

Advanced Ceramic X Corporation
Balance Sheets
September 30, 2023, December 31, 2022 and September 30, 2022
(Expressed in Thousands of New Taiwan Dollars)

Assets		September 30, 2023		December 31, 2022		September 30, 2022		Liabilities and Equity		September 30, 2023		December 31, 2022		September 30, 2022	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current Assets :								Current Liabilities :							
1100	Cash and Cash Equivalents (Note 6(1))	\$ 254,972	6	596,367	14	563,989	14	2170	Accounts Payable	\$ 53,672	1	30,109	1	32,717	1
1170	Notes and Accounts Receivable, Net (Note 6(2))	204,700	5	216,164	5	219,033	5	2201	Salary and Bonus Payable	139,287	3	135,251	3	170,194	4
1180	Receivables from Related Parties (Note 6(2) and 7)	80,060	2	66,209	2	63,797	2	2213	Payables to Contractors and Equipment	13,753	1	32,535	1	30,923	-
1310	Inventories (Note 6(3))	133,755	3	186,008	5	241,847	6	2230	Current Tax Liabilities (Note 6(8))	130,778	3	130,392	3	110,798	3
1476	Other Current Financial Assets (Note 6(1))	927,304	23	322,836	8	215,946	5	2399	Other Current Liabilities (Note 6(6) and (11))	<u>171,427</u>	<u>4</u>	<u>164,858</u>	<u>4</u>	<u>166,827</u>	<u>4</u>
1479	Other Current Assets	<u>20,260</u>	-	<u>15,679</u>	-	<u>18,580</u>	-			<u>508,917</u>	<u>12</u>	<u>493,145</u>	<u>12</u>	<u>511,459</u>	<u>12</u>
		<u>1,621,051</u>	<u>39</u>	<u>1,403,263</u>	<u>34</u>	<u>1,323,192</u>	<u>32</u>	Noncurrent Liabilities :							
Noncurrent Assets :								2560	Current Tax Liabilities – Noncurrent (Note 6(8))	83,681	2	80,499	2	93,916	3
1600	Property, Plant and Equipment (Note 6(4) and 8)	2,462,811	60	2,707,740	65	2,784,548	68	2600	Other Noncurrent Liabilities	<u>20,295</u>	<u>1</u>	<u>19,333</u>	-	<u>19,012</u>	-
1780	Intangible Assets (Note 6(5))	2,698	-	2,941	-	2,678	-			<u>103,976</u>	<u>3</u>	<u>99,832</u>	<u>2</u>	<u>112,928</u>	<u>3</u>
1840	Deferred Tax Assets	17,687	1	17,687	1	10,727	-	Total Liabilities							
1975	Net Defined Benefit Asset - Noncurrent	6,771	-	6,514	-	1,326	-			<u>612,893</u>	<u>15</u>	<u>592,977</u>	<u>14</u>	<u>624,387</u>	<u>15</u>
1980	Other Noncurrent Financial Assets	810	-	1,210	-	1,210	-	Equity (Note 6(9)) :							
1990	Other Noncurrent Assets	<u>6,035</u>	-	<u>7,847</u>	-	<u>8,641</u>	-	3100	Capital Stock	690,162	17	690,162	17	690,162	17
		<u>2,496,812</u>	<u>61</u>	<u>2,743,939</u>	<u>66</u>	<u>2,809,130</u>	<u>68</u>	3200	Capital Surplus	573,532	14	573,532	14	573,532	14
		<u>\$ 4,117,863</u>	<u>100</u>	<u>4,147,202</u>	<u>100</u>	<u>4,132,322</u>	<u>100</u>	3300	Retained Earnings	<u>2,241,276</u>	<u>54</u>	<u>2,290,531</u>	<u>55</u>	<u>2,244,241</u>	<u>54</u>
								Total Equity							
										<u>3,504,970</u>	<u>85</u>	<u>3,554,225</u>	<u>86</u>	<u>3,507,935</u>	<u>85</u>
								Total Liabilities and Equity							
										<u>\$ 4,117,863</u>	<u>100</u>	<u>4,147,202</u>	<u>100</u>	<u>4,132,322</u>	<u>100</u>

See accompanying notes to the financial statements.

