

CIPHERLAB CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

Code	Accounting Title	2021/3/31	2020/12/31	2020/3/31
	Assets			
	Current assets			
1100	Cash and cash equivalents	131,375	156,820	161,926
1150	Notes receivable, net	1,847	2	259
1170	Accounts receivable, net	222,651	213,213	156,202
1200	Other receivables	8,715	7,430	6,280
1220	Current tax assets	7,565	7,565	7,596
130X	Current inventories	457,695	417,425	432,278
1470	Other current assets	38,171	29,424	42,785
1476	Other current financial assets	1,387	587	581
1479	Other current assets, others	36,784	28,837	42,204
11XX	Total current assets	868,019	831,879	807,326
	Non-current assets			
1600	Property, plant and equipment	134,840	135,093	143,466
1755	Right-of-use assets	48,980	54,409	33,020
1780	Intangible assets	10,121	11,404	13,268
1840	Deferred tax assets	75,862	80,221	67,013
1900	Other non-current assets	13,583	14,582	12,622
1990	Other non-current assets, others	13,583	14,582	12,622
15XX	Total non-current assets	283,386	295,709	269,389
1XXX	Total assets	1,151,405	1,127,588	1,076,715
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	111,000	101,000	100,000
2150	Notes payable	0	46	0
2170	Accounts payable	93,563	98,483	65,528
2200	Other payables	68,050	73,083	72,042
2219	Other payables, others	68,050	73,083	72,042
2280	Current lease liabilities	6,992	24,613	4,621
2300	Other current liabilities	21,684	17,701	11,524
2320	Long-term liabilities, current portion	3,252	1,876	0
2399	Other current liabilities, others	18,432	15,825	11,524
21XX	Total current liabilities	301,289	314,926	253,715
	Non-current liabilities			
2540	Non-current portion of non-current borrowings	7,748	9,124	0

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2570	Deferred tax liabilities	2,100	1,274	1,263
2580	Non-current lease liabilities	43,517	31,084	28,927
2600	Other non-current liabilities	19,893	19,893	20,230
2640	Net defined benefit liability, non-current	13,435	13,435	13,772
2645	Guarantee deposits received	6,458	6,458	6,458
25XX	Total non-current liabilities	73,258	61,375	50,420
2XXX	Total liabilities	374,547	376,301	304,135
	Equity			
	Equity attributable to owners of parent			
	Share capital			
3110	Ordinary share	684,891	684,891	684,891
3100	Total Share Capital	684,891	684,891	684,891
	Capital surplus			
3210	Capital surplus, additional paid-in capital	1,144	1,144	1,135
3200	Total capital surplus	1,144	1,144	1,135
	Retained earnings			
3310	Legal reserve	133,053	133,053	141,133
3320	Special reserve	3,062	3,062	3,062
3350	Unappropriated retained earnings (accumulated deficit)	(37,507)	(62,117)	(51,091)
3300	Total retained earnings	98,608	73,998	93,104
	Other equity interest			
3410	Exchange differences on translation of foreign financial statements	(6,820)	(6,808)	(4,677)
3420	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	(2,180)	(2,180)	(2,180)
3400	Total other equity interest	(9,000)	(8,988)	(6,857)
31XX	Total equity attributable to owners of parent	775,643	751,045	772,273
36XX	Non-controlling interests	1,215	242	307
3XXX	Total equity	776,858	751,287	772,580
3X2X	Total liabilities and equity	1,151,405	1,127,588	1,076,715
3998	Equivalent issue shares of advance receipts for ordinary share	0	0	0
3999	Number of shares in entity held by entity and by its subsidiaries	0	0	0

CIPHERLAB CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code	Accounting Title	2021/1/1To3/31	2020/1/1To3/31
	Operating revenue		
	Net sales revenue		
4100	Net sales revenue	312,818	218,735
	Service revenue		
4600	Total service revenue	7,982	4,523
4000	Total operating revenue	320,800	223,258
	Operating costs		
	Cost of sales		
5110	Total cost of sales	181,318	132,714
	Cost of services		
5600	Total cost of services	1,102	774
5000	Total operating costs	182,420	133,488
5900	Gross profit (loss) from operations	138,380	89,770
5950	Gross profit (loss) from operations	138,380	89,770
	Operating expenses		
6100	Selling expenses	56,195	65,981
6200	Administrative expenses	17,924	17,318
6300	Research and development expenses	37,609	61,188
6450	Impairment loss (impairment gain and reversal of impairment loss)	(528)	64
6000	Total operating expenses	111,200	144,551
6900	Net operating income (loss)	27,180	(54,781)
	Non-operating income and expenses		
	Interest income		
7100	Total interest income	108	154
	Other income		
7010	Total other income	4,274	254
	Other gains and losses		
7020	Other gains and losses, net	1	1,282
	Finance costs		
7050	Finance costs, net	788	736
7000	Total non-operating income and expenses	3,595	954
7900	Profit (loss) from continuing operations before tax	30,775	(53,827)

