

VIA Labs, Inc. and Subsidiaries

**Consolidated Financial Statements for the
Three Months Ended March 31, 2024 and 2023**

VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024		December 31, 2023		March 31, 2023	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents	\$ 1,459,828	40	\$ 1,389,385	38	\$ 1,652,546	45
Financial assets at amortized cost - current	310,000	8	310,000	9	-	-
Accounts receivable	174,728	5	202,640	6	133,576	3
Other receivables	5,089	-	3,611	-	3,043	-
Inventories	219,456	6	313,371	9	803,397	22
Other current assets	11,945	-	10,729	-	3,989	-
Total current assets	<u>2,181,046</u>	<u>59</u>	<u>2,229,736</u>	<u>62</u>	<u>2,596,551</u>	<u>70</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current	217,116	6	177,913	5	175,180	5
Financial assets at fair value through other comprehensive income - non-current	820,154	22	778,038	22	640,480	17
Property, plant and equipment	141,669	4	115,789	3	73,158	2
Right-of-use assets	37,456	1	43,441	1	10,001	-
Intangible assets	173,734	5	127,988	3	48,104	1
Deferred tax assets	96,052	2	94,024	3	77,812	2
Other financial assets - non-current	39,400	1	37,846	1	55,810	2
Other non-current assets - others	1	-	188	-	21,279	1
Total non-current assets	<u>1,525,582</u>	<u>41</u>	<u>1,375,227</u>	<u>38</u>	<u>1,101,824</u>	<u>30</u>
TOTAL	<u>\$ 3,706,628</u>	<u>100</u>	<u>\$ 3,604,963</u>	<u>100</u>	<u>\$ 3,698,375</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Notes and accounts payable	\$ 125,444	4	\$ 151,665	4	\$ 44,538	1
Other payables	426,852	12	445,293	12	315,013	9
Dividends payable	138,984	4	-	-	516,735	14
Current tax liabilities	85,174	2	81,700	2	106,263	3
Provisions - current	8,253	-	8,538	-	8,182	-
Lease liabilities - current	13,591	-	15,284	1	11,468	-
Other current liabilities	14,077	-	14,975	1	10,515	-
Total current liabilities	<u>812,375</u>	<u>22</u>	<u>717,455</u>	<u>20</u>	<u>1,012,714</u>	<u>27</u>
NON-CURRENT LIABILITIES						
Lease liabilities - non-current	24,073	1	29,482	1	-	-
Net defined benefit liabilities	3,132	-	3,137	-	2,935	-
Total non-current liabilities	<u>27,205</u>	<u>1</u>	<u>32,619</u>	<u>1</u>	<u>2,935</u>	<u>-</u>
Total liabilities	<u>839,580</u>	<u>23</u>	<u>750,074</u>	<u>21</u>	<u>1,015,649</u>	<u>27</u>
EQUITY						
Equity attributable to owners of the Company						
Share capital	693,710	19	690,740	19	687,590	19
Capital collected in advance	3,321	-	5,191	-	4,406	-
Capital surplus	1,578,490	42	1,576,268	44	1,573,354	43
Retained earnings						
Legal reserve	229,194	6	229,194	6	156,817	4
Special reserve	27,628	1	27,628	1	22,209	1
Unappropriated earnings	266,641	7	354,629	10	267,043	7
Total retained earnings	523,463	14	611,451	17	446,069	12
Other equity	(7,031)	-	(28,761)	(1)	(28,693)	(1)
Total equity attributable to owners of the Company	2,791,953	75	2,854,889	79	2,682,726	73
Non-controlling interests	75,095	2	-	-	-	-
Total equity	<u>2,867,048</u>	<u>77</u>	<u>2,854,889</u>	<u>79</u>	<u>2,682,726</u>	<u>73</u>
TOTAL	<u>\$ 3,706,628</u>	<u>100</u>	<u>\$ 3,604,963</u>	<u>100</u>	<u>\$ 3,698,375</u>	<u>100</u>

VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales	\$ 391,661	100	\$ 374,031	100
Other operating revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total operating revenue	391,661	100	374,031	100
OPERATING COSTS	<u>235,096</u>	<u>60</u>	<u>194,162</u>	<u>52</u>
GROSS PROFIT	<u>156,565</u>	<u>40</u>	<u>179,869</u>	<u>48</u>
OPERATING EXPENSES				
Selling and marketing expenses	12,427	3	12,746	3
General and administrative expenses	17,161	5	14,052	4
Research and development expenses	<u>161,396</u>	<u>41</u>	<u>148,845</u>	<u>40</u>
Total operating expenses	<u>190,984</u>	<u>49</u>	<u>175,643</u>	<u>47</u>
(LOSS) PROFIT FROM OPERATIONS	<u>(34,419)</u>	<u>(9)</u>	<u>4,226</u>	<u>1</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	9,542	3	7,588	2
Other income	16,227	4	-	-
Other gains and losses	62,349	16	6,151	2
Finance costs	<u>(212)</u>	<u>-</u>	<u>(51)</u>	<u>-</u>
Total non-operating income and expenses	<u>87,906</u>	<u>23</u>	<u>13,688</u>	<u>4</u>
PROFIT BEFORE INCOME TAX	53,487	14	17,914	5
INCOME TAX EXPENSE	<u>(2,491)</u>	<u>(1)</u>	<u>(2,868)</u>	<u>(1)</u>
NET PROFIT FOR THE PERIOD	<u>50,996</u>	<u>13</u>	<u>15,046</u>	<u>4</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	18,003	5	(1,040)	-

