

AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	March 31, 2022		December 31, 2021		March 31, 2021		
		Amount	%	Amount	%	Amount	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 513,004	9	\$ 943,871	18	\$ 699,518	16
1110	Financial assets at fair value through profit or loss - current	6(2) and 12(3)	-	-	-	-	288,056	7
1150	Notes receivable	6(3) and 12(2)	18,013	-	19,898	-	28,465	1
1170	Accounts receivable	6(3) and 12(2)	838,641	16	745,496	14	672,173	16
1180	Accounts receivable – related parties	6(3) and 12(2)	-	-	103	-	14	-
1200	Other receivables		39,168	1	29,785	1	25,109	1
1220	Current income tax assets		362	-	401	-	1,017	-
130X	Inventories	6(4)	1,798,980	34	1,511,484	28	976,554	23
1410	Prepayments		52,695	1	23,221	-	40,153	1
1470	Other current assets		2,430	-	834	-	1,368	-
11XX	Total current assets		<u>3,263,293</u>	<u>61</u>	<u>3,275,093</u>	<u>61</u>	<u>2,732,427</u>	<u>65</u>
Non-current assets								
1550	Investments accounted for under equity method	6(5)	19,904	1	20,982	1	25,140	-
1600	Property, plant and equipment	6(6) and 8	1,670,122	32	1,670,465	31	1,136,585	27
1755	Right-of-use assets	6(7)	120,359	2	127,737	2	90,505	2
1760	Investment property	6(9)	38,355	1	38,479	1	38,850	1
1780	Intangible assets	6(10)(11)	111,594	2	114,769	2	113,336	3
1840	Deferred income tax assets	6(31)	73,256	1	78,938	2	67,523	2
1990	Other non-current assets		9,243	-	9,228	-	9,212	-
15XX	Total non-current assets		<u>2,042,833</u>	<u>39</u>	<u>2,060,598</u>	<u>39</u>	<u>1,481,151</u>	<u>35</u>
1XXX	Total Assets		<u>\$ 5,306,126</u>	<u>100</u>	<u>\$ 5,335,691</u>	<u>100</u>	<u>\$ 4,213,578</u>	<u>100</u>

(Continued)

AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	March 31, 2022		December 31, 2021		March 31, 2021		
		Amount	%	Amount	%	Amount	%	
Current liabilities								
2100	Short-term borrowings	6(12)	\$ 399,000	7	\$ 374,000	7	\$ -	-
2130	Contract liabilities - current	6(24)	81,522	2	92,336	2	22,116	1
2150	Notes payables		735	-	675	-	-	-
2170	Accounts payable	6(15)	723,056	14	828,310	15	461,551	11
2180	Accounts payable – related parties	7	7,169	-	6,813	-	6,614	-
2200	Other payables	6(13)	565,681	11	419,448	8	466,139	11
2230	Current income tax liabilities		128,364	2	94,855	2	101,170	2
2250	Provisions for liabilities - current		1,152	-	1,152	-	939	-
2280	Current lease liabilities		37,101	1	37,570	1	28,648	1
2320	Current portion of long-term borrowings	6(16) (17)	1,459	-	1,411	-	254,515	6
2399	Other current liabilities		7,546	-	6,963	-	8,564	-
21XX	Total current liabilities		<u>1,952,785</u>	<u>37</u>	<u>1,863,533</u>	<u>35</u>	<u>1,350,256</u>	<u>32</u>
Non-current liabilities								
2540	Long-term borrowings	6(17) and 8	55,062	1	53,606	1	38,040	1
2560	Non-current income tax liabilities		24,168	-	30,677	-	12,853	-
2570	Deferred income tax liabilities	6(31)	160,312	3	160,410	3	131,673	3
2580	Non-current lease liabilities		86,189	2	92,880	2	63,586	2
2600	Other non-current liabilities	6(18)	56,277	1	56,312	1	54,433	1
25XX	Total non-current liabilities		<u>382,008</u>	<u>7</u>	<u>393,885</u>	<u>7</u>	<u>300,585</u>	<u>7</u>
2XXX	Total liabilities		<u>2,334,793</u>	<u>44</u>	<u>2,257,418</u>	<u>42</u>	<u>1,650,841</u>	<u>39</u>
Equity attributable to shareholders of the parent								
Share capital								
3110	Ordinary shares	6(20)	902,025	17	884,829	17	834,499	20
3140	Advance receipts for share capital		2,628	-	75,094	1	20,768	-
Capital surplus								
3200	Capital surplus	6(21)	597,612	11	533,041	10	360,720	8
Retained earnings								
3310	Legal reserve	6(22)	576,846	11	576,846	11	546,178	13
3320	Special reserve		38,974	1	38,974	1	26,633	1
3350	Unappropriated retained earnings		904,650	17	1,046,116	20	822,048	20
Other equity								
3400	Other equity	6(23)	(51,402)	(1)	(76,627)	(2)	(48,109)	(1)
31XX	Total equity attributable to shareholders of the parent		<u>2,971,333</u>	<u>56</u>	<u>3,078,273</u>	<u>58</u>	<u>2,562,737</u>	<u>61</u>
3XXX	Total equity		<u>2,971,333</u>	<u>56</u>	<u>3,078,273</u>	<u>58</u>	<u>2,562,737</u>	<u>61</u>
Significant contingent liabilities and unrecognized contract commitments								
3X2X	Total Liabilities and Equity		<u>\$ 5,306,126</u>	<u>100</u>	<u>\$ 5,335,691</u>	<u>100</u>	<u>\$ 4,213,578</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.

AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except earnings per share)

Items	Notes	For the Three Months Ended		For the Three Months Ended		
		March 31		March 31		
		2022		2021		
		Amount	%	Amount	%	
4000	Operating revenue	6(24)	\$ 1,484,823	100	\$ 968,706	100
5000	Operating costs	6(4), (29),(30) and 7	(993,018)	(67)	(613,612)	(63)
5900	Gross profit		491,805	33	355,094	37
5910	Unrealized loss from sales	6(5)	(98)	-	(57)	-
5920	Realized sales benefit		20	-	57	-
5950	Net operating margin		491,727	33	355,094	37
	Operating expenses	6(29) and (30)				
6100	Selling expenses		(138,919)	(9)	(142,950)	(15)
6200	General and administrative expenses		(70,296)	(5)	(35,766)	(4)
6300	Research and development expenses		(124,852)	(8)	(108,283)	(11)
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in order to comply with IFRS 9	12(2)	(927)	-	361	-
6000	Total operating expenses		(334,994)	(22)	(286,638)	(30)
6900	Operating profit		156,733	11	68,456	7
	Non-operating income and expenses					
7100	Interest income	6(25)	244	-	658	-
7010	Other income	6(26)	5,043	-	1,680	-
7020	Other gains and losses	6(27)	16,816	1	72,161	7
7050	Finance costs	6(28)	(1,721)	-	(1,880)	-
7060	Share of profit of associates and joint ventures accounted for under equity method	6(5)	(1,000)	-	(804)	-
7000	Total non-operating income and expense		19,382	1	71,815	7
7900	Profit before income tax		176,115	12	140,271	14
7950	Income tax expenses	6(31)	(42,463)	(3)	(20,766)	(2)
8200	Net Income		\$ 133,652	9	\$ 119,505	12
	Other comprehensive income					
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		\$ 31,531	2	(\$ 11,418)	(1)
8399	Income tax relating to the components of other comprehensive income	6(31)	(6,306)	-	2,284	-
8300	Other comprehensive income (loss) for the year		\$ 25,225	2	(\$ 9,134)	(1)
8500	Total Comprehensive Income		\$ 158,877	11	\$ 110,371	11
	Profit attributable to:					
8610	Shareholders of the parent		\$ 133,652	9	\$ 119,505	12
	Total comprehensive income (loss) attributable to:					
8710	Shareholders of the parent		\$ 158,877	11	\$ 110,371	11
9750	Basic earnings per share	6(32)	\$ 1.48		\$ 1.43	
9850	Diluted earnings per share	6(32)	\$ 1.45		\$ 1.33	

The accompanying notes are an integral part of these consolidated financial statements.

AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to shareholders of the parent							
		Share capital			Retained earnings			Financial statements translation differences of foreign operations	Total
Notes	Ordinary shares	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings			
Year 2021									
	Balance at January 1, 2021	\$ 825,953	\$ 23,897	\$ 330,595	\$ 546,178	\$ 26,633	\$ 919,497	(\$ 38,975)	\$ 2,633,778
	Profit	-	-	-	-	-	119,505	-	119,505
	Other comprehensive income	-	-	-	-	-	-	(9,134)	(9,134)
	Total comprehensive income	-	-	-	-	-	119,505	(9,134)	110,371
	Cash dividends	-	-	-	-	-	(216,954)	-	(216,954)
	Share-based payments	2,330	(708)	4,189	-	-	-	-	5,811
	Compensation cost of share-based payments	-	-	4,395	-	-	-	-	4,395
	Conversion of convertible bonds	6,216	(2,421)	21,541	-	-	-	-	25,336
	Balance at March 31, 2021	\$ 834,499	\$ 20,768	\$ 360,720	\$ 546,178	\$ 26,633	\$ 822,048	(\$ 48,109)	\$ 2,562,737
Year 2022									
	Balance at January 1, 2022	\$ 884,829	\$ 75,094	\$ 533,041	\$ 576,846	\$ 38,974	\$ 1,046,116	(\$ 76,627)	\$ 3,078,273
	Profit	-	-	-	-	-	133,652	-	133,652
	Other comprehensive income	-	-	-	-	-	-	25,225	25,225
	Total comprehensive income	-	-	-	-	-	133,652	25,225	158,877
	Cash dividends	-	-	-	-	-	(275,118)	-	(275,118)
	Share-based payments	700	2,628	2,366	-	-	-	-	5,694
	Compensation cost of share-based payments	-	-	3,603	-	-	-	-	3,603
	Conversion of convertible bonds	16,496	(75,094)	58,598	-	-	-	-	-
	Other changes in capital surplus	-	-	4	-	-	-	-	4
	Balance at March 31, 2022	\$ 902,025	\$ 2,628	\$ 597,612	\$ 576,846	\$ 38,974	\$ 904,650	(\$ 51,402)	\$ 2,971,333

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AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine Months Ended March 31	
		2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 176,115	\$ 140,271
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment losses/ Reversal of allowance for doubtful accounts	12(2)	927	(361)
Depreciation	6(6), (7) and (29)	23,367	23,373
Depreciation from investment Property	6(9) and (27)	124	170
Amortization	6(10) and (29)	4,871	4,128
Interest income	6(25)	(244)	(658)
Share of profit of associates and joint ventures accounted for under equity method	6(5)	1,000	804
Gain on disposal of property, plant and equipment	6(27)	-	(114)
Gain on disposal of investments	6(27)	(3)	(43)
Gain on disposal of subsidiaries	6(27)	-	(78,854)
Loss (gain) on lease modification	6(27)	-	(7)
Net gain on financial assets at fair value through profit	6(27)	-	(56)
Interest expense	6(28)	1,721	1,880
Compensation cost of share-based payments	6(19) and (30)	3,603	4,395
Unrealized profit from sales	6(5)	78	-
Changes in assets/liabilities relating to operating activities			
Changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		3	(287,957)
Notes receivable		1,885	(9,641)
Accounts receivable (including related parties)		(94,155)	30,926
Other receivables		(9,446)	(13,847)
Inventories		(287,887)	(157,690)
Prepayments		(29,474)	(2,249)
Other current assets		(1,596)	1,247
Changes in liabilities relating to operating activities			
Contract liabilities		(10,814)	(15,133)
Notes payables		60	(998)
Accounts payable (including related parties)		(104,898)	144,829
Other payables		(122,952)	(75,043)
Other current liabilities		583	(10,911)
Other non-current assets		(35)	(741)
Cash outflow generated from operations		(447,167)	(302,280)
Receipt of interest		307	756
Payment of interest		(1,676)	(766)
Payment of income tax		(15,691)	(4,005)
Net cash flows provided by (used in) operating activities		(464,227)	(306,295)

AXIOMTEK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine Months Ended March 31	
		2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(33)	(\$ 14,729)	(\$ 8,638)
Proceeds from disposal of property, plant and equipment		-	359
Proceeds from disposal of Investment property		-	125,027
Acquisition of intangible assets	6(10)	(1,105)	(3,323)
Increase in other non-current assets		(16)	77
Net cash flows provided by (used in) investing activities		(15,850)	113,502
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Redemption of short -term borrowings		1,115,000	-
Proceeds from short -term borrowings		(1,090,000)	-
Redemption of long-term borrowings		(359)	(703)
Proceeds from exercise of employee stock options		5,694	5,811
Payment of lease liabilities	6(7)	(10,165)	(9,624)
Proceeds from Employee Stock Ownership Trust		4	-
Net cash flows provided by (used in) financing activities		20,174	(4,516)
Effects due to changes in exchange rate		29,036	(10,962)
Increase (Decrease) in cash and cash equivalents		(430,867)	(208,271)
Cash and cash equivalents at beginning of year		943,871	907,789
Cash and cash equivalents at end of year		\$ 513,004	\$ 699,518

The accompanying notes are an integral part of these consolidated financial statements.