

Advanced Ceramic X Corporation
Balance Sheets
December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

Assets	December 31, 2022		December 31, 2021		Liabilities and Equity	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%		Amount	%	Amount	%
Current Assets :					Current Liabilities :				
1100 Cash and Cash Equivalents (Note 6(1))	\$ 596,367	14	452,010	10	2170 Accounts Payable	\$ 30,109	1	32,774	1
1170 Notes and Accounts Receivable, Net (Note 6(2) and (11))	216,164	5	251,712	6	2201 Salary and Bonus Payable	135,251	3	174,719	4
1180 Receivables from Related Parties (Note 6(2), (11) and 7)	66,209	2	304,524	7	2213 Payables to Contractors and Equipment	32,535	1	103,550	2
1310 Inventories (Note 6(3))	186,008	5	318,947	7	2230 Income Tax Payable (Note 6(8))	130,392	3	157,289	3
1476 Other Current Financial Assets (Note 6(1))	322,836	8	215,875	5	2399 Other Current Liabilities (Note 6(6) and (11))	164,858	4	209,431	5
1479 Other Current Assets	15,679	-	21,741	-		493,145	12	677,763	15
	<u>1,403,263</u>	<u>34</u>	<u>1,564,809</u>	<u>35</u>	Noncurrent Liabilities :				
Noncurrent Assets :					2560 Current Tax Liabilities- Noncurrent (Note 6(8))	80,499	2	-	-
1600 Property, Plant and Equipment (Note 6(4) and 8)	2,707,740	65	2,931,883	65	2600 Other Noncurrent Liabilities	19,333	-	18,049	-
1780 Intangible Assets (Note 6(5))	2,941	-	2,788	-		<u>99,832</u>	<u>2</u>	<u>18,049</u>	<u>-</u>
1840 Deferred Tax Assets (Note 6(8))	17,687	1	10,727	-	Total Liabilities	<u>592,977</u>	<u>14</u>	<u>695,812</u>	<u>15</u>
1900 Other Noncurrent Assets	7,847	-	9,478	-	Equity (Note 6(9)) :				
1980 Other Noncurrent Financial Assets	1,210	-	1,246	-	3100 Capital Stock	690,162	17	690,162	15
1975 Net Defined Benefit Asset- Noncurrent (Note 6(7))	6,514	-	850	-	3200 Capital Surplus	573,532	14	573,532	13
	<u>2,743,939</u>	<u>66</u>	<u>2,956,972</u>	<u>65</u>	3300 Retained Earnings	2,290,531	55	2,562,275	57
					Total Equity	<u>3,554,225</u>	<u>86</u>	<u>3,825,969</u>	<u>85</u>
Total Assets	<u>\$ 4,147,202</u>	<u>100</u>	<u>4,521,781</u>	<u>100</u>	Total Liabilities and Equity	<u>\$ 4,147,202</u>	<u>100</u>	<u>4,521,781</u>	<u>100</u>

See accompanying notes to the financial statements.

Advanced Ceramic X Corporation
Statements of Comprehensive Income
Years Ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	<u>2022</u>		<u>2021</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4100 Net Revenue (Note 6(11) and 7)	\$ 1,465,282	100	2,846,304	100
5000 Cost of Sales (Note 6(3), (7), (13) and 7)	<u>933,242</u>	<u>64</u>	<u>1,211,435</u>	<u>43</u>
Gross Profit	<u>532,040</u>	<u>36</u>	<u>1,634,869</u>	<u>57</u>
Operating Expenses (Note 6(7), (13) and 7) :				
6100 Selling and Distribution Expenses	27,843	2	45,673	1
6200 General and Administrative Expenses	113,228	8	137,268	5
6300 Research and Development Expenses	94,447	6	150,171	5
6450 Losses (Gains) on Expected Credit Impairment (Note 6(2))	<u>(2,766)</u>	<u>-</u>	<u>1,790</u>	<u>-</u>
	<u>232,752</u>	<u>16</u>	<u>334,902</u>	<u>11</u>
Gross Profit from Operations	<u>299,288</u>	<u>20</u>	<u>1,299,967</u>	<u>46</u>
Non-Operating Income and Expenses :				
7101 Interest Income	6,518	1	3,717	-
7190 Other Income (Note 6(12))	392	-	5,735	-
7230 Foreign Exchange Gains (Losses), Net	41,911	3	(24,448)	(1)
7610 Gains on Disposal of Property, Plant and Equipment, Net	<u>720</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>49,541</u>	<u>4</u>	<u>(14,996)</u>	<u>(1)</u>
7900 Profit Before Income Tax	348,829	24	1,284,971	45
7950 Less : Income Tax Expense (Note 6(8))	<u>73,476</u>	<u>5</u>	<u>258,146</u>	<u>9</u>
8200 Net Income	<u>275,353</u>	<u>19</u>	<u>1,026,825</u>	<u>36</u>
8300 Other Comprehensive Income :				
8310 Components of Other Comprehensive Income that Will Not Be Reclassified to Profit or Loss				
8311 Gains (Losses) on Remeasurements of Defined Benefit Plans (Note 6(7))	<u>5,032</u>	<u>-</u>	<u>(113)</u>	<u>-</u>
8300 Other Comprehensive Income, Net of Tax	<u>5,032</u>	<u>-</u>	<u>(113)</u>	<u>-</u>
8500 Total Comprehensive Income	<u>\$ 280,385</u>	<u>19</u>	<u>1,026,712</u>	<u>36</u>
Earnings Per Share (Expressed in Dollars) (Note 6(10))				
9750 Basic Earnings Per Share	<u>\$ 3.99</u>		<u>14.88</u>	
9850 Diluted Earnings Per Share	<u>\$ 3.98</u>		<u>14.84</u>	

