

**ALPHA NETWORKS INC. AND SUBSIDIARIES**  
**Consolidated Balance Sheet**  
**September 30, 2022, December 31 and September 30, 2021**  
(Expressed in thousands of New Taiwan dollars)

	2022/9/30		2021/12/31		2021/9/30			2022/9/30		2021/12/31		2021/9/30	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
<b>Assets</b>							<b>Liabilities and Equity</b>						
<b>Current assets :</b>							<b>Current liabilities :</b>						
Cash and cash equivalents	\$ 3,833,536	13	\$ 4,498,050	19	\$ 3,513,207	15	Current borrowings	\$ 5,634,432	19	\$ 4,044,952	16	\$ 3,477,215	14
Current financial assets at fair value through profit or loss	67,016	-	67,565	-	61,872	-	Current financial liabilities at fair value through profit or loss	35,554	-	2,927	-	4,907	-
Current financial assets at amortised cost	-	-	375,007	2	565,875	2	Accounts payable(including related parties)	5,359,509	19	4,193,913	17	4,791,130	20
net	6,342,798	22	4,053,112	16	4,831,883	20	Accrued expenses	740,928	3	501,745	2	457,784	2
Inventories	10,919,606	38	9,238,822	37	8,744,701	36	Dividends payable, non-cash assets distributions	-	-	-	-	-	-
Other current assets	1,163,596	4	467,666	2	520,734	2	Current tax liabilities	415,703	1	233,597	1	254,483	1
	22,326,552	77	18,700,222	76	18,238,272	75	Current provisions	358,439	1	286,255	1	313,254	1
<b>Non-current assets :</b>							Bonds payable, current portion	371,449	1	461,471	2	459,813	2
Non-current financial assets at fair value through other comprehensive income	19,094	-	19,335	-	19,335	-	Other current liabilities, others	1,964,618	7	1,858,655	8	1,674,213	7
Non-current financial assets at amortised cost	147,273	1	136,777	-	129,099	-		14,880,632	51	11,583,515	47	11,432,799	47
Property, plant and equipment	3,909,406	13	3,654,414	15	3,726,611	15	<b>Non-current liabilities :</b>						
Right-of-use assets	440,661	1	422,208	2	409,943	2	Non-current portion of non-current borrowings	26,000	-	-	-	-	-
Intangible assets	1,321,546	5	1,344,845	5	1,378,261	6	Non-current lease liabilities	221,936	1	224,220	1	207,245	1
Deferred tax assets	291,827	1	228,983	1	226,767	1	Net defined benefit liability, non-current	194,978	1	204,784	1	196,549	1
Other non-current assets	499,576	2	224,000	1	220,529	1	Other non-current liabilities	195,074	1	159,161	-	130,110	-
	6,629,383	23	6,030,562	24	6,110,545	25		637,988	3	588,165	2	533,904	2
							<b>Total liabilities</b>	15,518,620	54	12,171,680	49	11,966,703	49
							<b>Equity :</b>						
							Ordinary share	5,417,185	19	5,417,185	22	5,417,185	22
							Capital surplus	2,544,420	9	2,583,772	10	2,583,765	11
							Retained earnings :						
							Legal reserve	1,169,989	4	1,127,420	5	1,127,420	5
							Special reserve	447,091	1	448,804	2	448,804	2
							Unappropriated retained earnings	744,710	2	472,330	2	387,868	1
								2,361,790	7	2,048,554	9	1,964,092	8
							Other equity interest	(9,835)	-	(447,092)	(2)	(486,530)	(2)
							Total equity attributable to owners of parent	10,313,560	35	9,602,419	39	9,478,512	39
							Non-controlling interests	3,123,755	11	2,956,685	12	2,903,602	12
							<b>Total equity</b>	13,437,315	46	12,559,104	51	12,382,114	51
<b>Total assets</b>	<b>\$ 28,955,935</b>	<b>100</b>	<b>\$ 24,730,784</b>	<b>100</b>	<b>\$ 24,348,817</b>	<b>100</b>	<b>Total liabilities and equity</b>	<b>\$ 28,955,935</b>	<b>100</b>	<b>\$ 24,730,784</b>	<b>100</b>	<b>\$ 24,348,817</b>	<b>100</b>

