



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

Code	Accounting Title	2021/12/31	2020/12/31
	Assets		
	Current assets		
1100	Cash and cash equivalents	189,779	156,820
1150	Notes receivable, net	1,483	2
1170	Accounts receivable, net	237,640	213,213
1200	Other receivables	29,988	7,430
1220	Current tax assets	0	7,565
130X	Current inventories	572,869	417,425
1470	Other current assets	27,460	29,424
1476	Other current financial assets	1,500	587
1479	Other current assets, others	25,960	28,837
11XX	Total current assets	1,059,219	831,879
	Non-current assets		
1600	Property, plant and equipment	121,901	135,093
1755	Right-of-use assets	32,866	54,409
1780	Intangible assets	15,420	11,404
1840	Deferred tax assets	77,750	80,221
1900	Other non-current assets	10,562	14,582
1990	Other non-current assets, others	10,562	14,582
15XX	Total non-current assets	258,499	295,709
1XXX	Total assets	1,317,718	1,127,588
	Liabilities and equity		
	Liabilities		
	Current liabilities		
2100	Current borrowings	182,341	101,000
2150	Notes payable	125	46
2170	Accounts payable	133,417	98,483
2200	Other payables	114,332	73,083
2219	Other payables, others	114,332	73,083
2230	Current tax liabilities	2,438	0
2280	Current lease liabilities	10,374	24,613
2300	Other current liabilities	29,242	17,701
2320	Long-term liabilities, current portion	7,505	1,876
2399	Other current liabilities, others	21,737	15,825

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Code	Accounting Title	2021/12/31	2020/12/31
21XX	Total current liabilities	472,269	314,926
	Non-current liabilities		
2540	Non-current portion of non-current borrowings	4,785	9,124
2570	Deferred tax liabilities	2,575	1,274
2580	Non-current lease liabilities	24,537	31,084
2600	Other non-current liabilities	27,732	19,893
2640	Net defined benefit liability, non-current	11,597	13,435
2670	Other non-current liabilities, others	16,135	6,458
25XX	Total non-current liabilities	59,629	61,375
2XXX	Total liabilities	531,898	376,301
	Equity		
	Equity attributable to owners of parent		
	Share capital		
3110	Ordinary share	684,891	684,891
3100	Total Share Capital	684,891	684,891
	Capital surplus		
3210	Capital surplus, additional paid-in capital	1,151	1,144
3200	Total capital surplus	1,151	1,144
	Retained earnings		
3310	Legal reserve	70,936	133,053
3320	Special reserve	3,062	3,062
3350	Unappropriated retained earnings (accumulated deficit)	36,507	-62,117
3300	Total retained earnings	110,505	73,998
	Other equity interest		
3410	Exchange differences on translation of foreign financial statements	-9,328	-6,808
3420	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	-2,180	-2,180
3400	Total other equity interest	-11,508	-8,988
31XX	Total equity attributable to owners of parent	785,039	751,045
36XX	Non-controlling interests	781	242
3XXX	Total equity	785,820	751,287
3X2X	Total liabilities and equity	1,317,718	1,127,588
3998	Equivalent issue shares of advance receipts for ordinary share	0	0
3999	Number of shares in entity held by entity and by its subsidiaries	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	2021/1/1To12/31	2020/1/1To12/31
	Operating revenue		
	Net sales revenue		
4100	Net sales revenue	1,382,701	1,003,245
	Service revenue		
4600	Total service revenue	36,175	27,533
4000	Total operating revenue	1,418,876	1,030,778
	Operating costs		
	Cost of sales		
5110	Total cost of sales	916,372	639,356
	Cost of services		
5600	Total cost of services	3,499	3,781
5000	Total operating costs	919,871	643,137
5900	Gross profit (loss) from operations	499,005	387,641
5950	Gross profit (loss) from operations	499,005	387,641
	Operating expenses		
6100	Selling expenses	226,335	210,153
6200	Administrative expenses	69,017	64,850
6300	Research and development expenses	157,857	215,603
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	3,325	-349
6000	Total operating expenses	456,534	490,257
6900	Net operating income (loss)	42,471	-102,616
	Non-operating income and expenses		
	Interest income		
7100	Total interest income	363	486
	Other income		
7010	Total other income	5,178	29,056
	Other gains and losses		
7020	Other gains and losses, net	-1,887	-7,768
	Finance costs		
7050	Finance costs, net	3,586	3,324
7000	Total non-operating income and expenses	68	18,450
7900	Profit (loss) from continuing operations before tax	42,539	-84,166