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(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code	Accounting Title	2021/1/1To3/31	2020/1/1To3/31
7950	Tax expense (income) Total tax expense (income)	5,192	(10,753)
8000	Profit (loss) from continuing operations	25,583	(43,074)
8200	Profit (loss)	25,583	(43,074)
	Other comprehensive income		
8361	Components of other comprehensive income that will be reclassified to Exchange differences on translation	(15)	430
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(3)	86
8360	Components of other comprehensive income that will be reclassified to profit or loss	(12)	344
8300	Total other comprehensive income	(12)	344
8500	Total comprehensive income	25,571	(42,730)
8610	Profit (loss), attributable to: Profit (loss), attributable to owners of parent	24,610	(43,011)
8620	Profit (loss), attributable to non-controlling interests	973	(63)
8710	Comprehensive income attributable to: Comprehensive income, attributable to owners of parent	24,598	(42,667)
8720	Comprehensive income, attributable to non-controlling interests	973	(63)
9710	Basic earnings per share Basic earnings (loss) per share from continuing operations	0.36	(0.63)
9750	Total basic earnings per share	0.36	(0.63)
9810	Diluted earnings per share Diluted earnings (loss) per share from continuing operations	0.36	(0.63)
9850	Total diluted earnings per share	0.36	(0.63)



CIPHERLAB CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

Code	Accounting Title	2021/1/1To3/31	2020/1/1To3/31
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	30,775	(53,827)
A10000	Profit (loss) before tax	30,775	(53,827)
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	14,022	14,589
A20200	Amortization expense	1,283	1,363
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	(528)	64
A20900	Interest expense	788	736
A21200	Interest income	(108)	(154)
A22500	Loss (gain) on disposal of property, plan and equipment	(369)	0
A23700	Impairment loss on non-financial assets	2,077	3,998
A24100	Unrealized foreign exchange loss (gain)	(523)	(2,631)
A20010	Total adjustments to reconcile profit (loss)	16,642	17,965
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31130	Decrease (increase) in notes receivable	(1,845)	1,055
A31150	Decrease (increase) in accounts receivable	(8,854)	70,119
A31180	Decrease (increase) in other receivable	(1,286)	1,487
A31200	Adjustments for decrease (increase) in inventories	(42,410)	(34,574)
A31240	Adjustments for decrease (increase) in other current assets	(7,934)	3,077
A31000	Total changes in operating assets	(62,329)	41,164
	Changes in operating liabilities		
A32130	Increase (decrease) in notes payable	(46)	0
A32150	Increase (decrease) in accounts payable	(5,241)	(21,195)
A32180	Increase (decrease) in other payable	(3,007)	(37,397)
A32230	Adjustments for increase (decrease) in other current liabilities	2,607	3,684
A32000	Total changes in operating liabilities	(5,687)	(54,908)
A30000	Total changes in operating assets and liabilities	(68,016)	(13,744)
A20000	Total adjustments	(51,374)	4,221
A33000	Cash inflow (outflow) generated from operations	(20,599)	(49,606)
A33100	Interest received	109	404
AAAA	Net cash flows from (used in) operating activities	(20,490)	(49,202)
	Cash flows from (used in) investing activities		
B00050	Proceeds from disposal of financial assets at amortised cost	0	38,854



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Code	Accounting Title	2021/1/1To3/31	2020/1/1To3/31
B02700	Acquisition of property, plant and equipment	(5,333)	(4,224)
B02800	Proceeds from disposal of property, plant and equipment	726	0
B04500	Acquisition of intangible assets	0	(768)
B06500	Increase in other financial assets	(800)	0
B06700	Increase in other non-current assets	(3,154)	(3,159)
BBBB	Net cash flows from (used in) investing activities	(8,561)	30,703
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	10,000	20,000
C03100	Decrease in guarantee deposits received	0	(1,615)
C04020	Payments of lease liabilities	(6,424)	(6,654)
C05600	Interest paid	(814)	(741)
CCCC	Net cash flows from (used in) financing activities	2,762	10,990
DDDD	Effect of exchange rate changes on cash and cash equivalents	844	472
EEEE	Net increase (decrease) in cash and cash equivalents	(25,445)	(7,037)
E00100	Cash and cash equivalents at beginning of period	156,820	168,963
E00200	Cash and cash equivalents at end of period	131,375	161,926
E00210	Cash and cash equivalents reported in the statement of financial position	131,375	161,926