ALPHA NETWORKS INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three-month periods from July 1 to September 30, 2022 and 2021, and the nine-month periods from January 1 to September 30, 2022 and 2021  
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	2022/7/1~2022/9/30		2021/7/1~2021/9/30		2022/1/1~2022/9/30		2021/1/1~2021/9/30	
	Amount	%	Amount	%	Amount	%	Amount	%
Operating revenue	\$ 9,230,870	100	6,705,956	100	24,392,938	100	21,454,273	100
Operating costs	7,635,078	83	5,559,725	83	19,907,816	82	18,079,219	84
Gross profit from operations	1,595,792	17	1,146,231	17	4,485,122	18	3,375,054	16
Operating expenses :								
Selling expenses	321,252	3	288,949	4	950,377	4	839,285	4
Administrative expenses	337,310	4	317,185	5	1,001,385	4	931,867	4
Research and development expenses	474,362	5	357,488	5	1,355,158	5	1,100,579	5
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	(4,548)	-	5,666	-	(1,219)	-	(2,247)	-
Total operating expenses	1,128,376	12	969,288	14	3,305,701	13	2,869,484	13
Net operating income (loss)	467,416	5	176,943	3	1,179,421	5	505,570	3
Non-operating income and expenses :								
Other income	30,171	-	30,337	-	51,006	-	68,781	-
Other gains and losses	(13,199)	-	(7,786)	-	(35,278)	-	(5,260)	-
Finance costs	(39,331)	-	(11,135)	-	(75,580)	-	(30,779)	-
Interest income	6,911	-	8,534	-	18,195	-	20,857	-
Total non-operating income and expenses	(15,448)	-	19,950	-	(41,657)	-	53,599	-
Profit (loss) before tax	451,968	5	196,893	3	1,137,764	5	559,169	3
Tax expenses	93,544	1	56,685	1	298,249	1	164,491	1
Profit (loss)	358,424	4	140,208	2	839,515	4	394,678	2
Other comprehensive income:								
Components of other comprehensive income that will not be reclassified to profit or loss								
Gains (losses) on remeasurements of defined benefit plans	-	-	-	-	545	-	-	-
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	(241)	-	(1,910)	-
Components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	304	-	(1,910)	-
Components of other comprehensive income that will be reclassified to profit or loss								
Exchange differences on translation	285,667	3	(15,114)	-	566,145	2	(42,396)	-
Other comprehensive income, net	285,667	3	(15,114)	-	566,449	2	(44,306)	-
Total comprehensive income	\$ 644,091	7	125,094	2	1,405,964	6	350,372	2
Profit (loss), attributable to:								
Profit (loss), attributable to owners of parent	\$ 315,262	4	111,841	2	692,100	3	341,226	2
Profit (loss), attributable to non-controlling interests	43,162	-	28,367	-	147,415	1	53,452	-

**ALPHA NETWORKS INC. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
For the nine-month periods from January 1 to September 30, 2022 and 2021  
(Expressed in thousands of New Taiwan dollars)

	<u>2022/1/1~2022/9/30</u>	<u>2021/1/1~2021/9/30</u>
<b>Cash flows from (used in) operating activities:</b>		
<b>Profit before tax</b>	\$ 1,137,764	559,169
<b>Adjustments</b>		
<b>Adjustments to reconcile profit (loss)</b>		
Depreciation expenses	358,544	401,563
Amortization expenses	157,014	158,725
Expected credit gain	(1,219)	(2,247)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	43,325	(8,257)
Interest expense	75,580	30,779
Interest income	(18,195)	(20,857)
Dividend income	(6,391)	(2,677)
Loss on disposal of property, plant and equipment	957	8,517
Provision for inventory obsolescence and devaluation loss	63,821	50,847
<b>Total adjustments to reconcile profit (loss)</b>	<u>673,436</u>	<u>616,393</u>
<b>Changes in operating assets and liabilities:</b>		
Notes and accounts receivable	(2,288,467)	1,971,442
Financial assets at fair value through profit or loss, mandatorily measured at fair value	(7,222)	21,752
Increase in inventories	(1,744,605)	(1,444,697)
Other current assets	(703,321)	92,915
<b>Total changes in operating assets</b>	<u>(4,743,615)</u>	<u>641,412</u>
Accounts payable (including related parties)	1,165,596	(2,036,973)
Other payable to related parties	6,334	5,206
Financial liabilities held for trading	(2,927)	(10,920)
Other current liabilities	460,969	(758,565)
Net defined benefit liability	(9,261)	(23,818)
<b>Total Changes in operating liabilities</b>	<u>1,620,711</u>	<u>(2,825,070)</u>
<b>Total changes in operating assets and liabilities</b>	<u>(3,122,904)</u>	<u>(2,183,658)</u>
<b>Total adjustments</b>	<u>(2,449,468)</u>	<u>(1,567,265)</u>
Cash outflow generated from operations	(1,311,704)	(1,008,096)
Interest received	18,986	18,702
Dividends received	6,391	2,677
Interest paid	(60,113)	(30,779)
Income taxes paid	(201,692)	(173,854)
<b>Cash flows from (used in) operating activities</b>	<u>(1,548,132)</u>	<u>(1,191,350)</u>
<b>Cash flows from (used in) investing activities</b>		
Acquisition of financial assets at amortised cost	(399,940)	(1,552,111)
Proceeds from repayments of financial assets at amortised cost	774,947	1,124,916
Proceeds from disposal of financial assets at fair value through profit or loss	-	11,851
Net cash flow from acquisition of subsidiaries	-	(560)
Acquisition of property, plant and equipment	(422,528)	(186,183)
Proceeds from disposal of property, plant and equipment	6,292	8,828
Decrease (increase) in refundable deposits	(10,404)	27,376
Acquisition of intangible assets	(132,247)	(102,652)
Increase in other non-current assets	(276,748)	(113,284)
<b>Net cash flows from (used in) investing activities</b>	<u>(460,628)</u>	<u>(781,819)</u>
<b>Cash flows from (used in) financing activities:</b>		
Increase in short-term loans	1,589,480	634,453
Proceeds from long-term debt	26,000	-
Increase (decrease) in guarantee deposits received	(2,977)	433
Payments of lease liabilities	(24,511)	(32,563)
Cash dividends paid	(433,375)	(541,719)
Proceeds from endowments received by the company	13	(220)
Change in non-controlling interests	(189,021)	(238,145)
<b>Net cash flows from (used in) financing activities</b>	<u>965,609</u>	<u>(177,761)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>378,637</u>	<u>(45,867)</u>
<b>Net decrease in cash and cash equivalents</b>	(664,514)	(2,196,797)
<b>Cash and cash equivalents at beginning of period</b>	4,498,050	5,710,004
<b>Cash and cash equivalents at end of period</b>	<u>\$ 3,833,536</u>	<u>3,513,207</u>