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Code	Accounting Title	2021/1/1To12/31	2020/1/1To12/31
	Tax expense (income)		
7950	Total tax expense (income)	6,518	-22,063
8000	Profit (loss) from continuing operations	36,021	-62,103
8200	Profit (loss)	36,021	-62,103
	Other comprehensive income		
	Components of other comprehensive income that will not be reclassified to profit or loss		
8311	Gains (losses) on remeasurements of defined benefit plans	1,281	-178
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	256	-36
8310	Components of other comprehensive income that will not be reclassified to profit or loss	1,025	-142
	Components of other comprehensive income that will be reclassified to profit or loss		
8361	Exchange differences on translation	-3,150	-2,234
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-630	-447
8360	Components of other comprehensive income that will be reclassified to profit or loss	-2,520	-1,787
8300	Total other comprehensive income	-1,495	-1,929
8500	Total comprehensive income	34,526	-64,032
	Profit (loss), attributable to:		
8610	Profit (loss), attributable to owners of parent	35,482	-61,975
8620	Profit (loss), attributable to non-controlling interests	539	-128
	Comprehensive income attributable to:		
8710	Comprehensive income, attributable to owners of parent	33,987	-63,904
8720	Comprehensive income, attributable to non-controlling interests	539	-128
	Basic earnings per share		
9710	Basic earnings (loss) per share from continuing operations	0.52	-0.9
9750	Total basic earnings per share	0.52	-0.9
	Diluted earnings per share		
9810	Diluted earnings (loss) per share from continuing operations	0.52	-0.9
9850	Total diluted earnings per share	0.52	-0.9

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

Code	Accounting Title	2021/1/1To12/31	2020/1/1To12/31
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	42,539	-84,166
A10000	Profit (loss) before tax	42,539	-84,166
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	53,940	54,797
A20200	Amortization expense	5,242	5,169
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	3,325	-349
A20900	Interest expense	3,586	3,324
A21200	Interest income	-363	-486
A22500	Loss (gain) on disposal of property, plan and equipment	-369	241
A23700	Impairment loss on non-financial assets	11,853	16,361
A24100	Unrealized foreign exchange loss (gain)	-4,133	-1,685
A29900	Other adjustments to reconcile profit (loss)	0	2,006
A20010	Total adjustments to reconcile profit (loss)	73,081	79,378
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31130	Decrease (increase) in notes receivable	-1,481	1,312
A31150	Decrease (increase) in accounts receivable	-28,776	8,667
A31180	Decrease (increase) in other receivable	-22,571	300
A31200	Adjustments for decrease (increase) in inventories	-169,169	-35,320
A31240	Adjustments for decrease (increase) in other current assets	2,797	16,288
A31000	Total changes in operating assets	-219,200	-8,753
	Changes in operating liabilities		
A32130	Increase (decrease) in notes payable	79	46
A32150	Increase (decrease) in accounts payable	35,388	12,943
A32180	Increase (decrease) in other payable	42,213	-35,213
A32230	Adjustments for increase (decrease) in other current liabilities	5,912	7,985
A32240	Increase (decrease) in net defined benefit liability	-557	-515
A32990	Increase (decrease) in other operating liabilities	9,677	0
A32000	Total changes in operating liabilities	92,712	-14,754
A30000	Total changes in operating assets and liabilities	-126,488	-23,507
A20000	Total adjustments	-53,407	55,871
A33000	Cash inflow (outflow) generated from operations	-10,868	-28,295

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Code	Accounting Title	2021/1/1To12/31	2020/1/1To12/31
A33100	Interest received	376	773
A33500	Income taxes refund (paid)	7,565	-1,430
AAAA	Net cash flows from (used in) operating activities	-2,927	-28,952
	Cash flows from (used in) investing activities		
B00050	Proceeds from disposal of financial assets at amortised cost	0	38,667
B02700	Acquisition of property, plant and equipment	-9,450	-11,719
B02800	Proceeds from disposal of property, plant and equipment	726	0
B04500	Acquisition of intangible assets	-9,258	-2,709
B06500	Increase in other financial assets	-913	-6
B06700	Increase in other non-current assets	-1,948	-10,849
BBBB	Net cash flows from (used in) investing activities	-20,843	13,384
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	81,419	21,000
C01600	Proceeds from long-term debt	4,000	11,000
C01700	Repayments of long-term debt	-2,710	0
C04020	Payments of lease liabilities	-25,848	-25,296
C04400	Decrease in other non-current liabilities	0	-1,615
C05600	Interest paid	-3,563	-3,310
CCCC	Net cash flows from (used in) financing activities	53,298	1,779
DDDD	Effect of exchange rate changes on cash and cash equivalents	3,431	1,646
EEEE	Net increase (decrease) in cash and cash equivalents	32,959	-12,143
E00100	Cash and cash equivalents at beginning of period	156,820	168,963
E00200	Cash and cash equivalents at end of period	189,779	156,820
E00210	Cash and cash equivalents reported in the statement of financial position	189,779	156,820