

VIA Labs, Inc. and Subsidiaries

**Consolidated Financial Statements for the
Three Months Ended March 31, 2022 and 2021**

VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2022 (Reviewed)		December 31, 2021 (Audited)		March 31, 2021 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents	\$ 2,591,279	57	\$ 1,906,789	47	\$ 1,994,982	60
Financial assets at fair value through profit or loss - current	-	-	-	-	87	-
Financial assets at amortized cost - current	-	-	434,000	11	406,000	12
Accounts receivable, net	394,436	9	381,794	9	340,372	10
Accounts receivable - related parties	1,917	-	1,621	-	2,211	-
Other receivables	461	-	504	-	810	-
Inventories	564,881	13	454,242	11	315,566	10
Other current assets	6,822	-	8,863	-	7,213	-
Total current assets	<u>3,559,796</u>	<u>79</u>	<u>3,187,813</u>	<u>78</u>	<u>3,067,241</u>	<u>92</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current	156,672	3	154,510	4	36,711	1
Financial assets at fair value through other comprehensive income - non-current	494,047	11	468,285	11	11,997	-
Property, plant and equipment	97,260	2	72,889	2	55,059	2
Right-of-use assets	23,392	1	26,728	1	30,250	1
Intangible assets	65,932	1	44,763	1	38,913	1
Deferred tax assets	46,359	1	36,156	1	17,139	-
Refundable deposits	86,876	2	84,041	2	86,663	3
Total non-current assets	<u>970,538</u>	<u>21</u>	<u>887,372</u>	<u>22</u>	<u>276,732</u>	<u>8</u>
TOTAL	<u>\$ 4,530,334</u>	<u>100</u>	<u>\$ 4,075,185</u>	<u>100</u>	<u>\$ 3,343,973</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Accounts payable	\$ 365,313	8	\$ 265,381	7	\$ 217,326	6
Accounts payable - related parties	20,101	1	26,028	1	21,144	1
Other payables	357,205	8	329,189	8	191,292	6
Dividends payable	752,323	17	-	-	303,750	9
Current tax liabilities	239,213	5	174,148	4	42,845	1
Provisions - current	5,855	-	6,901	-	2,921	-
Lease liabilities - current	15,916	-	15,629	-	12,970	-
Other current liabilities	7,285	-	39,459	1	30,518	1
Total current liabilities	<u>1,763,211</u>	<u>39</u>	<u>856,735</u>	<u>21</u>	<u>822,766</u>	<u>24</u>
NON-CURRENT LIABILITIES						
Lease liabilities - non-current	10,169	-	13,545	-	19,293	1
Net defined benefit liabilities	3,126	-	3,135	-	3,146	-
Total non-current liabilities	<u>13,295</u>	<u>-</u>	<u>16,680</u>	<u>-</u>	<u>22,439</u>	<u>1</u>
Total liabilities	<u>1,776,506</u>	<u>39</u>	<u>873,415</u>	<u>21</u>	<u>845,205</u>	<u>25</u>
EQUITY						
Share capital	681,170	15	675,000	17	675,000	20
Capital collected in advance	6,762	-	11,556	-	-	-
Capital surplus	1,566,830	35	1,561,112	38	1,558,728	47
Retained earnings						
Legal reserve	156,817	3	68,781	2	68,781	2
Special reserve	22,209	1	15,757	-	15,757	-
Unappropriated earnings	333,930	7	891,773	22	196,281	6
Total retained earnings	512,956	11	976,311	24	280,819	8
Other equity	(13,890)	-	(22,209)	-	(15,779)	-
Total equity	<u>2,753,828</u>	<u>61</u>	<u>3,201,770</u>	<u>79</u>	<u>2,498,768</u>	<u>75</u>
TOTAL	<u>\$ 4,530,334</u>	<u>100</u>	<u>\$ 4,075,185</u>	<u>100</u>	<u>\$ 3,343,973</u>	<u>100</u>

VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales	\$ 984,907	100	\$ 719,033	99
Other operating revenue	<u>-</u>	<u>-</u>	<u>6,118</u>	<u>1</u>
Total operating revenue	984,907	100	725,151	100
OPERATING COSTS	<u>461,142</u>	<u>47</u>	<u>352,404</u>	<u>49</u>
GROSS PROFIT	<u>523,765</u>	<u>53</u>	<u>372,747</u>	<u>51</u>
OPERATING EXPENSES				
Selling and marketing expenses	15,253	1	12,782	2
General and administrative expenses	16,637	2	12,353	1
Research and development expenses	199,471	20	135,780	19
Expected credit loss	<u>-</u>	<u>-</u>	<u>849</u>	<u>-</u>
Total operating expenses	<u>231,361</u>	<u>23</u>	<u>161,764</u>	<u>22</u>
PROFIT FROM OPERATIONS	<u>292,404</u>	<u>30</u>	<u>210,983</u>	<u>29</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	2,216	-	2,075	-
Other gains and losses	49,605	5	(1,503)	-
Finance costs	<u>(106)</u>	<u>-</u>	<u>(135)</u>	<u>-</u>
Total non-operating income and expenses	<u>51,715</u>	<u>5</u>	<u>437</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	344,119	35	211,420	29
INCOME TAX EXPENSE	<u>(55,151)</u>	<u>(6)</u>	<u>(26,546)</u>	<u>(4)</u>
NET PROFIT FOR THE PERIOD	<u>288,968</u>	<u>29</u>	<u>184,874</u>	<u>25</u>