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VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2024		2023	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	\$ 5,895	1	\$ (25)	-
Other comprehensive income (loss) for the period, net of income tax	<u>23,898</u>	<u>6</u>	<u>(1,065)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 74,894</u>	<u>19</u>	<u>\$ 13,981</u>	<u>4</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 50,996	13	\$ 15,046	4
Non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 50,996</u>	<u>13</u>	<u>\$ 15,046</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 72,726	19	\$ 13,981	4
Non-controlling interests	<u>2,168</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 74,894</u>	<u>19</u>	<u>\$ 13,981</u>	<u>4</u>
EARNINGS PER SHARE				
From continuing operations				
Basic	<u>\$ 0.73</u>		<u>\$ 0.22</u>	
Diluted	<u>\$ 0.72</u>		<u>\$ 0.21</u>	

(Concluded)

VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company						Other Equity		Total	Non-controlling Interests	Total Equity
	Share Capital	Capital Collected in Advance	Capital Surplus	Retained Earnings			Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Exchange Differences on Translation of the Financial Statements of Foreign Operations			
				Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2023	\$ 685,110	\$ 4,496	\$ 1,571,188	\$ 156,817	\$ 22,209	\$ 768,732	\$ (27,997)	\$ 369	\$ 3,180,924	\$ -	\$ 3,180,924
Appropriation of 2022 earnings											
Cash dividends distributed by the Company	-	-	-	-	-	(516,735)	-	-	(516,735)	-	(516,735)
Compensation cost of employee share options	-	-	150	-	-	-	-	-	150	-	150
Issuance of stock from exercise of employee share options	2,480	(90)	2,016	-	-	-	-	-	4,406	-	4,406
Net profit for the three months ended March 31, 2023	-	-	-	-	-	15,046	-	-	15,046	-	15,046
Other comprehensive loss for the three months ended March 31, 2023	-	-	-	-	-	-	(1,040)	(25)	(1,065)	-	(1,065)
Total comprehensive income (loss) for the three months ended March 31, 2023	-	-	-	-	-	15,046	(1,040)	(25)	13,981	-	13,981
BALANCE AT MARCH 31, 2023	<u>\$ 687,590</u>	<u>\$ 4,406</u>	<u>\$ 1,573,354</u>	<u>\$ 156,817</u>	<u>\$ 22,209</u>	<u>\$ 267,043</u>	<u>\$ (29,037)</u>	<u>\$ 344</u>	<u>\$ 2,682,726</u>	<u>\$ -</u>	<u>\$ 2,682,726</u>
BALANCE AT JANUARY 1, 2024	\$ 690,740	\$ 5,191	\$ 1,576,268	\$ 229,194	\$ 27,628	\$ 354,629	\$ (28,866)	\$ 105	\$ 2,854,889	\$ -	\$ 2,854,889
Appropriation of 2023 earnings											
Cash dividends distributed by the Company	-	-	-	-	-	(138,984)	-	-	(138,984)	-	(138,984)
Issuance of stock from exercise of employee share options	2,970	(1,870)	2,222	-	-	-	-	-	3,322	-	3,322
Net profit for the three months ended March 31, 2024	-	-	-	-	-	50,996	-	-	50,996	-	50,996
Other comprehensive income for the three months ended March 31, 2024	-	-	-	-	-	-	18,003	3,727	21,730	2,168	23,898
Total comprehensive income for the three months ended March 31, 2024	-	-	-	-	-	50,996	18,003	3,727	72,726	2,168	74,894
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	72,927	72,927
BALANCE AT MARCH 31, 2024	<u>\$ 693,710</u>	<u>\$ 3,321</u>	<u>\$ 1,578,490</u>	<u>\$ 229,194</u>	<u>\$ 27,628</u>	<u>\$ 266,641</u>	<u>\$ (10,863)</u>	<u>\$ 3,832</u>	<u>\$ 2,791,953</u>	<u>\$ 75,095</u>	<u>\$ 2,867,048</u>

VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 53,487	\$ 17,914
Adjustments for:		
Depreciation expense	21,667	18,196
Amortization expense	23,038	15,146
Finance costs	212	51
Interest income	(9,542)	(7,588)
Dividend income	(16,227)	-
Compensation cost of employee share options	-	150
Gain on lease modification	(65)	-
Changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	(39,203)	(12,328)
Accounts receivable	27,912	125,491
Inventories	93,915	154,169
Other current assets	(1,216)	11,491
Notes and accounts payable	(26,221)	(86,280)
Other payables	(41,105)	(67,824)
Provisions	(285)	3,464
Other current liabilities	(898)	3,816
Net defined benefit liabilities	(5)	(3)
Cash generated from operations	85,464	175,865
Interest received	8,064	6,914
Dividends received	16,227	-
Interest paid	(212)	(51)
Income tax paid	(1,045)	(4,706)
Net cash generated from operating activities	<u>108,498</u>	<u>178,022</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(24,113)	(2,726)
Payments for property, plant and equipment	(43,643)	(20,515)
Payments for intangible assets	(46,165)	(17,589)
Increase in other financial assets	(1,554)	-
Decrease in other financial assets	-	468
Net cash used in investing activities	<u>(115,475)</u>	<u>(40,362)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	(4,633)	(3,385)
Change in non-controlling interests	72,927	-
Proceeds from exercise of employee share options	3,322	4,406
Net cash generated from financing activities	<u>71,616</u>	<u>1,021</u>

(Continued)

VIA LABS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2024	2023
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	\$ <u>5,804</u>	\$ <u>(52)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	70,443	138,629
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>1,389,385</u>	<u>1,513,917</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 1,459,828</u>	<u>\$ 1,652,546</u>

(Concluded)