

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

Code	Accounting Title	2023/3/31	2022/12/31	2022/3/31
	Assets			
	Current assets			
1100	Cash and cash equivalents	148,465	216,779	137,559
1136	Current financial assets at amortised cost	1,500	1,500	1,500
1150	Notes receivable, net	36	803	1,125
1170	Accounts receivable, net	312,938	233,122	202,833
1200	Other receivables	118,733	56,633	10,987
1220	Current tax assets	42	0	0
130X	Current inventories	495,538	559,518	610,033
1470	Other current assets	33,105	44,568	50,360
11XX	Total current assets	1,110,357	1,112,923	1,014,397
	Non-current assets			
1600	Property, plant and equipment	110,296	110,016	117,543
1755	Right-of-use assets	45,791	51,375	27,712
1780	Intangible assets	9,248	9,804	14,187
1821	Other intangible assets, net	9,248	9,804	14,187
1840	Deferred tax assets	71,011	78,342	76,447
1900	Other non-current assets	13,806	10,235	10,183
1990	Other non-current assets, others	13,806	10,235	10,183
15XX	Total non-current assets	250,152	259,772	246,072
1XXX	Total assets	1,360,509	1,372,695	1,260,469
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	160,000	160,000	223,762
2170	Accounts payable	71,414	107,944	72,510
2200	Other payables	122,389	125,650	71,073
2219	Other payables, others	122,389	125,650	71,073
2230	Current tax liabilities	6,051	6,051	2,438
2280	Current lease liabilities	24,808	24,901	5,694
2300	Other current liabilities	44,302	48,536	25,337
2320	Long-term liabilities, current portion	968	724	2,503
2399	Other current liabilities, others	43,334	47,812	22,834
21XX	Total current liabilities	428,964	473,082	400,814

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	Non-current liabilities			
2540	Non-current portion of non-current borrowings	3,032	3,276	2,828
2570	Deferred tax liabilities	4,898	3,906	3,272
2580	Non-current lease liabilities	23,782	29,185	24,266
2600	Other non-current liabilities	60,838	57,920	35,356
2640	Net defined benefit liability, non-current	8,717	8,764	11,590
2670	Other non-current liabilities, others	52,121	49,156	23,766
25XX	Total non-current liabilities	92,550	94,287	65,722
2XXX	Total liabilities	521,514	567,369	466,536
	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	1,151
3200	Total capital surplus	1,151	1,151	1,151
	Retained earnings			
3310	Legal reserve	74,587	74,587	70,936
3320	Special reserve	11,508	11,508	3,062
3350	Unappropriated retained earnings (accumulated deficit)	68,479	34,552	40,358
3300	Total retained earnings	154,574	120,647	114,356
	Other equity interest			
3410	Exchange differences on translation of foreign financial statements	575	1,096	-4,853
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	-1,605	-1,084	-7,033
31XX	Total equity attributable to owners of parent	839,011	805,605	793,365
36XX	Non-controlling interests	-16	-279	568
3XXX	Total equity	838,995	805,326	793,933
3X2X	Total liabilities and equity	1,360,509	1,372,695	1,260,469
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	2023/1/1To3/31	2022/1/1To3/31
	Operating revenue		
	Net sales revenue		
4100	Net sales revenue	455,974	268,205
	Service revenue		
4600	Total service revenue	10,698	3,129
4000	Total operating revenue	466,672	271,334
	Operating costs		
	Cost of sales		
5110	Total cost of sales	304,855	166,426
	Cost of services		
5600	Total cost of services	422	491
5000	Total operating costs	305,277	166,917
5900	Gross profit (loss) from operations	161,395	104,417
5950	Gross profit (loss) from operations	161,395	104,417
	Operating expenses		
6100	Selling expenses	59,859	49,726
6200	Administrative expenses	19,194	20,964
6300	Research and development expenses	42,204	33,847
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	-3,090	-1,257
6000	Total operating expenses	118,167	103,280
6900	Net operating income (loss)	43,228	1,137
	Non-operating income and expenses		
	Interest income		
7100	Total interest income	408	41
	Other income		
7010	Total other income	641	117
	Other gains and losses		
7020	Other gains and losses, net	-465	4,273
	Finance costs		
7050	Finance costs, net	1,190	971
7000	Total non-operating income and expenses	-606	3,460
7900	Profit (loss) from continuing operations before tax	42,622	4,597