(Continued)

VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2022		2021	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME OR LOSS				
Items that will not be reclassified subsequently to profit or loss				
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	\$ 7,539	1	\$ -	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	<u>780</u>	<u>-</u>	<u>(22)</u>	<u>-</u>
Other comprehensive income or loss for the period, net of income tax	<u>8,319</u>	<u>1</u>	<u>(22)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 297,287</u>	<u>30</u>	<u>\$ 184,852</u>	<u>25</u>
EARNINGS PER SHARE				
From continuing operations				
Basic	<u>\$ 4.23</u>		<u>\$ 2.74</u>	
Diluted	<u>\$ 4.09</u>		<u>\$ 2.62</u>	

(Concluded)

VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	Share Capital	Capital Collected in Advance	Capital Surplus	Retained Earnings			Other Equity		Total Equity
				Legal Reserve	Special Reserve	Unappropriated Earnings	Unrealized Gain or Loss on Financial Assets at Fair Value Through Other Comprehensive Income	Exchange Differences on Translating Foreign Operations	
BALANCE AT JANUARY 1, 2021	\$ 675,000	\$ -	\$ 1,557,933	\$ 36,909	\$ 14,996	\$ 347,790	\$ (15,168)	\$ (589)	\$ 2,616,871
Appropriation of 2020 earnings									
Legal reserve	-	-	-	31,872	-	(31,872)	-	-	-
Special reserve	-	-	-	-	761	(761)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(303,750)	-	-	(303,750)
Compensation cost of employee share options	-	-	795	-	-	-	-	-	795
Net profit for the three months ended March 31, 2021	-	-	-	-	-	184,874	-	-	184,874
Other comprehensive loss for the three months ended March 31, 2021	-	-	-	-	-	-	-	(22)	(22)
Total comprehensive income (loss) for the three months ended March 31, 2021	-	-	-	-	-	184,874	-	(22)	184,852
BALANCE AT MARCH 31, 2021	\$ 675,000	\$ -	\$ 1,558,728	\$ 68,781	\$ 15,757	\$ 196,281	\$ (15,168)	\$ (611)	\$ 2,498,768
BALANCE AT JANUARY 1, 2022	\$ 675,000	\$ 11,556	\$ 1,561,112	\$ 68,781	\$ 15,757	\$ 891,773	\$ (21,390)	\$ (819)	\$ 3,201,770
Appropriation of 2021 earnings									
Legal reserve	-	-	-	88,036	-	(88,036)	-	-	-
Special reserve	-	-	-	-	6,452	(6,452)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(752,323)	-	-	(752,323)
Compensation cost of employee share options	-	-	332	-	-	-	-	-	332
Issuance of stock from exercise of employee share options	6,170	(4,794)	5,386	-	-	-	-	-	6,762
Net profit for the three months ended March 31, 2022	-	-	-	-	-	288,968	-	-	288,968
Other comprehensive income for the three months ended March 31, 2022	-	-	-	-	-	-	7,539	780	8,319
Total comprehensive income for the three months ended March 31, 2022	-	-	-	-	-	288,968	7,539	780	297,287
BALANCE AT MARCH 31, 2022	\$ 681,170	\$ 6,762	\$ 1,566,830	\$ 156,817	\$ 22,209	\$ 333,930	\$ (13,851)	\$ (39)	\$ 2,753,828

VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 344,119	\$ 211,420
Adjustments for:		
Depreciation expense	16,553	8,109
Amortization expense	11,360	5,482
Expected credit loss recognized on accounts receivable	-	849
Finance costs	106	135
Interest income	(2,216)	(2,075)
Compensation cost of employee share options	332	795
Gain on lease modification	-	(5)
Changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	(2,162)	(87)
Accounts receivable	(12,642)	(112,307)
Accounts receivable - related parties	(296)	(726)
Inventories	(110,639)	(48,805)
Other current assets	2,041	954
Accounts payable	99,932	55,937
Accounts payable - related parties	(5,927)	6,338
Other payables	10,594	(8,429)
Provisions	(1,046)	(421)
Other current liabilities	(32,174)	5,029
Net defined benefit liabilities	(9)	(10)
Cash generated from operations	317,926	122,183
Interest received	2,259	1,461
Interest paid	(106)	(135)
Income tax paid	(289)	(230)
Net cash generated from operating activities	<u>319,790</u>	<u>123,279</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(18,223)	-
Purchase of financial assets at amortized cost	-	(406,000)
Proceeds from sale of financial assets at amortized cost	434,000	-
Payments for property, plant and equipment	(36,497)	-
Increase in refundable deposits	(2,835)	(70)
Payments for intangible assets	(16,044)	(4,065)
Net cash generated from (used in) investing activities	<u>360,401</u>	<u>(410,135)</u>

(Continued)

VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	\$ (3,101)	\$ (2,810)
Proceeds from exercise of employee share options	<u>6,762</u>	<u>-</u>
Net cash generated from (used in) financing activities	<u>3,661</u>	<u>(2,810)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>638</u>	<u>(22)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	684,490	(289,688)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>1,906,789</u>	<u>2,284,670</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 2,591,279</u>	<u>\$ 1,994,982</u>

(Concluded)