

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

Code	Accounting Title	2022/3/31	2021/12/31	2021/3/31
	Assets			
	Current assets			
1100	Cash and cash equivalents	137,559	189,779	131,375
1150	Notes receivable, net	1,125	1,483	1,847
1170	Accounts receivable, net	202,833	237,640	222,651
1200	Other receivables	10,987	29,988	8,715
1220	Current tax assets	0	0	7,565
130X	Current inventories	610,033	572,869	457,695
1470	Other current assets	51,860	27,460	38,171
1476	Other current financial assets	1,500	1,500	1,387
1479	Other current assets, others	50,360	25,960	36,784
11XX	Total current assets	1,014,397	1,059,219	868,019
	Non-current assets			
1600	Property, plant and equipment	117,543	121,901	134,840
1755	Right-of-use assets	27,712	32,866	48,980
1780	Intangible assets	14,187	15,420	10,121
1840	Deferred tax assets	76,447	77,750	75,862
1900	Other non-current assets	10,183	10,562	13,583
1990	Other non-current assets, others	10,183	10,562	13,583
15XX	Total non-current assets	246,072	258,499	283,386
1XXX	Total assets	1,260,469	1,317,718	1,151,405
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	223,762	182,341	111,000
2150	Notes payable	0	125	0
2170	Accounts payable	72,510	133,417	93,563
2200	Other payables	71,073	114,332	68,050
2219	Other payables, others	71,073	114,332	68,050
2230	Current tax liabilities	2,438	2,438	0
2280	Current lease liabilities	5,694	10,374	6,992
2300	Other current liabilities	25,337	29,242	21,684
2320	Long-term liabilities, current portion	2,503	7,505	3,252
2399	Other current liabilities, others	22,834	21,737	18,432
21XX	Total current liabilities	400,814	472,269	301,289

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	Non-current liabilities			
2540	Non-current portion of non-current borrowings	2,828	4,785	7,748
2570	Deferred tax liabilities	3,272	2,575	2,100
2580	Non-current lease liabilities	24,266	24,537	43,517
2600	Other non-current liabilities	35,356	27,732	19,893
2640	Net defined benefit liability, non-current	11,590	11,597	13,435
2670	Other non-current liabilities, others	23,766	16,135	6,458
25XX	Total non-current liabilities	65,722	59,629	73,258
2XXX	Total liabilities	466,536	531,898	374,547
	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	70,936	70,936	133,053
3320	Special reserve	3,062	3,062	3,062
3350	Unappropriated retained earnings (accumulated deficit)	40,358	36,507	-37,507
3300	Total retained earnings	114,356	110,505	98,608
	Other equity interest			
3410	Exchange differences on translation of foreign financial statements	-4,853	-9,328	-6,820
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	-7,033	-11,508	-9,000
31XX	Total equity attributable to owners of parent	793,365	785,039	775,643
36XX	Non-controlling interests	568	781	1,215
3XXX	Total equity	793,933	785,820	776,858
3X2X	Total liabilities and equity	1,260,469	1,317,718	1,151,405
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	2022/1/1To3/31	2021/1/1To3/31
	Operating revenue		
	Net sales revenue		
4100	Net sales revenue	268,205	312,818
	Service revenue		
4600	Total service revenue	3,129	7,982
4000	Total operating revenue	271,334	320,800
	Operating costs		
	Cost of sales		
5110	Total cost of sales	166,426	181,318
	Cost of services		
5600	Total cost of services	491	1,102
5000	Total operating costs	166,917	182,420
5900	Gross profit (loss) from operations	104,417	138,380
5950	Gross profit (loss) from operations	104,417	138,380
	Operating expenses		
6100	Selling expenses	49,726	56,195
6200	Administrative expenses	20,964	17,924
6300	Research and development expenses	33,847	37,609
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	-1,257	-528
6000	Total operating expenses	103,280	111,200
6900	Net operating income (loss)	1,137	27,180
	Non-operating income and expenses		
	Interest income		
7100	Total interest income	41	108
	Other income		
7010	Total other income	117	4,274
	Other gains and losses		
7020	Other gains and losses, net	4,273	1
	Finance costs		
7050	Finance costs, net	971	788
7000	Total non-operating income and expenses	3,460	3,595
7900	Profit (loss) from continuing operations before tax	4,597	30,775