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CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
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Statement of Comprehensive Income			
	Tax expense (income)		
7950	Total tax expense (income)	8,432	959
8000	Profit (loss) from continuing operations	34,190	3,638
8200	Profit (loss)	34,190	3,638
	Other comprehensive income		
	Components of other comprehensive income that will be reclassified to profit or loss		
8361	Exchange differences on translation	-651	5,594
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-130	1,119
8360	Components of other comprehensive income that will be reclassified to profit or loss	-521	4,475
8300	Total other comprehensive income	-521	4,475
8500	Total comprehensive income	33,669	8,113
	Profit (loss), attributable to:		
8610	Profit (loss), attributable to owners of parent	34,259	3,851
8620	Profit (loss), attributable to non-controlling interests	-69	-213
	Comprehensive income attributable to:		
8710	Comprehensive income, attributable to owners of parent	33,738	8,326
8720	Comprehensive income, attributable to non-controlling interests	-69	-213
	Basic earnings per share		
9710	Basic earnings (loss) per share from continuing operations	0.5	0.06
9750	Total basic earnings per share	0.5	0.06
	Diluted earnings per share		
9810	Diluted earnings (loss) per share from continuing operations	0.5	0.06
9850	Total diluted earnings per share	0.5	0.06

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

Code	Accounting Title	2023/1/1To3/31	2022/1/1To3/31
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	42,622	4,597
A10000	Profit (loss) before tax	42,622	4,597
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	10,564	12,887
A20200	Amortization expense	1,173	1,347
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	-3,090	-1,257
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	-4	0
A20900	Interest expense	1,190	971
A21200	Interest income	-408	-41
A23700	Impairment loss on non-financial assets	2,831	0
A24100	Unrealized foreign exchange loss (gain)	-1,040	-2,883
A29900	Other adjustments to reconcile profit (loss)	0	-4
A20010	Total adjustments to reconcile profit (loss)	11,216	11,020
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31115	Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	4	0
A31130	Decrease (increase) in notes receivable	767	358
A31150	Decrease (increase) in accounts receivable	-77,023	38,158
A31180	Decrease (increase) in other receivable	-61,421	19,001
A31200	Adjustments for decrease (increase) in inventories	60,297	-35,282
A31240	Adjustments for decrease (increase) in other current assets	11,451	-24,320
A31000	Total changes in operating assets	-65,925	-2,085
	Changes in operating liabilities		
A32130	Increase (decrease) in notes payable	0	-125
A32150	Increase (decrease) in accounts payable	-36,169	-61,629
A32180	Increase (decrease) in other payable	-172	-42,867
A32230	Adjustments for increase (decrease) in other current liabilities	-4,488	1,096
A32240	Increase (decrease) in net defined benefit liability	-47	-7
A32990	Increase (decrease) in other operating liabilities	2,965	7,631
A32000	Total changes in operating liabilities	-37,911	-95,901

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A30000	Total changes in operating assets and liabilities	-103,836	-97,986
A20000	Total adjustments	-92,620	-86,966
A33000	Cash inflow (outflow) generated from operations	-49,998	-82,369
A33100	Interest received	521	41
A33500	Income taxes refund (paid)	-42	0
AAAA	Net cash flows from (used in) operating activities	-49,519	-82,328
	Cash flows from (used in) investing activities		
B02700	Acquisition of property, plant and equipment	-6,022	-2,061
B04500	Acquisition of intangible assets	-617	-114
B06700	Increase in other non-current assets	-4,935	104
BBBB	Net cash flows from (used in) investing activities	-11,574	-2,071
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	0	40,778
C01600	Proceeds from long-term debt	0	2,000
C01700	Repayments of long-term debt	0	-8,959
C04020	Payments of lease liabilities	-6,522	-6,565
C05600	Interest paid	-1,115	-970
CCCC	Net cash flows from (used in) financing activities	-7,637	26,284
DDDD	Effect of exchange rate changes on cash and cash equivalents	416	5,895
EEEE	Net increase (decrease) in cash and cash equivalents	-68,314	-52,220
E00100	Cash and cash equivalents at beginning of period	216,779	189,779
E00200	Cash and cash equivalents at end of period	148,465	137,559
E00210	Cash and cash equivalents reported in the statement of financial position	148,465	137,559