See accompanying notes to the financial statements.

Advanced Ceramic X Corporation
Statements of Changes in Equity
Years Ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Common Stock	Capital Surplus	Retained Earnings			Capital Surplus
			Legal Reserve	Undistributed Earnings	Subtotal	
Balance at January 1, 2021	\$ 690,162	573,532	780,854	1,500,084	2,280,938	3,544,632
Net income in 2021	-	-	-	1,026,825	1,026,825	1,026,825
Other Comprehensive Income, Net of Tax	-	-	-	(113)	(113)	(113)
Total Comprehensive Income for the Year	-	-	-	1,026,712	1,026,712	1,026,712
Appropriation and Distribution of 2020 Earnings :						
Legal Reserve	-	-	82,840	(82,840)	-	-
Cash Dividends	-	-	-	(745,375)	(745,375)	(745,375)
Balance at December 31, 2021	\$ 690,162	573,532	863,694	1,698,581	2,562,275	3,825,969
Net income in 2022	-	-	-	275,353	275,353	275,353
Other Comprehensive Income, Net of Tax	-	-	-	5,032	5,032	5,032
Total Comprehensive Income for the Year	-	-	-	280,385	280,385	280,385
Appropriation and Distribution of 2021 Earnings :						
Legal Reserve	-	-	102,671	(102,671)	-	-
Cash Dividends	-	-	-	(552,129)	(552,129)	(552,129)
Balance at December 31, 2022	\$ 690,162	573,532	966,365	1,324,166	2,290,531	3,554,225

See accompanying notes to the financial statements.

Advanced Ceramic X Corporation
Statements of Cash Flows
Years Ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash Flows from Operating Activities :		
Income Before Income Tax	\$ 348,829	1,284,971
Adjustments for :		
Depreciation Expense	362,017	277,435
Amortization Expense	3,774	3,006
Expected Credit Loss (Gain)	(2,766)	1,790
Interest Income	(6,518)	(3,717)
Gain on Disposal of Property, Plant and Equipment, Net	(720)	-
Provision for Inventory Obsolescence and Devaluation Loss	31,713	21,550
Total Adjustments to Reconcile Profit	387,500	300,064
Changes in Operating Assets and Liabilities :		
Notes and Accounts Receivable	35,907	(18,715)
Receivables from Related Parties	240,722	(160,327)
Inventories	101,226	(166,975)
Other Operating Current Assets	6,062	12,298
Net Defined Benefit Assets	(632)	(670)
Accounts Payable	(2,665)	(78,508)
Other Operating Current Liabilities (Including Salary Payable and Other Current Liabilities)	(84,041)	47,191
Other Noncurrent Liabilities	1,284	1,266
Total Net Changes in Operating Assets and Liabilities	297,863	(364,440)
Cash Inflow Generated from Operations	1,034,192	1,220,595
Interest Received	6,157	3,817
Income Taxes Paid	(26,834)	(229,028)
Net Cash Flows from Operating Activities	1,013,515	995,384
Cash Flows from Investing Activities :		
Acquisition of Property, Plant and Equipment	(208,889)	(842,449)
Proceeds from Disposal of Property, Plant and Equipment	720	-
Decrease (Increase) in Guarantee Deposits	36	(614)
Acquisition of Intangible Assets	(1,000)	(900)
Increase in Other Noncurrent Assets	(106,600)	-
Increase in Prepaid of Equipment	(1,296)	(4,525)
Net Cash Flows Used in Investing Activities	(317,029)	(848,488)
Cash Flows from Financing Activities :		
Cash Dividends	(552,129)	(745,375)
Net Cash Flows Used in Financing Activities	(552,129)	(745,375)
Net Increase (Decrease) in Cash and Cash Equivalents	144,357	(598,479)
Cash and Cash Equivalents at the Beginning of Period	452,010	1,050,489
Cash and Cash Equivalents at the End of Period	\$ 596,367	452,010

See accompanying notes to the financial statements.