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Code	Accounting Title	2022/1/1To3/31	2021/1/1To3/31
	Tax expense (income)		
7950	Total tax expense (income)	959	5,192
8000	Profit (loss) from continuing operations	3,638	25,583
8200	Profit (loss)	3,638	25,583
	Other comprehensive income		
	Components of other comprehensive income that will be reclassified to profit or loss		
8361	Exchange differences on translation	5,594	-15
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	1,119	-3
8360	Components of other comprehensive income that will be reclassified to profit or loss	4,475	-12
8300	Total other comprehensive income	4,475	-12
8500	Total comprehensive income	8,113	25,571
	Profit (loss), attributable to:		
8610	Profit (loss), attributable to owners of parent	3,851	24,610
8620	Profit (loss), attributable to non-controlling interests	-213	973
	Comprehensive income attributable to:		
8710	Comprehensive income, attributable to owners of parent	8,326	24,598
8720	Comprehensive income, attributable to non-controlling interests	-213	973
	Basic earnings per share		
9710	Basic earnings (loss) per share from continuing operations	0.06	0.36
9750	Total basic earnings per share	0.06	0.36
	Diluted earnings per share		
9810	Diluted earnings (loss) per share from continuing operations	0.06	0.36
9850	Total diluted earnings per share	0.06	0.36

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

Code	Accounting Title	2022/1/1To3/31	2021/1/1To3/31
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	4,597	30,775
A10000	Profit (loss) before tax	4,597	30,775
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	12,887	14,022
A20200	Amortization expense	1,347	1,283
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	-1,257	-528
A20900	Interest expense	971	788
A21200	Interest income	-41	-108
A22500	Loss (gain) on disposal of property, plan and equipment	0	-369
A23700	Impairment loss on non-financial assets	0	2,077
A24100	Unrealized foreign exchange loss (gain)	-2,883	-523
A29900	Other adjustments to reconcile profit (loss)	-4	0
A20010	Total adjustments to reconcile profit (loss)	11,020	16,642
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31130	Decrease (increase) in notes receivable	358	-1,845
A31150	Decrease (increase) in accounts receivable	38,158	-8,854
A31180	Decrease (increase) in other receivable	19,001	-1,286
A31200	Adjustments for decrease (increase) in inventories	-35,282	-42,410
A31240	Adjustments for decrease (increase) in other current assets	-24,320	-7,934
A31000	Total changes in operating assets	-2,085	-62,329
	Changes in operating liabilities		
A32130	Increase (decrease) in notes payable	-125	-46
A32150	Increase (decrease) in accounts payable	-61,629	-5,241
A32180	Increase (decrease) in other payable	-42,867	-3,007
A32230	Adjustments for increase (decrease) in other current liabilities	1,096	2,607
A32240	Increase (decrease) in net defined benefit liability	-7	0
A32990	Increase (decrease) in other operating liabilities	7,631	0
A32000	Total changes in operating liabilities	-95,901	-5,687
A30000	Total changes in operating assets and liabilities	-97,986	-68,016
A20000	Total adjustments	-86,966	-51,374
A33000	Cash inflow (outflow) generated from operations	-82,369	-20,599

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Code	Accounting Title	2022/1/1To3/31	2021/1/1To3/31
A33100	Interest received	41	109
AAAA	Net cash flows from (used in) operating activities	-82,328	-20,490
	Cash flows from (used in) investing activities		
B02700	Acquisition of property, plant and equipment	-2,061	-5,333
B02800	Proceeds from disposal of property, plant and equipment	0	726
B04500	Acquisition of intangible assets	-114	0
B06500	Increase in other financial assets	0	-800
B06700	Increase in other non-current assets	104	-3,154
BBBB	Net cash flows from (used in) investing activities	-2,071	-8,561
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	40,778	10,000
C01600	Proceeds from long-term debt	2,000	0
C01700	Repayments of long-term debt	-8,959	0
C04020	Payments of lease liabilities	-6,565	-6,424
C05600	Interest paid	-970	-814
CCCC	Net cash flows from (used in) financing activities	26,284	2,762
DDDD	Effect of exchange rate changes on cash and cash equivalents	5,895	844
EEEE	Net increase (decrease) in cash and cash equivalents	-52,220	-25,445
E00100	Cash and cash equivalents at beginning of period	189,779	156,820
E00200	Cash and cash equivalents at end of period	137,559	131,375
E00210	Cash and cash equivalents reported in the statement of financial position	137,559	131,375