIVE INCOME, NET					
8360	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation		26,125	3.79	(1,036)	(0.15)
	OTHER COMPREHENSIVE INCOME(LOSS), NET OF INCOME TAX		26,125	3.79	(1,036)	(0.15)
8500	TOTAL COMPREHENSIVE INCOME		\$ 98,692	14.32	\$ 69,293	9.93
8600	PROFIT ATTRIBUTABLE TO					
	Owners of parent		\$ 51,520	7.48	\$ 49,218	7.05
	Non-controlling interests		21,047	3.05	21,111	3.03
			\$ 72,567	10.53	\$ 70,329	10.08
8700	COMPREHENSIVE INCOME ATTRIBUTABLE TO					
	Owners of parent		\$ 70,925	10.29	\$ 49,261	7.06
	Non-controlling interests		27,767	4.03	20,032	2.87
			\$ 98,692	14.32	\$ 69,293	9.93
9750	BASIC EARNINGS PER SHARE (NTD)	4 and 6(14)	\$ 0.68		\$ 0.65	

(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, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Equity Attributable to Owners of Parent									
Items	Ordinary Share	Capital Surplus	Retained Earnings			Others	Total	Non-controlling Interests	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements			
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
BALANCE, JANUARY 1, 2024	\$ 756,617	\$ 150,801	\$ 480,974	\$ 65,920	\$ 1,082,485	\$ (80,932)	\$ 2,455,865	\$ 327,358	\$ 2,783,223
Profit for the period					51,520		51,520	21,047	72,567
Other comprehensive income (loss) for the period									
Exchange differences on translation of foreign financial statements						19,405	19,405	6,720	26,125
Total comprehensive income (loss) for the period					51,520	19,405	70,925	27,767	98,692
BALANCE, MARCH 31, 2024	\$ 756,617	\$ 150,801	\$ 480,974	\$ 65,920	\$ 1,134,005	\$ (61,527)	\$ 2,526,790	\$ 355,125	\$ 2,881,915

(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, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	<u>For the three months ended March 31</u>	
	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES :		
Profit before income tax	\$ 97,722	\$ 93,438
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expenses	26,447	26,204
Amortization expense	9,200	7,604
Expected credit loss (gain)	(220)	642
Interest expense	134	141
Interest income	(6,497)	(5,473)
Loss (gain) on disposal of property, plant and equipment	(218)	(125)
Impairment loss (gain on reversal) on non-financial assets	-	128
Changes in operating assets and liabilities		
Decrease (increase) in notes receivable, net	(2,860)	(4,770)
Decrease (increase) in accounts receivable, net	(14,185)	44,151
Decrease (increase) in accounts receivable due from related parties	17,967	(24,633)
Decrease (increase) in other receivables	(1,839)	112
Decrease (increase) in inventories	54,911	28,013
Decrease (increase) in prepayments	9,735	(3,500)
Decrease (increase) in other current assets	<u>282</u>	<u>594</u>
Total changes in operating assets	<u>64,011</u>	<u>39,967</u>
Increase (decrease) in contract liabilities	(2,067)	(471)
Increase (decrease) in notes payable	(2,128)	850
Increase (decrease) in accounts payable	(33,528)	(31,095)
Increase (decrease) in accounts payable to related parties	(4,238)	(1,029)
Increase (decrease) in other payable	(39,861)	(62,683)
Increase (decrease) in provisions	15	6
Increase (decrease) in other current liabilities	<u>5</u>	<u>(1,890)</u>
Total changes in operating liabilities	<u>(81,802)</u>	<u>(96,312)</u>
Cash inflow (outflow) generated from operations	108,777	66,214
Interest received	5,614	5,922
Interest paid	(5)	(9)
Income taxes paid	<u>(17,491)</u>	<u>(14,195)</u>
Net cash flows from (used in) operating activities	<u>96,895</u>	<u>57,932</u>

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FINE BLANKING & TOOL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the three months ended March 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	<u>For the three months ended March 31</u>	
	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES :		
Decrease (increase) in financial assets at amortized cost - current	31,181	75,355
Acquisition of property, plant and equipment	(5,624)	(26,900)
Proceeds from disposal of property, plant and equipment	384	125
Decrease (increase) in software costs	(500)	-
Decrease (increase) in prepayments for business facilities	(1,053)	(18,481)
Decrease (increase) in refundable deposits	(2)	(74)
Decrease (increase) in other non-current assets	<u>(3,122)</u>	<u>(2,353)</u>
Net cash flows from (used in) investing activities	<u>21,264</u>	<u>27,672</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES :		
Payments of lease liabilities	(324)	(323)
Increase (decrease) in guarantee deposits received	4	(64)
Change in non-controlling interests	<u>6,720</u>	<u>(1,079)</u>
Net cash flows from (used in) financing activities	<u>6,400</u>	<u>(1,466)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>6,574</u>	<u>568</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	131,133	84,706
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>993,619</u>	<u>874,855</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u><u>\$ 1,124,752</u></u>	<u><u>\$ 959,561</u></u>

(See accompanying notes to consolidated financial statements.)