Advanced Ceramic X Corporation
Statements of Comprehensive Income
For the Three and Nine Months Ended September 30, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Three Months Ended September 30				Nine Months Ended September 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
4000 Net Revenue (Note 6(11) and 7)	\$ 396,036	100	324,143	100	1,073,728	100	1,108,073	100
5000 Cost of Sales (Note 6(3) and (12))	239,747	61	224,573	69	682,853	64	702,216	63
Gross Profit	<u>156,289</u>	<u>39</u>	<u>99,570</u>	<u>31</u>	<u>390,875</u>	<u>36</u>	<u>405,857</u>	<u>37</u>
Operating Expenses (Note 6(12) and (7)) :								
6100 Selling and Distribution Expenses	6,660	2	5,456	2	20,126	2	20,081	2
6200 General and Administrative Expenses	28,980	7	25,514	8	82,202	8	82,460	7
6300 Research and Development Expenses	25,147	6	17,892	5	68,992	6	66,848	6
6450 Losses (Gains) on Expected Credit Impairment (Note 6(2))	167	-	(48)	-	25	-	(2,762)	-
	<u>60,954</u>	<u>15</u>	<u>48,814</u>	<u>15</u>	<u>171,345</u>	<u>16</u>	<u>166,627</u>	<u>15</u>
Gross Profit from Operations	<u>95,335</u>	<u>24</u>	<u>50,756</u>	<u>16</u>	<u>219,530</u>	<u>20</u>	<u>239,230</u>	<u>22</u>
Non-Operating Income and Expenses :								
7101 Interest Income	4,326	1	1,853	-	13,458	1	4,042	-
7190 Other Income	37	-	1	-	614	-	115	-
7210 Gains on Disposal of Property, Plant and Equipment, Net	-	-	-	-	-	-	720	-
7230 Foreign Exchange Gains, Net	15,638	4	32,283	10	16,286	2	50,831	5
	<u>20,001</u>	<u>5</u>	<u>34,137</u>	<u>10</u>	<u>30,358</u>	<u>3</u>	<u>55,708</u>	<u>5</u>
7900 Profit Before Income Tax	115,336	29	84,893	26	249,888	23	294,938	27
7950 Less : Income Tax Expense (Note 6(8))	24,465	6	18,834	6	51,375	5	60,843	6
8200 Net Income	<u>90,871</u>	<u>23</u>	<u>66,059</u>	<u>20</u>	<u>198,513</u>	<u>18</u>	<u>234,095</u>	<u>21</u>
8300 Other Comprehensive Income :								
8300 Other Comprehensive Income, Net of Tax	-	-	-	-	-	-	-	-
8500 Total Comprehensive Income	<u>\$ 90,871</u>	<u>23</u>	<u>66,059</u>	<u>20</u>	<u>198,513</u>	<u>18</u>	<u>234,095</u>	<u>21</u>
Earnings Per Share (Expressed in Dollars) (Note 6(10))								
9750 Basic Earnings Per Share	<u>\$ 1.32</u>		<u>0.96</u>		<u>2.88</u>		<u>3.39</u>	
9850 Diluted Earnings Per Share	<u>\$ 1.32</u>		<u>0.96</u>		<u>2.87</u>		<u>3.38</u>	

See accompanying notes to the financial statements.

Advanced Ceramic X Corporation
Statements of Changes in Equity
For the Nine Months Ended September 30, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Common Stock	Capital Surplus	Retained Earnings		Capital Surplus	
			Legal Reserve	Undistributed Earnings		Subtotal
Balance at January 1, 2022	\$ 690,162	573,532	863,694	1,698,581	2,562,275	3,825,969
Profit for the Nine Months Ended September 30, 2022	-	-	-	234,095	234,095	234,095
Other Comprehensive Income for the Nine Months Ended September 30, 2022	-	-	-	-	-	-
Total Comprehensive Income for the Nine Months Ended September 30, 2022	-	-	-	234,095	234,095	234,095
Appropriation and Distribution of 2021 Earnings :						
Legal Reserve	-	-	102,671	(102,671)	-	-
Cash Dividends	-	-	-	(552,129)	(552,129)	(552,129)
Balance at September 30, 2022	\$ 690,162	573,532	966,365	1,277,876	2,244,241	3,507,935
Balance at January 1, 2023	\$ 690,162	573,532	966,365	1,324,166	2,290,531	3,554,225
Profit for the Nine Months Ended September 30, 2023	-	-	-	198,513	198,513	198,513
Other Comprehensive Income for the Nine Months Ended September 30, 2023	-	-	-	-	-	-
Total Comprehensive Income for the Nine Months Ended September 30, 2023	-	-	-	198,513	198,513	198,513
Appropriation and Distribution of 2022 Earnings :						
Legal Reserve	-	-	28,039	(28,039)	-	-
Cash Dividends	-	-	-	(247,768)	(247,768)	(247,768)
Balance at September 30, 2023	\$ 690,162	573,532	994,404	1,246,872	2,241,276	3,504,970

See accompanying notes to the financial statements.

Advanced Ceramic X Corporation
Statements of Cash Flows
For the Nine Months Ended September 30, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Nine Months Ended September 30	
	2023	2022
Cash Flows from Operating Activities :		
Income Before Income Tax	\$ 249,888	294,938
Adjustments for :		
Depreciation Expense	274,916	271,495
Amortization Expense	3,163	2,743
Expected Credit Loss (Gain)	25	(2,762)
Interest Income	(13,458)	(4,042)
Gain on Disposal of Property, Plant and Equipment, Net	-	(720)
Provision (Reversal) for Inventory Obsolescence and Devaluation Loss	(4,900)	30,450
Total Adjustments to Reconcile Profit	259,746	297,164
Changes in Operating Assets and Liabilities :		
Notes and Accounts Receivable	11,579	33,009
Receivables from Related Parties	(13,991)	243,159
Inventories	57,153	46,650
Other Operating Current Assets	(4,581)	3,161
Net Defined Benefit Assets	(257)	(476)
Accounts Payable	23,563	(57)
Other Operating Current Liabilities	10,605	(47,129)
Other Noncurrent Liabilities	962	963
Total Net Changes in Operating Assets and Liabilities	85,033	279,280
Cash Inflow Generated from Operations	594,667	871,382
Interest Received	13,190	3,971
Income Taxes Paid	(47,807)	(13,418)
Net Cash Flows from Operating Activities	560,050	861,935
Cash Flows from Investing Activities :		
Acquisition of Property, Plant and Equipment	(48,769)	(196,787)
Proceeds from Disposal of Property, Plant and Equipment	-	720
Decrease in Guarantee Deposits	400	36
Acquisition of Intangible Assets	(500)	(500)
Increase in Other Financial Assets	(604,200)	-
Increase in Other Noncurrent Assets	(608)	(1,296)
Net Cash Flows Used in Investing Activities	(653,677)	(197,827)
Cash Flows from Financing Activities :		
Cash Dividends	(247,768)	(552,129)
Net Cash Flows Used in Financing Activities	(247,768)	(552,129)
Net Increase (Decrease) in Cash and Cash Equivalents	(341,395)	111,979
Cash and Cash Equivalents at the Beginning of Period	596,367	452,010
Cash and Cash Equivalents at the End of Period	\$ 254,972	563,989

See accompanying notes to the financial statements.