

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

Code	Accounting Title	2022/9/30	2021/12/31	2021/9/30
	Assets			
	Current assets			
1100	Cash and cash equivalents	153,471	189,779	112,775
1150	Notes receivable, net	637	1,483	2,058
1170	Accounts receivable, net	206,109	237,640	258,600
1200	Other receivables	46,818	29,988	48,067
1220	Current tax assets	1,749	0	0
130X	Current inventories	622,620	572,869	639,108
1470	Other current assets	44,660	27,460	31,242
1476	Other current financial assets	1,500	1,500	1,500
1479	Other current assets, others	43,160	25,960	29,742
11XX	Total current assets	1,076,064	1,059,219	1,091,850
	Non-current assets			
1600	Property, plant and equipment	111,631	121,901	126,196
1755	Right-of-use assets	57,204	32,866	39,704
1780	Intangible assets	12,499	15,420	8,311
1840	Deferred tax assets	72,735	77,750	76,319
1900	Other non-current assets	9,179	10,562	16,405
1990	Other non-current assets, others	9,179	10,562	16,405
15XX	Total non-current assets	263,248	258,499	266,935
1XXX	Total assets	1,339,312	1,317,718	1,358,785
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	213,000	182,341	210,000
2150	Notes payable	0	125	0
2170	Accounts payable	61,957	133,417	167,104
2200	Other payables	100,377	114,332	97,570
2219	Other payables, others	100,377	114,332	97,570
2230	Current tax liabilities	0	2,438	0
2280	Current lease liabilities	24,722	10,374	15,873
2300	Other current liabilities	44,118	29,242	29,931
2320	Long-term liabilities, current portion	2,695	7,505	7,505
2399	Other current liabilities, others	41,423	21,737	22,426
21XX	Total current liabilities	444,174	472,269	520,478

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

Code	Accounting Title	2022/9/30	2021/12/31	2021/9/30
	Non-current liabilities			
2540	Non-current portion of non-current borrowings	4,387	4,785	6,661
2570	Deferred tax liabilities	6,012	2,575	2,434
2580	Non-current lease liabilities	35,332	24,537	25,733
2600	Other non-current liabilities	55,237	27,732	27,384
2640	Net defined benefit liability, non-current	11,589	11,597	13,434
2670	Other non-current liabilities, others	43,648	16,135	13,950
25XX	Total non-current liabilities	100,968	59,629	62,212
2XXX	Total liabilities	545,142	531,898	582,690
	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	1,151	1,151	1,144
3200	Total capital surplus	1,151	1,151	1,144
	Retained earnings			
3310	Legal reserve	74,587	70,936	70,936
3320	Special reserve	11,508	3,062	3,062
3350	Unappropriated retained earnings (accumulated deficit)	19,563	36,507	26,539
3300	Total retained earnings	105,658	110,505	100,537
	Other equity interest			
3410	Exchange differences on translation of foreign financial statements	4,365	-9,328	-9,208
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	2,185	-11,508	-11,388
31XX	Total equity attributable to owners of parent	793,885	785,039	775,184
36XX	Non-controlling interests	285	781	911
3XXX	Total equity	794,170	785,820	776,095
3X2X	Total liabilities and equity	1,339,312	1,317,718	1,358,785
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)

Statement of Comprehensive Income					
Code	Accounting Title	2022/7/1To9/30	2021/7/1To9/30	2022/1/1To9/30	2021/1/1To9/30
	Operating revenue				
4100	Net sales revenue				
	Net sales revenue	284,616	344,315	857,209	982,558
4600	Service revenue				
	Total service revenue	13,191	9,873	20,456	26,554
4000	Total operating revenue	297,807	354,188	877,665	1,009,112
	Operating costs				
5110	Cost of sales				
	Total cost of sales	187,822	243,258	546,805	644,403
5600	Cost of services				
	Total cost of services	668	769	1,662	2,707
5000	Total operating costs	188,490	244,027	548,467	647,110
5900	Gross profit (loss) from operations	109,317	110,161	329,198	362,002
5950	Gross profit (loss) from operations	109,317	110,161	329,198	362,002
6100	Operating expenses				
	Selling expenses	60,326	51,850	166,533	161,698
6200	Administrative expenses	16,811	16,575	51,129	52,043
6300	Research and development expenses	33,731	41,100	106,339	115,404
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	680	-394	-644	1,820
6000	Total operating expenses	111,548	109,131	323,357	330,965
6900	Net operating income (loss)	-2,231	1,030	5,841	31,037
	Non-operating income and expenses				
7100	Interest income				
	Total interest income	213	89	326	315
7010	Other income				
	Total other income	311	328	760	4,920
7020	Other gains and losses				
	Other gains and losses, net	12,553	1,164	20,626	-897
7050	Finance costs				
	Finance costs, net	1,342	948	3,562	2,557
7000	Total non-operating income and expenses	11,735	633	18,150	1,781
7900	Profit (loss) from continuing operations before tax	9,504	1,663	23,991	32,818

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

Statement of Comprehensive Income					
	Tax expense (income)				
7950	Total tax expense (income)	1,854	302	5,363	5,610
8000	Profit (loss) from continuing operations	7,650	1,361	18,628	27,208
8200	Profit (loss)	7,650	1,361	18,628	27,208
	Other comprehensive income				
	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	8,038	-236	17,116	-3,000
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	1,607	-47	3,423	-600
8360	Components of other comprehensive income that will be reclassified to profit or loss	6,431	-189	13,693	-2,400
8300	Total other comprehensive income	6,431	-189	13,693	-2,400
8500	Total comprehensive income	14,081	1,172	32,321	24,808
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	7,625	1,420	19,124	26,539
8620	Profit (loss), attributable to non-controlling interests	25	-59	-496	669
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	14,056	1,231	32,817	24,139
8720	Comprehensive income, attributable to non-controlling interests	25	-59	-496	669
	Basic earnings per share				
9710	Basic earnings (loss) per share from continuing operations	0.11	0.02	0.28	0.39
9750	Total basic earnings per share	0.11	0.02	0.28	0.39
	Diluted earnings per share				
9810	Diluted earnings (loss) per share from continuing operations	0.11	0.02	0.28	0.39
9850	Total diluted earnings per share	0.11	0.02	0.28	0.39

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

Code	Accounting Title	2022/1/1To9/30	2021/1/1To9/30
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	23,991	32,818
A10000	Profit (loss) before tax	23,991	32,818
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	37,101	40,994
A20200	Amortization expense	3,991	3,834
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt	-644	1,820
A20900	Interest expense	3,562	2,557
A21200	Interest income	-326	-315
A22500	Loss (gain) on disposal of property, plan and equipment	0	-369
A23700	Impairment loss on non-financial assets	0	12,398
A24100	Unrealized foreign exchange loss (gain)	-5,857	-525
A29900	Other adjustments to reconcile profit (loss)	-121	0
A20010	Total adjustments to reconcile profit (loss)	37,706	60,394
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31130	Decrease (increase) in notes receivable	846	-2,056
A31150	Decrease (increase) in accounts receivable	45,666	-48,231
A31180	Decrease (increase) in other receivable	-16,787	-40,650
A31200	Adjustments for decrease (increase) in inventories	-40,900	-236,046
A31240	Adjustments for decrease (increase) in other current assets	-16,920	-967
A31000	Total changes in operating assets	-28,095	-327,950
	Changes in operating liabilities		
A32130	Increase (decrease) in notes payable	-125	-46
A32150	Increase (decrease) in accounts payable	-73,274	68,492
A32180	Increase (decrease) in other payable	-14,321	26,464
A32230	Adjustments for increase (decrease) in other current liabilities	19,686	6,601
A32240	Increase (decrease) in net defined benefit liability	-8	-1
A32990	Increase (decrease) in other operating liabilities	27,513	7,492
A32000	Total changes in operating liabilities	-40,529	109,002
A30000	Total changes in operating assets and liabilities	-68,624	-218,948
A20000	Total adjustments	-30,918	-158,554
A33000	Cash inflow (outflow) generated from operations	-6,927	-125,736

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

Code	Accounting Title	2022/1/1To9/30	2021/1/1To9/30
A33100	Interest received	283	328
A33500	Income taxes refund (paid)	-4,187	7,565
AAAA	Net cash flows from (used in) operating activities	-10,831	-117,843
	Cash flows from (used in) investing activities		
B02700	Acquisition of property, plant and equipment	-6,777	-9,310
B02800	Proceeds from disposal of property, plant and equipment	0	726
B04500	Acquisition of intangible assets	-766	-741
B06500	Increase in other financial assets	0	-913
B06700	Increase in other non-current assets	841	-6,917
BBBB	Net cash flows from (used in) investing activities	-6,702	-17,155
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	30,659	109,000
C01600	Proceeds from long-term debt	5,000	4,000
C01700	Repayments of long-term debt	-10,208	-834
C04020	Payments of lease liabilities	-19,911	-19,366
C04500	Cash dividends paid	-23,971	0
C05600	Interest paid	-3,550	-2,538
CCCC	Net cash flows from (used in) financing activities	-21,981	90,262
DDDD	Effect of exchange rate changes on cash and cash equivalents	3,206	691
EEEE	Net increase (decrease) in cash and cash equivalents	-36,308	-44,045
E00100	Cash and cash equivalents at beginning of period	189,779	156,820
E00200	Cash and cash equivalents at end of period	153,471	112,775
E00210	Cash and cash equivalents reported in the statement of financial position	153,471	112,775